

Dr Caoimhe Archibald MLA Chair Economy Committee c/o Mr Peter Hall Clerk to Committee Room 347, Parliament Buildings, Ballymiscaw, Stormont, Belfast, BT4 3XX

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Ref: Economy Committee – Small Scale Green Energy Bill

Dear Chair,

SONI Ltd, the electricity transmission system operator for Northern Ireland, is writing in response to the Economy Committee call for evidence and views on the Small Scale Green Energy Bill and we offer our thanks for the opportunity to respond.

SONI is supportive of increasing micro-generation on the grid in Northern Ireland. We also support the 3 stated objectives of the bill: to reduce dependency on non-renewable generation; reduce harmful emissions from farms and other businesses and; increasing the geographical and sectoral diversity of renewable energy inputs to the NI grid. You will be aware of the 'Shaping Our Electricity Future Roadmap'. This is the blueprint for transforming the transmission grid, system and wholesale electricity markets, which was published this month. It follows the most significant consultation exercise ever undertaken by SONI. The feedback from our stakeholders highlighted strong support for the connection of micro-generation from communities in Northern Ireland and a belief that micro-generation should have a relatively significant role in attaining at least 70% of electricity from renewables by 2030, as well as support for community ownership of renewables projects. Accordingly, the Shaping Our Electricity Future Roadmap 2030 scenario for Northern Ireland allocates for additional 100MW capacity in Northern Ireland to come from micro-generation.

The Northern Ireland Energy Strategy is due to be published imminently. We note that this survey has been issued prior to the release of the strategy and we would encourage the alignment of any policy support for small scale renewables with the wider energy strategy. In order for Northern Ireland's energy transition to be a success there must be a system wide plan with measurable targets and clear oversight.

We welcome that the bill has stated clearly that any measures must be compatible with the all-island Single Electricity Market (SEM). The SEM is vital to the continued safe, secure and economical operation of the Northern Ireland electricity grid and any policy must be compatible with the SEM rules. Also it is important that any requirements on Northern Ireland suppliers are managed and regulated appropriately by the relevant Northern Ireland authorities and that if there are administration costs of such mechanisms to be passed on to consumers that they pass only to the Northern Ireland portion of SEM consumers.

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It is also important that any mechanism that supports micro-generation is proportional and does not over-compensate recipients. It is not clear how the proposals would deal with a situation where less than 5% of overall electricity supply could be matched with microgeneration – e.g. if the entire microgeneration installed in NI in 2025 is less than 5% presumably some suppliers will not be able meet the required volumes.

Finally, it must be noted that the scheme should not penalise less well off or vulnerable customers, who may not have the capital to invest in micro-generation. As such, we welcome the intention stated in the bill for any scheme to be subject to regular review.

From a system operation perspective, micro-generation can also have unintended impacts on the grid when it appears in significant quantities, particularly in high density, localised areas. In meeting the 2020 RES-E targets, a significant volume of non-controllable small scale and micro-generation connected to the system.

The main issues we, as System Operator, have experienced with both types of generation, stem from a lack of controllability and visibility. Micro-generation is not currently controllable and therefore cannot be used to improve the security of the electricity system. In some cases it may actually cause the security of the system to be diminished as large conventional generators, which are relied upon for system security and system services are taken offline, and large scale renewable generator outputs are reduced in response to diminished load. If micro-generation is to be incentivised, consideration should be given to the impact that it could have on the electricity system as a whole and should include the incentivisation of appropriate controls.

SONI would again like to thank the Committee for the opportunity to respond and would be pleased to engage further on this issue should this be required.

Alan Campbell

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Managing Director SONI Ltd