



Department for the  
**Economy**  
[www.economy-ni.gov.uk](http://www.economy-ni.gov.uk)

An Roinn  
**Geilleagair**

# ENERGY STRATEGY E-BULLETIN

**ISSUE 29: FEBRUARY 2025**

## IN THIS EDITION

- **CALL FOR EVIDENCE: USING BIOFUELS TO TRANSITION FROM FOSSIL FUELS FOR HEATING IN NORTHERN IRELAND**
- **INCREASED SOCIALISATION OF CONNECTION COSTS IN THE ELECTRICITY DISTRIBUTION NETWORK CONSULTATION**
- **CONSULTATION ON A DRAFT FUEL POVERTY STRATEGY - CLOSING SHORTLY**



Issue 29: Feb 2025

**1**

# ENERGY STRATEGY E-BULLETIN



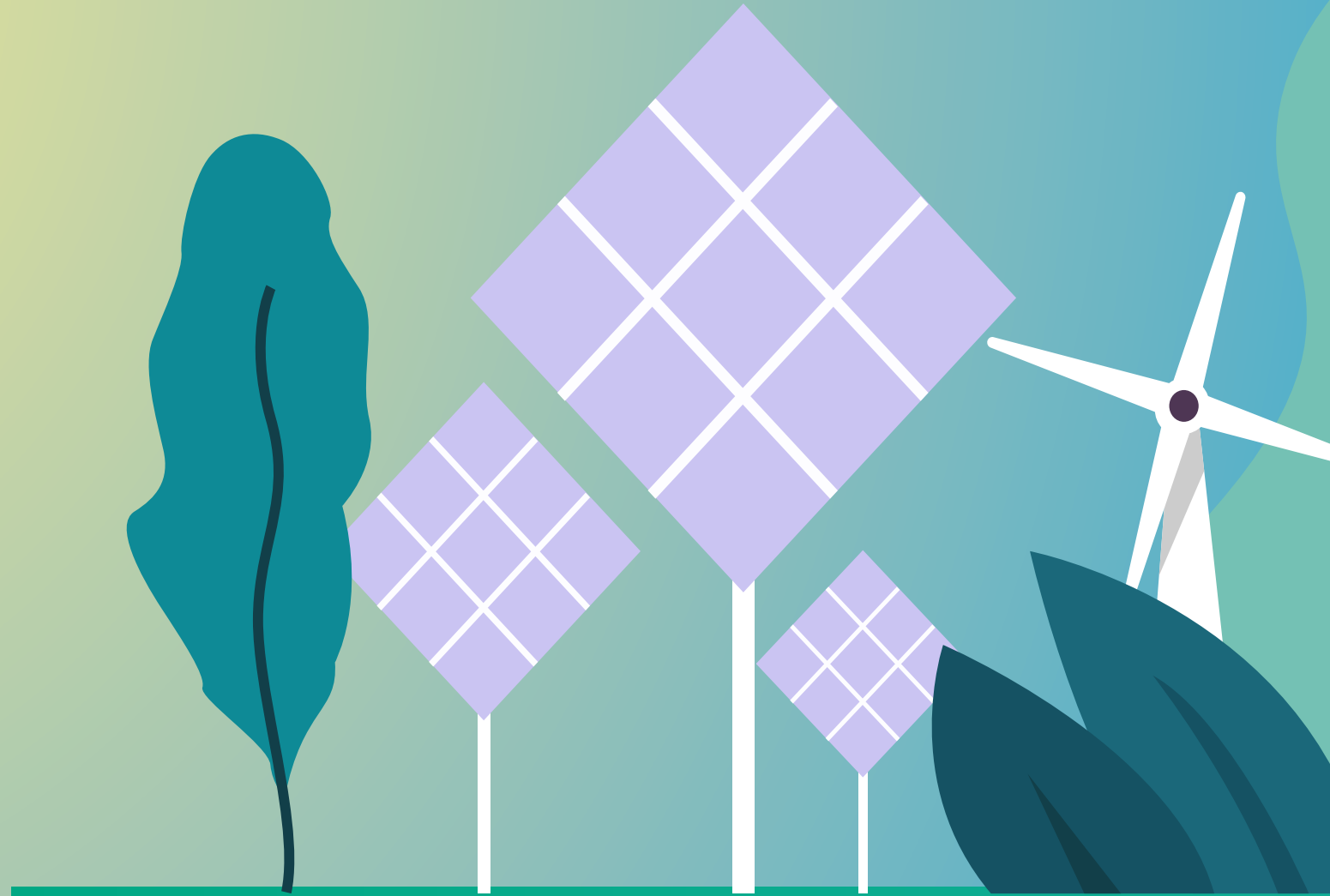
Department for the  
**Economy**  
[www.economy-ni.gov.uk](http://www.economy-ni.gov.uk)

An Roinn  
**Geilleagair**

## WELCOME TO THE ENERGY STRATEGY E-BULLETIN – ISSUE 29

In this edition, we highlight the current live consultations for Energy Group, the Call for Evidence: Using Biofuels to Transition from Fossil Fuels for Heating in Northern Ireland and the Increased Socialisation of Connection Costs in the Electricity Distribution Network Consultation.

Also, the Department for Communities' consultation on a new Fuel Poverty Strategy for Northern Ireland.



## CALL FOR EVIDENCE: USING BIOFUELS TO TRANSITION FROM FOSSIL FUELS FOR HEATING IN NORTHERN IRELAND

**The Department for the Economy is running a call for evidence to explore and better understand the potential role of biofuels, specifically hydro-treated vegetable oil (HVO) and bio-LPG, as a transitional alternative to heating oil and gas. This initiative is particularly relevant for Northern Ireland, where 62% of households and many businesses rely on oil for heating, highlighting the pressing need to transition away from fossil fuels to reduce carbon emissions and meet climate targets.**

Biofuels like HVO and bio-LPG could offer significant potential for decarbonising heating systems, particularly in areas where other low-carbon solutions, such as heat pumps or heat networks, may not currently be practical.

The call for evidence seeks input from stakeholders on the feasibility, cost, and practical implementation of these biofuels in heat decarbonisation. The feedback will help to inform the development of policies that are

both effective and tailored to the unique energy needs of the region.

As part of this initiative, the Department hosted a highly successful online engagement event on 21 January 2025, bringing together around 30 external stakeholders, including from some of the world's largest liquid fuels refining companies. This event provided a valuable opportunity to discuss challenges, opportunities, and strategies for biofuel adoption, ensuring the inclusion of expert insights from across the sector.

The Department is committed to addressing the heating needs of Northern Ireland's households and businesses while reducing dependency on fossil fuels. Stakeholder contributions to this call for evidence will be vital in shaping a sustainable, equitable, and practical approach to decarbonising heating in the region.

The Call for Evidence is open until 4 March 2025, and we encourage all interested parties to share their views on this important area and help shape the future of heating in Northern Ireland.

If you would like to respond to the consultation please do so by clicking [here](#).







## INCREASED SOCIALISATION OF CONNECTION COSTS IN THE ELECTRICITY DISTRIBUTION NETWORK CONSULTATION

**At the end of January, the Department launched a public consultation on changes to how the costs associated with new connections to the electricity distribution network are recovered.**

The current connection charging policy for the distribution network here, is to charge customers seeking a new connection to the distribution network for the cost of any reinforcement to the network triggered by their connection request, as well as the cost of the lines and plant directly needed to make the connection.

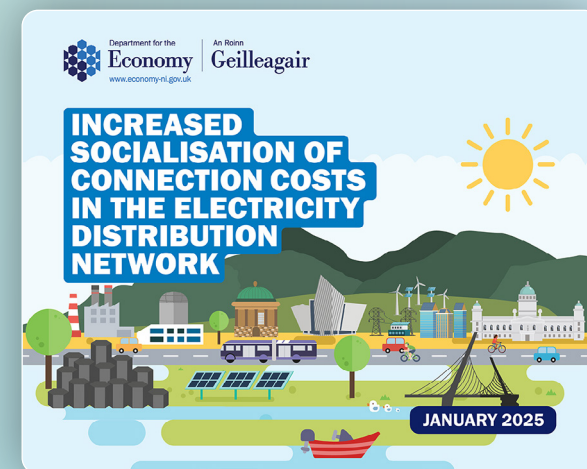
However, changes in our electricity networks and the way we use them have made the current policy unfair to some users and restrictive to our path forward. For example, NIE Networks is currently undertaking the largest upgrade in our network history, through its RP7 price control. But RP7 will take six years to deliver, and more work may be needed after that. Some customers connecting to the network in areas which the RP7 upgrade has not yet reached, face potentially higher charges than those in other areas. In these areas the first customer to request a connection will be required to pay for the upgrades, which can then be used by subsequent customers seeking a connection, but who will not contribute to the cost of the upgrade. This is known as “first mover disadvantage” and the proposals in this paper will help remove the unfairness of this.

In addition, stakeholders say that charging for the reinforcement works is a barrier to connecting more renewable generation and to consumers installing Low Carbon Technologies such as heat pumps and Electric Vehicles (EVs).

This consultation puts forward a number of options for increasing the level of distribution reinforcement which is charged to general network costs and sets out the benefits and likely costs of each option. The options set out which costs will still fall to customers seeking a new connection and discuss the use of a “High-Cost Cap” to ensure consumers do not pay for excessive reinforcement of the network because of individuals seeking a difficult or remote connection to the grid.

The consultation closing date is 24 April 2025.

[Increased Socialisation of Connection Costs in the Electricity Distribution Network | Department for the Economy](#)



## CONSULTATION ON A DRAFT FUEL POVERTY STRATEGY - CLOSING SHORTLY

**The draft Fuel Poverty Strategy is our long-term plan for ensuring everyone can live in a warm, healthy home. Factors impacting on fuel poverty include the energy efficiency of homes, the energy needs of the household, the cost of energy, household income and people's ability to access energy solutions that are right for them. The draft Strategy builds on the objectives of the Housing Supply Strategy and the Energy Strategy – the Path to Net Zero Energy as well as information gathered through an extensive stakeholder engagement process.**

Contained within the strategy are three key objectives:

- Make homes more energy efficient
- Collaborate and Build Capacity
- Protect Consumers

Under these objectives there are a number of proposed actions relating to improving housing standards, increasing investment in energy efficiency for low-income, vulnerable households, ensuring that we work in partnership, providing consistent emergency support where needed and addressing support and protection for consumers as we decarbonise our homes. The strategy also proposes a new approach to measuring and reporting on fuel poverty with a renewed emphasis on accountability and the health outcomes of cold homes.

The consultation also contains proposals for a new fuel poverty energy efficiency scheme.

**Closing date:** 6 March 2025

Responses can be submitted via [Fuel Poverty Strategy Consultation - NI Direct - Citizen Space](#)

