

ENERGY STRATEGY E-BULLETIN

ISSUE 23: SEPTEMBER 2023

IN THIS EDITION

- SMART METERS UPDATE
- BIOFUELS STAKEHOLDER WORKSHOP
- CALL FOR EVIDENCE - ELECTRICITY CONNECTION POLICY FRAMEWORK REVIEW

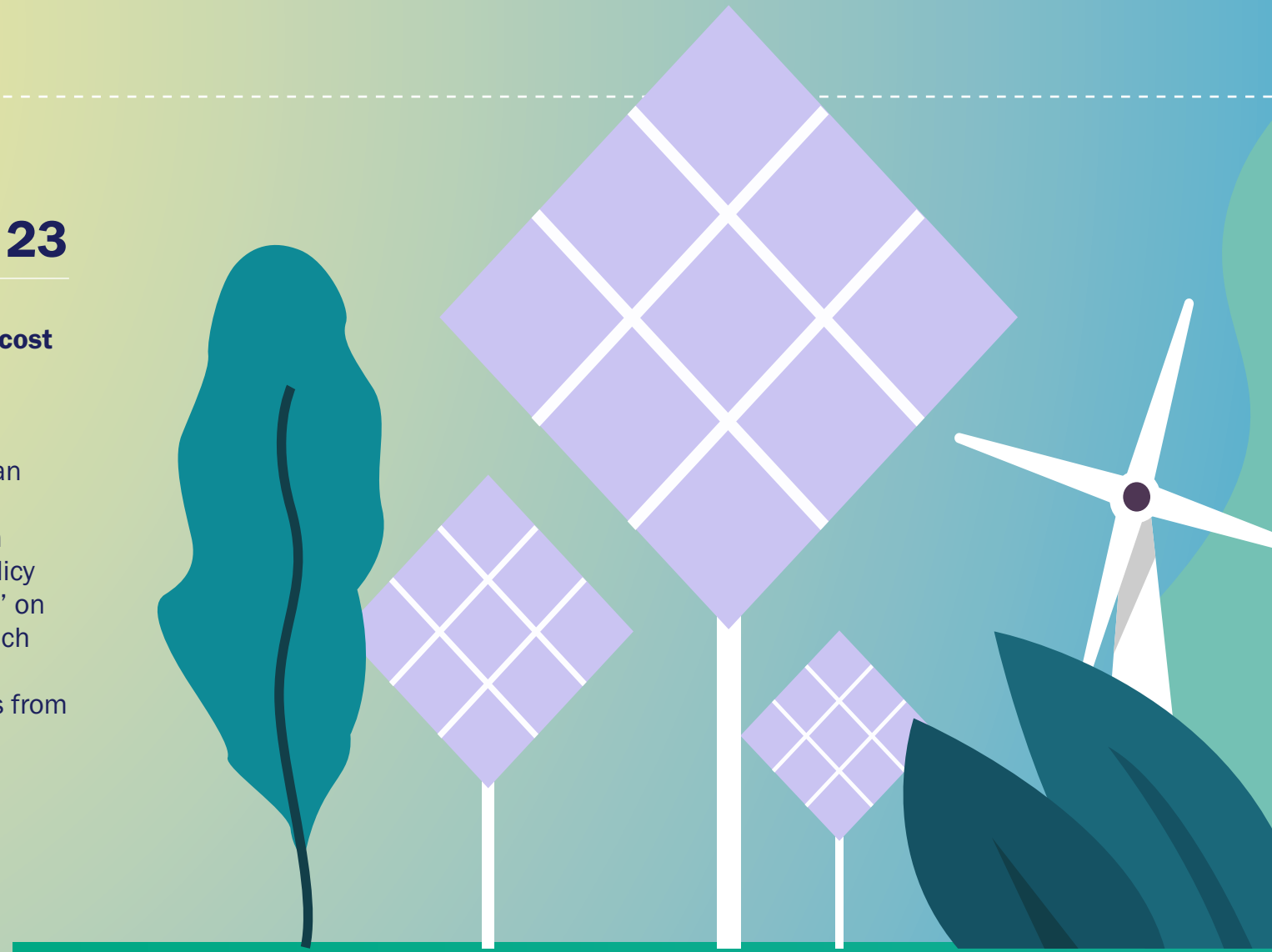


ENERGY STRATEGY E-BULLETIN

WELCOME TO THE ENERGY STRATEGY E-BULLETIN – ISSUE 23

This edition has an update on Smart Meters following the publication of a cost benefit analysis for the roll-out of the technology in Northern Ireland.

There is also information on how you can 'have your say' through the 'Call for Evidence' on the 'Electricity Connection Policy Framework Review'. The Heat Policy Team also have a live 'Call for Evidence' on using liquid biofuels for heating, for which they recently held a stakeholder engagement event with representatives from the biofuels industry.



SMART METER COST BENEFIT ANALYSIS

Last year, the Department commissioned a cost benefit analysis for the roll-out of Smart Meters in Northern Ireland as detailed in Action Point 20 of the Department's [Energy Strategy Action Plan 2022](#).

The report has since been delivered and published on the DfE website for the public and stakeholders to read and review.

You can access the full report at [Smart Meters update](#).

The outputs and recommendations from the detailed analysis have been carefully considered by the Department and officials will now proceed with developing an implementation plan for electricity Smart Meters and Systems.

The case for the implementation for gas smart metering has not clearly identified benefits for consumers and therefore the existing position will remain at this time.

This represents a significant milestone in Northern Ireland's energy journey. Smart meters as part of a wider flexible system have the potential to help drive carbon reduction with improved energy data, increasing flexibility in the electricity system and helping consumers to better manage energy efficiency in their homes and businesses.

We are now focused on the development of a smart metering implementation plan in partnership with the Utility Regulator which is outlined in Action Point 12 of the [Energy Strategy Action Plan for 2023](#). This includes a review of NIE Network's current small-scale pilot to understand the learnings that can be leveraged for the future.

The implementation plan will also be considered in the context of the Smart Systems and Flexibility Plan that DfE is developing, and which will require growth in a number of areas including data infrastructure, cyber security, and consumer communications and participation.

Key next steps include learning from smart meter rollouts in neighbouring regions and NIE Network's pilot as well as undertaking extensive stakeholder engagement with sectoral experts and consumers with a view to laying the foundations for an electricity smart meter rollout that benefits consumers and helps deliver NI's net zero commitments.



BIOFUELS STAKEHOLDER WORKSHOP

Call for Evidence on Renewable Biofuels for Heat

The Heat Policy Team kicked off a call for evidence (CfE) on using liquid biofuels for heating on 4 August by hosting the first in a series of planned stakeholder and working group meetings. The meeting included representatives from the local heating oil and liquid petroleum gas (LPG) distribution and supply sectors alongside industry analysts. A cross-departmental working group has also been established to draw on expertise and knowledge from within policy teams within DfE, DAERA, NIHE, UREG and CCNI.

Through our meetings, we aim to gather valuable insights, data, and perspectives from experts and stakeholders to inform effective policies and strategies before going out for wider public consultation later this year.

In context, the heat sector represents 25% of problematic carbon emissions¹. The CfE aims to explore sustainable alternatives to fossil fuels, such as heating oil and LPG and accelerate the transition towards greener lower and zero carbon heat sources and lowering emissions.

By examining the potential of liquid biofuels, we seek to understand their viability, benefits, and potential challenges in replacing the traditional fossil fuels used by over two thirds of Northern Ireland households.

This is a key piece of work that will support the broader policy work regarding decarbonisation of heat in homes and buildings throughout Northern Ireland. It will help inform our pathway development towards a more sustainable and environmentally friendly heating sector in a stable, predictable and constructive way with fuel poverty alleviation and consumers protection being front and centre priorities.



1 [Devolved Administration GHG Inventory 1990-2020](#)

CALL FOR EVIDENCE - ELECTRICITY CONNECTION POLICY FRAMEWORK REVIEW

Energy markets are evolving as we transition to a low carbon economy. The Climate Change Act (Northern Ireland) 2022 and the NI Executive's Energy Strategy set out ambitious climate reduction targets that will change both the supply and demand of electricity across Northern Ireland.

The current connection policy framework has helped meet renewable targets while keeping costs down for consumers. However, with new carbon reduction targets and developments within the electricity system as a whole, to ensure it continues to serve the needs of all consumers, a review of the connection framework is underway.

Getting connected efficiently and at a fair price is important for domestic consumers, businesses and renewable generators alike.

This call for evidence represents the first step of a review of the electricity connections policy framework. Stakeholder evidence is required to assess potential changes to the current connections policy framework in NI and the costs and benefits of those potential changes.

One aspect of this call for evidence identifies a range of options including the potential to move to a policy framework that would place a greater proportion of connection costs on business and domestic consumers via their electricity bills. This would mean a lower proportion of connection costs are paid by the connecting party.

Further information on responding to this call for evidence is available via the links below.

Responses to this consultation can be made through the [Citizen Space online portal](#).

The consultation documents can be viewed on the [Utility Regulator website](#).

