

# ***Consultation on the Energy Bill***

***Comments by***

**Northern Ireland Environment Link**

**14 September 2012**

Northern Ireland Environment Link (NIEL) is the networking and forum body for non-statutory organisations concerned with the environment of Northern Ireland. Its 62 Full Members represent over 90,000 individuals, 262 subsidiary groups, have an annual turnover of £70 million and manage over 314,000 acres of land. Members are involved in environmental issues of all types and at all levels from the local community to the global environment. NIEL brings together a wide range of knowledge, experience and expertise which can be used to help develop policy, practice and implementation across a wide range of environmental fields.

These comments are agreed by Members, but some members may be providing independent comments as well. If you would like to discuss these comments further we would be delighted to do so.

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We welcome the opportunity to submit comments on the proposed Energy Bill for Northern Ireland. The comments outlined reflect the key aspects of the consultation document that we wish to contribute to and therefore have not answered all questions contained in chapter 9. We do feel that the level of detail provided in this consultation is somewhat insufficient; although there is much emphasis on the detail of secondary legislation it is difficult to make specific comment on aspects of this consultation as the information presented is quite general.

NIEL believes comprehensive consultation helps refine proposals and should ensure that stakeholders have an opportunity to share their concerns, expertise and experience to improve the content of the framework. There are huge opportunities for Northern Ireland to help address major issues of climate change, fuel poverty, energy security and energy costs. Implementation of proactive and robust energy regulation will ensure that Northern Ireland can become a leading low carbon economy. Promotion of the green economy is essential to help create jobs and stimulate the economy and therefore appropriate legislation must be delivered to ensure potential is fully realised and we hope that consultation responses will be duly considered in further development of the Bill.

#### Energy Efficiency Measure

It is very important that policy guidance can ensure greater energy efficiency and demand-side management to reduce energy consumption whilst also targeting improved low carbon energy supply. The range of organisations that are involved in energy efficiency measures requires the creation of shared targets and an integrated action plan. DETI should take a lead in preparing such an action plan. NIEL believes, for example, that measures should be introduced to ensure our entire housing stock becomes more energy efficient. The Government should set annual targets to upgrade a stated percentage of the existing housing stock to the recommended insulation levels and a stated percentage to 'zero-carbon' standards. Much higher standards for energy efficiency need to be introduced rapidly for all new buildings so that all new buildings are 'zero carbon' by 2016 at the latest; 2012 was been set as the target in Wales.

The energy efficiency obligation should be applicable to all carbon emitting fuel suppliers. It is important that there is a shift away from oil and other fossil fuels in Northern Ireland and we would support the suggestion that the oil sector should make a bigger contribution to help tackle energy efficiency and fuel poverty as it has the largest portion of market share as well as high carbon emissions. It is our view that the obligation should be placed across suppliers, distributors and importers and in support of section 2.60 there should be improved relationships with customers along the supply chain that could be developed effectively. We also agree that small scale bodies (including voluntary and community organisations) should be eligible for assistance under the obligation.

In relation to penalties, we strongly support the recommendation of the Energy Efficiency Directive and believe they should be substantially larger than the cost of fulfilling the obligation to ensure the successful implementation of this policy. We also agree that the NISEP should be continued after March 2013 and updated at its current rate until a new measure can be put in place.

We would also like to note that reconsideration of the Green Deal or Pay as You Save and extended NISEP should take place regularly as conditions change. This should form a commitment by DETI to review and update its legislative agenda as appropriate (e.g. further clarification on the details of section 2.31 - how the Green Deal may be introduced and at what stage this review will commence).

#### Duties and obligations of the Department and Utility Regulator

NIEL is very supportive of the introduction of a new statutory objective on renewable heat and would like to see continued encouragement of renewables development across Northern Ireland. Further to Lord Whitty's independent report (March 2012)<sup>\*</sup>, it was strongly recommended that renewable energy should be promoted in the west and south of Northern Ireland as an alternative to gas. We are keen for the Department to drive the development of renewable energy in preference to gas and other fossil based fuels. The Regulator's current emphasis on short term consumer costs does not take into adequate consideration the longer term needs of consumers, longer term costs and environmental implications of short-term cost cutting. We also believe that the Regulator should have a specific duty to promote the development of indigenous sustainable energy supplies and the infrastructure necessary to fully exploit our renewable resources. The need for increased energy security is also of importance and should be included in the Regulator's Duties.

#### Other comments

NIEL feels that there is a real opportunity for DETI, with the cooperation of other departments and wider society, to develop an energy policy based around renewable resources which will deliver economic (for example, local job creation in emerging renewable industries), social (a comprehensive energy efficiency action plan can help reduce fuel poverty) and environmental (reduced carbon emissions) benefits. The potential benefits an integrated policy could also deliver include compliance with national and international obligations, increased energy security and local air quality improvements.

The Executive and Assembly should also make commitments to introduce a Northern Ireland Climate Change Act setting a legally binding regional target to reduce our carbon dioxide emissions by 80% from 1990 levels by 2050. To ensure we achieve an immediate

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<sup>\*</sup> 'Energising Northern Ireland' – An Independent Report by Lord Whitty for the Consumer Council  
([http://www.consumerCouncil.org.uk/filestore/documents/Lord\\_Whitty\\_Report.pdf](http://www.consumerCouncil.org.uk/filestore/documents/Lord_Whitty_Report.pdf))

and sustained decline in Northern Ireland's greenhouse gas emissions the Executive should set an "intermediate" target for emissions in 2020 (42% below 1990 levels), a series of legally binding five year "carbon budgets" and an annual carbon reduction target at an average of at least 3% per annum. The Committee on Climate Change's role in Northern Ireland should be enhanced to facilitate the setting and monitoring of Northern Ireland specific budgets and action plans. Such an Act would help focus DETI's efforts on low-carbon energy and ensure cross-departmental support for its plans and programmes.