

# ENERGY STRATEGY FOR NORTHERN IRELAND

THE PATH TO NET ZERO ENERGY

ACTION PLAN 2022





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### 1. Introduction

The new Energy Strategy – The Path to Net Zero Energy¹ was published in December 2021 after being agreed by the Executive. It outlines a roadmap to 2030 aiming to deliver a 56% reduction in our energy-related emissions, on the pathway to deliver the 2050 vision of net zero carbon and affordable energy.

Including the year 2022 there are only 28 years until 2050 and delivering this Action Plan in 2022 is an integral part of delivering the overall energy strategy. It is not meant to be an exhaustive list of work that is being done during 2022 – other work is being progressed alongside it and together these will inform the new action plan for 2023.

These actions will be taken forward during 2022 by central government and our partners and we will report in Q1 2023 on the progress achieved against this 2022 Action Plan.

We intend that this closely managed approach to short term action planning and reporting will demonstrate government's commitment to the delivery of its agreed energy strategy over the longer-term.

This Action Plan and the Path to Net Zero Energy will also make a meaningful contribution to the following draft Programme for Government outcomes:

- We live and work sustainably protecting the environment
- · Our economy is regionally balanced, globally competitive and carbon neutral
- We all enjoy long, healthy, active lives

We invite all our key stakeholders to join with us on this journey.



### 2. Placing You at the Heart of Our Energy Future

### **Objectives**

- People are informed, empowered, supported and protected to enable them to transition to decarbonised solutions for all their energy needs
- Households and businesses have access to essential and affordable energy to enable a decent standard of living, health and competitiveness

We will support the public on the journey to affordable, net zero carbon energy by 2050. Support means accessible information, independent and trusted advice and the right level of protection. To begin we will make significant progress in establishing the one stop shop. As costs and fairness are key considerations in the energy transition the first year of delivery will also focus on the alleviation of fuel poverty.

	Action	Detail	Owner
1	Produce a detailed plan with timescales for establishment of a one stop shop for energy information, advice and support scheme delivery	This will set out the key steps needed to deliver adequate, tailored support and advice for consumers and communities during the energy transition. We will develop options for a one stop shop, including the potential scope, funding model and format.	DfE
2	Establish a cross- departmental steering group, chaired by DfC to develop and deliver actions to reduce fuel poverty	This will include short- term initiatives, joining up existing support and improved data and measurement towards alleviating fuel poverty for individuals and communities. This activity will help inform the development of DfC's Fuel Poverty Strategy.	DfC
3	Issue a call for evidence on protection for consumers during energy decarbonisation	This will assess the future need for the protection of energy consumers during the transition to energy decarbonisation and will include research on lessons learned in other jurisdictions.	NIAUR/CCNI

### 3. Grow the Green Economy

### **Objectives**

- Double the size of our low carbon and renewable energy economy to more than £2bn turnover by 2030
- Northern Ireland to become a leading low-carbon innovation hub

We will focus on generating local and export market opportunities, ensuring that our companies can compete for UK and global opportunities in low/zero carbon energy and technologies. This will involve the delivery of significant funding for innovation and a specific focus on the hydrogen economy, as well as identifying the skills needed to realise these economic opportunities and support people into secure, well paid jobs.

	Action	Detail	Owner
4	Deliver £10m of funding through a new Green Innovation Challenge Fund	The fund will support green technology innovation to support the growth of the low carbon and renewable energy economy.	DfE (delivered through Invest NI)
5	Carry out an Energy Skills Audit for energy decarbonisation	This will identify gaps and the skills needed from the education and training sectors in the short, medium and long-term. We will engage stakeholders from relevant industries.	DfE
6	Develop a business case to deliver a Hydrogen Centre of Excellence to be located at the Advanced Manufacturing Innovation Centre (AMIC)	This will be supported by research between DfE and QUB to scope the activities in the Hydrogen centre of excellence; detail the opportunities, understand where expertise needs to be developed; and understand the optimal economic growth opportunities.	DfE City Deals Team

### AP B C

### 4. Do More With Less

### **Objectives**

- Deliver energy savings of 25% from buildings and industry by 2030
- Ensure all new buildings are net zero ready by 2026/27 (earlier if practicable)
- Reduce the distance people travel in private vehicles

Doing more with less means using less energy and utilising the energy we do use more efficiently. This should lower energy bills and also reduce carbon emissions. We will focus on supporting improvements in existing buildings schemes, while also progressing higher standards for new buildings.

	Action	Detail	Owner
7	Launch a domestic energy efficiency scheme	This will deliver an area-based energy efficiency pilot scheme in 2022. It will support investment in improved energy efficiency measures in domestic buildings and inform the roll-out of a longer-term programme. It will also include access, where relevant, to low-carbon heating support.	DfE
8	Launch a non-domestic energy efficiency scheme	This will deliver a new energy efficiency support scheme for Northern Ireland businesses.	DfE (delivered with Invest NI)
9	Deliver additional funding for central government energy efficiency projects	Deliver £10m of Invest to Save Projects to support the reduction of energy consumption and carbon footprint in central government.	DfE (delivered with SIB)
10	Establish minimum energy efficiency standards in the domestic private rented sector	Construct and deliver a plan in 2022 to take this forward.	DfC
11	Improve the energy efficiency of new buildings	Uplift the requirements of Part F and amend related parts of the building regulations, including publication of revised technical guidance for an interim uplift and issuing a discussion document to gain evidence on a range of technical issues to inform longer-term uplifts by mid-2022.	DoF

## **5. Replace Fossil Fuels with Renewable Energy**

### **Objectives**

- Meet at least 70% of electricity consumption from a diverse mix of renewable sources
- Replace high carbon heating sources with lower and zero carbon sources in households and businesses
- Support the transition to low and zero carbon fuels for vehicles

We need to develop more renewable energy sources. For the power sector we are prioritising a new support scheme to enable the development of a diverse mix of renewable electricity technologies including for the offshore sector. For low carbon heat we will take forward demonstrator projects to build skills and evidence for the roll-out of any future support, as well as examining where specific legislation changes may facilitate development. We are also looking at the role of local renewable gas and taking forward work to deliver electric vehicle infrastructure.

	Action	Detail	Owner
12	Consult on a renewable electricity support scheme in 2022 for delivery in 2023	Develop proposals for a support scheme for renewable electricity to ensure that a diverse range of renewables can be brought forward, including those where we have already proven resources such as onshore wind and solar, as well as less-established technologies.	DfE
13	Review permitted development legislation for low carbon heat installations to ensure it is up to date and fit for purpose	Primarily to address the permitted development for heat pumps to align with modern standards and requirements, informed by other jurisdictions. Also to assess any changes required for rolling out other low carbon heat technologies.	DfI
14	Develop an action plan to deliver 1GW of off- shore wind from 2030	Reach agreement with the Crown Estate for leasing. Establish plan for implementing regulatory approvals. Develop competition process.	DfE
15	Develop and commence delivery of low carbon heat demonstrator projects	Deliver up to £5m of support for the decarbonisation of heat in homes, communities, businesses and delivery of low carbon heat networks.	DfE with NIHE
16	Develop and commence delivery of a geothermal demonstrator project	Undertake feasibility studies to inform future decisions on suitable locations for accessing geothermal heat and to better understand the potential role that geothermal energy can play in Northern Ireland's energy mix. This will help catalyse growth in this sector.	DfE (with GSNI)
17	Establish a cross- departmental working group on biomethane production	This will consider the future role of anaerobic digestion and assess the potential for producing this renewable gas at scale in a whole system approach. It will also consider information on the economics of biogas production and gas grid injection.	DAERA (with DfE & NIAUR)
18	Publish an EV infrastructure action plan	This will be informed by the EV Infrastructure Taskforce.	DfI (with DfE & NIAUR)

## 6. Create a Flexible, Resilient and Integrated Energy System

### **Objectives**

- Develop markets and infrastructure that integrate low carbon sources and meet our energy needs in a secure and cost effective way
- An accessible and digitised energy system where data provides value for consumers and system operation
- Decentralised solutions that enable people and communities to be active participants in the energy transition

We require a new emphasis on flexibility and demand side services to manage our system efficiently, minimise costs and ensure security of supply. To do so we will develop a plan that will lay the foundation for a more digitised system, better data access and more efficient markets that provide value for the new capabilities.

	Action	Detail	Owner
19	Prepare a Northern Ireland Smart Systems and Flexibility Plan	This will consider key issues such as flexibility opportunities and barriers for consumers and networks, as well as digitalisation needs and future markets for flexibility.	DfE (with NIAUR)
20	Carry out a cost benefit analysis of electricity and gas smart meters and other technologies in order to access half-hourly and daily consumption information	This will consider the latest technology solutions, including smart meters that can enable consumers (individually and collectively) and the industry to access and use up-to-date electricity consumption data.	DfE (with NIAUR)

# **7. Delivering the Strategy**

Key cross-cutting issues for delivery include a focus on legislation and regulation in support of the vision and objectives of the Energy Strategy and the on-going improvement of our evidence base to support policy objectives and enable reporting on outcomes.

	Action	Detail	Owner
21	Review legislation and regulation requirements in the context of energy decarbonisation goals	This will include reviewing how the legislative and governance base for energy regulators elsewhere support key decarbonisation targets as well as looking at both the short-term and the long-term regulatory supports for energy policy objectives.	DfE (with NIAUR)
22	Build further evidence and understanding on the linkages across our whole energy system	This will expand the current energy system modelling work to consider costs. We will supplement this with further work that explores the economics of different energy sources for uses across heat, power and transport. As part of this, we will review relative financial incentivisation across all energy-related support schemes.	DfE