



INFRASTRUCTURE FOR A GREEN RECOVERY

Briefing to NI Assembly Committee for Infrastructure
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WHO WE ARE



NIE Networks owns and manages the electricity networks in NI



Employ over 1,200 people and sustain hundreds of further jobs through our supply chain



Invest > £100m p.a. in NI electricity network infrastructure and contributes over £150m p.a. to the NI economy



Regulated by the Utility Regulator under policy framework set by DfE



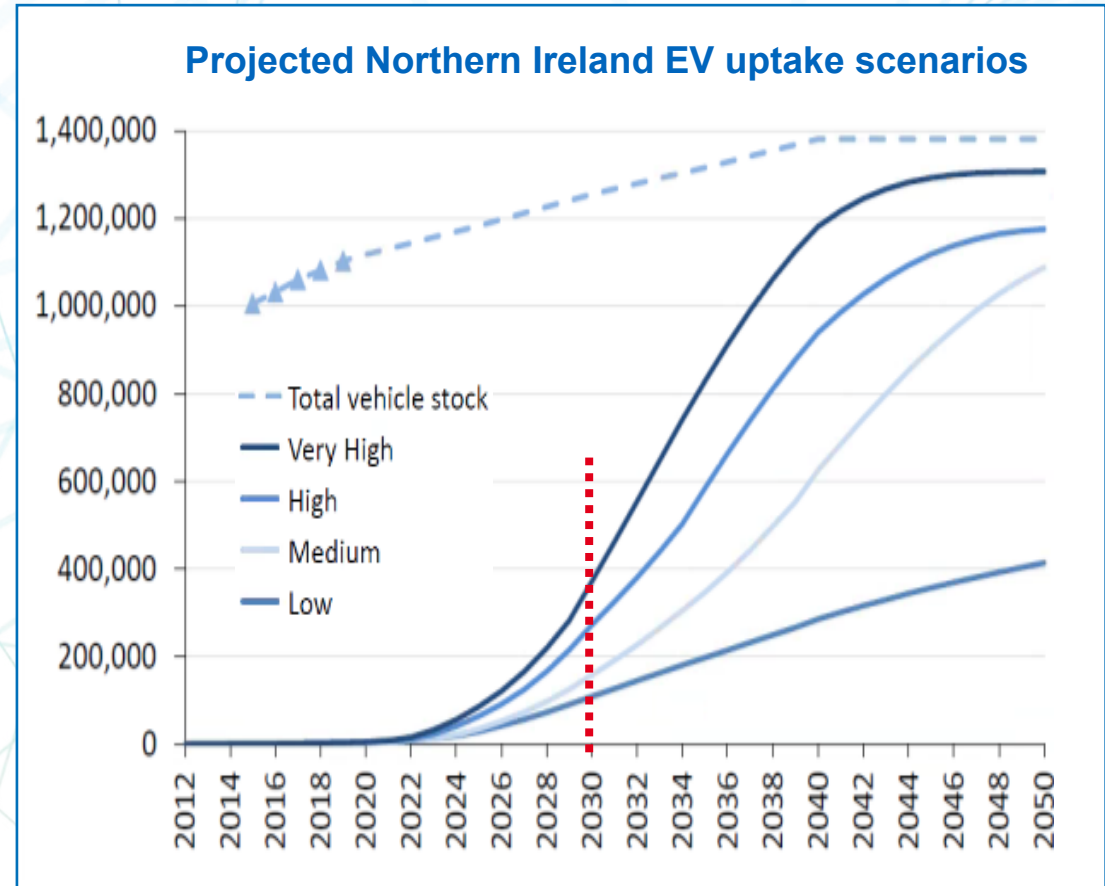
Electricity network will play a key role in supporting climate action and delivering net zero carbon

POLICY CONTEXT

- UK Government committing very substantial investment in infrastructure to support decarbonisation and economic stimulus – Northern Ireland being left behind?
- New NI Energy Strategy being developed to be finalised by end of 2021
- Clean energy identified as a key growth opportunity for NI economy in post-Covid recovery
- Opportunity to fast track key initiatives to drive a ‘Green Recovery’ in advance of finalising long term policy. *(NIE Networks highlight 8 potential areas – see Appendix 1.)*
- Key inter-dependencies between Energy and Infrastructure
- **Specific policy areas for consideration:**
 - Low Carbon Transport – Electric Vehicle Charging Infrastructure
 - Planning Process
 - Connections to the Electricity Network – key dependency for other infrastructure, e.g. Transport, Water, and wider economic development

EV CHARGING INFRASTRUCTURE

- UK ban on ICE vehicle sales from 2030
- Expect major acceleration in demand for electric vehicles in NI - potentially 400k by 2030
- Current EV charging infrastructure inadequate and outdated
- Funding is a significant barrier - too early for commercial investment? Potential options involving combination of public & private investment or through electricity bills
- Need to engage with all stakeholders - Motor industry, EV drivers, infrastructure operators, Local Councils, etc.
- NIE Networks willing to play a role, including with finance if required.



PLANNING PROCESS

- **Some positive decisions in Planning recently but significant reform needed to support delivery of infrastructure for net zero carbon and economic recovery**
- **Planning decisions for major development in NI typically take much longer* than comparable projects in GB or ROI:**
 - Lack of accountability for timescales
 - Increasing litigiousness of the system
 - A need for greater Strategic Direction at a National and Local Level
 - A need to align planning powers and accountability for energy strategy targets
- **A new Strategic Spatial Planning Strategy that aligns with energy strategy could present many benefits**
- **Some good practice examples from other jurisdictions:**
 - Scotland: National Planning Framework gives priority to low carbon development
 - New Zealand: Temporary fast track planning legislation for key projects to support Covid-19 recovery
- **Proposed Infrastructure Commission, as recommended by Ministerial Advisory Panel, would be a welcome step**
- **Community support and effective community engagement will be key to making progress.**

*See Appendix 2

CHALLENGES IN CONNECTING TO THE ELECTRICITY NETWORK

- Electricity network is a key enabler of both economic development and progressing low carbon initiatives
- While much has been achieved over past decade with connection of renewables (now 48% of electricity in NI), there are challenges on both cost of connections and the timely provision of additional capacity
- **Connection Costs**
 - Higher in NI than comparable projects in GB or ROI
 - Different approach to allocating costs between the connecting party and the wider electricity consumer base
 - This will be a barrier to progressing low carbon technologies, e.g. EV charging infrastructure, Hydrogen electrolysis, more renewables, etc.
 - Need to change policy approach to level the playing field to attract investment in NI
- **Capacity**
 - Electricity network requires continued investment to add capacity to cater for new demand growth and new technologies
 - Need for greater anticipatory investment to avoid higher costs and delays for connections
 - Investment paid for over 40 years – any marginal impact on short term electricity prices likely to be more than offset by economic benefit – (Ref. Appendix 3).
 - Enable better planning of electricity infrastructure and better alignment with other development, e.g. roads, water etc.

SUMMARY & NEXT STEPS

- NIE Networks can play a key role in supporting delivery of critical infrastructure that will support economic recovery and progress towards net zero carbon
- Key inter-dependencies between energy and infrastructure - across Transport, Planning etc.
- Welcome the Committees interest in these areas
- Ask that Committee continue to engage on, and look to progress, the policy issues discussed today
- **THANK YOU!**

APPENDICES

1. CLEAN ENERGY 'GREEN RECOVERY' PRIORITY AREAS:

Joining up
policy &
regulation

Accelerating
investment in
renewables

Bringing
forward network
infrastructure
investment

Improving
the planning
process

Accelerating
low carbon
transport

Digitalising the
energy system
to support data
provision

Modernisation
of building
regulations

Optimising
innovation

2. PLANNING DECISION TIMELINES: JURISDICTIONAL COMPARISON

	NI	ENGLAND	SCOTLAND	ROI
Local Development	15 weeks <i>(Actual avg. is 14 weeks)</i>	8 weeks <i>(Actual avg. c85-90% on target^)</i>	8 weeks	8weeks
Major Development: Non-EIA	30 weeks <i>(Actual avg. is 53 weeks)</i>	13 weeks or as agreed with applicant <i>(Actual avg. c90% on target^)</i>	13 weeks or as agreed with applicant <i>(Actual avg. is c32 weeks)</i>	8 weeks <i>(Actual c62% applications met target)</i>
Major Development: EIA	Unclear - assume 30 weeks applies	16 weeks	16 weeks	8 weeks from receipt of EIA Report
National/Strategic Development	Area of greater complexity: General planning process appears to typically take 1-1.5 years <i>(varies due to bespoke complexity and levels of objection)</i> . Other jurisdictions issue a decision at end of process. NI Issues a 'notice of opinion' which leads to an additional 1-1.5 years through PAC if the project is in any way contentious. Others also have better strategic framework backing these developments.			

Our experience aligns with the stats i.e. Local Development is typically on target where Major Developments take on avg 1-1.5years. Note that delays also occur in planning condition discharge which is not considered in the above and more onerous up front application requirements are lengthening time/cost to prepare planning applications.

3. CAN WE AFFORD ZERO CARBON ENERGY?

With the right policy & regulatory framework, attracting private sector investment, Clean Energy can drive economic growth and job creation in NI, while maintaining affordability for consumers – a virtuous cycle!

