

Committee for the Environment

OFFICIAL REPORT (Hansard)

Marine Bill: Northern Ireland Renewables Industry Group

3 May 2012

NORTHERN IRELAND ASSEMBLY

Committee for the Environment

Marine Bill: Northern Ireland Renewables Industry Group

3 May 2012

Members present for all or part of the proceedings: Ms Anna Lo (Chairperson) Mr Cathal Boylan Mr Tom Elliott Mrs Dolores Kelly Lord Morrow

Witnesses: Ms Meabh Cormacain Mr Mike Harper Mr Grant McBurney

Northern Ireland Renewables Industry Group Northern Ireland Renewables Industry Group Northern Ireland Renewables Industry Group

The Chairperson: You are very welcome Mike, Meabh and Grant. Can you give us a presentation? I know that you have already given us a submission, so perhaps you can give us a short briefing, and members will ask questions afterwards.

Ms Meabh Cormacain (Northern Ireland Renewables Industry Group): I thank the Committee for inviting us to present today. I also apologise, as Paul Reynolds, my colleague from RenewableUK, has been diverted to Glasgow to refuel, so he unfortunately cannot be with us. We aim to keep this as brief as possible.

As a short introduction for those members who may not be familiar with the Northern Ireland Renewable Industry Group (NIRIG), it represents the renewable energy industry in Northern Ireland, covering wind, wave and tidal energy. It is a collaboration between RenewableUK and the Irish Wind Energy Association (IWEA). It is, effectively, a joint voice for those two trade associations in Northern Ireland. Our membership, which is growing, comprises onshore and offshore developers, as well as large- and small-scale environmental planning consultants and so on. I should say at this point that one of NIRIG's key aims is to meet and exceed renewable energy generation targets in Northern Ireland through responsible development.

NIRIG members are companies that will be delivering on the targets as outlined in the Programme for Government and the strategic energy framework. The ability to do so will require a supportive policy environment, and, in that regard, we are delighted that the appropriate policy framework is coming forward. We appreciate that the Committee has been supportive of renewable energy and of the industry in general. We are appreciative of the work that is being done to bring this Bill forward. We think that it is extremely important, and we are aware that there are a number of policy issues ongoing

at the same time, such as marine conservation zones (MCZ) and marine planning. I am sure that there is a fair amount on the desks of the Department, apart from anything else, but we are keen to ensure that the Bill is prioritised. We welcome proportionate, well-balanced and sound marine management. I do not think that we have any issues at all with that.

I just want to pick out a few high-level messages from our written submission, starting with marine planning. I suppose that we would like to ensure that, in its final form, the Marine Bill will facilitate sustainable development and will have due regard to the marine policy statement and the high-level principles in it, particularly those on supporting and promoting safe, profitable and efficient marine businesses and maximising sustainable activity and prosperity now and in the future.

The second high-level point that I would like to pick out concerns the designation of marine conservation zones. Obviously, marine conservation zones will have different levels of protection. We are aware of that, and we also know that detailed guidance notes that will be added to the Bill are yet to be produced. We would really like to see the marine conservation zone designation process, as well as the management measures, not conflicting with the construction and operation of renewable energy. We are aware that there is the possibility of marine conservation zones being compatible with renewable energy installations, and we would like to ensure that that is kept in due regard.

The third point that I would like to raise, again on marine conservation zones, is that the Bill states that there is a duty on authorities to advise against activities that may interfere with the conservation objectives of an MCZ. We would like to ensure that there is some flexibility on those points. We would particularly like to ensure that there is an ability to implement an effective deploy-and-monitor approach.

I have two more points that I will make very briefly, and my colleagues will then add a little more detail. The first point is on streamlining of the consenting process, which Mike Harper will pick up on. It is not in our submission, but a further consideration has come to light on the common-law rights of navigation and fishing. I hope that my colleague Grant will be able to provide a little more information on that as well.

Mr Mike Harper (Northern Ireland Renewables Industry Group): Streamlining the process for consent applications for projects is very important. The industry welcomes that there is provision in the Marine Bill for streamlining. However, we feel that there is a missed opportunity for streamlining to the extent that consent is required under article 39 of the electricity order and marine licensing is provided for in the Marine and Coastal Access Act 2009. We feel that all the onshore infrastructure that might be needed and that would require consent under the Planning Act (Northern Ireland) 2011 also needs to be taken in to account so that there is genuine streamlining across all three consents, which require essentially the same environmental impact assessment.

At the moment and as manifested in the Marine Bill, the memorandum of understanding that is under discussion between the Department of Enterprise, Trade and Investment (DETI) and the Department of the Environment (DOE) deals only with the streamlining between the two marine elements. As is the case with Scotland and with England and Wales, we think that it might be more appropriate to pull all the aspects together in one streamlining effort.

Mr Grant McBurney (Northern Ireland Renewables Industry Group): The last major point that we wish to raise is a matter that has arisen just over the past couple of days. I apologise, because it is post-submission of the report, but it concerns the common-law rights of navigation and fishing. We propose to submit a short written paper on that over the next week or so rather than go into detail on it now. The common-law right of navigation and fishing, which is expressly dealt with in GB legislation, is unfortunately not dealt with in the Marine Bill. It concerns consenting, and we propose to submit something on that, if the Committee deems it appropriate.

The Chairperson: Thank you very much for your presentations. You have quite a thorough submission for us, too. We will certainly consider it.

I really do not have any particular questions to ask. Are there any questions from members?

Mr Elliott: Thank you very much, Chair, and thank you for your presentation. Did I hear you say that your other colleague had to refuel?

Ms Cormacain: Yes, in Glasgow.

Mr Elliott: Was that a plane or a helicopter or something?

Ms Cormacain: No, we did not provide a helicopter for him. He is important, but he is perhaps not that important. It was a scheduled flight that was sent to Glasgow due to bad weather and refuelling needs.

Mr Elliott: That is hardly renewable energy.

I have one quick question to ask about the point on marine conservation zones. You recommended amending clause 12(7). That recommendation appears to almost indicate that economic and social consequences should have priority over other issues. Am I right in assuming that that is what you are saying?

Ms Cormacain: I do not think that it is fair to say that they should be given priority. I suppose the main message is to ensure that the Bill is not enacted in such a way that means that it will prevent sustainable economic development of the marine environment. We made the specific recommendation that, instead of "maybe" taking economic consequences into account, they "must" be taken into account. I appreciate that that is quite a strong ask, but I suppose that that really comes from the perspective of enabling sustainable economic development of the marine area.

Mr Elliott: I assume there could be conflict in some areas where you see an opportunity for renewable energy or maybe something else, but the environmental groups request that it be designated as a conservation zone. How would you see that being resolved?

Mr Harper: Ultimately, sustainable development, particularly in marine planning, is going to be a balance between economic, social and environmental considerations. Looking at the situation as one priority over another is not going to work in the long run. There is always going to be a debate between those different considerations, and the point —

Mr Elliott: Something will have to take priority in the end.

Mr Harper: It will, and it will be for the appropriate authorities to weigh up the issues. However, as far as your specific comment is concerned, the Bill says that the Department "may have" consideration for the economic and social consequences of designating MCZs. We think that that does not give the sufficient reinforcement that it should, as suggested in the national marine policy statement and the position paper in Northern Ireland, which is going through consultation. Therefore, we think that there is a mistranslation of intent in the wording of the Bill.

Mr Elliott: Ultimately, it could lead to fairly difficult conflict about which should take priority. In the end, something will have to take priority when a decision has to be made. I am trying to get your view about whether you believe that it would create difficulties at some stage.

Mr Harper: It is hypothetical. It could be the case. However, with regard to the offshore renewable energy strategic action plan that the Department has developed and that the Executive have approved, areas have been identified. They have gone through a strategic environmental assessment, an environmental report has been prepared and consulted on and an appropriate assessment has been undertaken for the strategy and has been consulted on. The conclusion of that whole two-and-a-half-year process is that there is a capacity target — 900 megawatts for offshore wind and 300 megawatts for tidal — that could be developed without adverse effects on European designated areas. You are right to say that it is not just renewable energy projects; it could be any activity, but, hypothetically, conflicts could arise. Our message is that, in determining those conflicts, we feel that it is important to bear economic considerations in mind.

The Chairperson: Strangford lough is highly designated, with many different organisations involved. However, that does not prevent SeaGen from implementing a project, and it does not mean that it is a no-take zone or that nobody can enter it. Is that right? MCZs could allow certain activities. It is not a total exclusion zone.

Mr Harper: That is a good example. As Meabh indicated, it is therefore very important that everybody is allowed to see what the precise management measures are and that they are part of the consultation process when an MCZ is proposed. However, our view is that it is not specifically the presence of an MCZ that is necessarily the issue of conflict; it is the details of the management measures that would be applied to the MCZ. In formulating those measures, it is important that they are not drawn up to conflict with renewable projects, either in their construction or operation.

Mr Boylan: Thank you for the presentation. Funnily enough, I was going to ask a question about clause 12(7). You mentioned timelines and the pre-application discussions. Clearly, this and the previous Committee supported the renewable energy sector through targets. Areas have been identified for wind farms, and you said that it took two-and-a-half years for one of them. Is that correct? Where are we with wind farms, and what applications have you made?

Mr Harper: The Department introduced the offshore renewable strategic action plan in March this year with Executive approval. Again, that was process begun two-and-a-half years ago with the commencement of a strategic environmental assessment of all the waters around Northern Ireland to identify areas that might be suitable for —

Mr Boylan: Potentially. You have talked with other bodies that have data on that. Is that correct? Scotland has its atlas database. Are you aware of that? What I am getting at is that, before they even decide to designate an MCZ, there may be an opportunity for your kind of activity there. You are right; even if an area is designated, the issue is its management. It may not interfere with what the MCZ is going to be designated for. In Scotland, they are talking about scientific evidence and scientific bases, and that is grand. I think that work has been done on that here already. We have to find the balance between allowing certain activities and the economic argument that Tom brought up. We cannot say one thing supporting renewables and then say another. There has to be an opportunity.

DETI, DOE, NIEA and other bodies are involved. You mentioned the land order, the article 39 consents and the different issues here. Do you feel that there is an opportunity in this Bill to marry that all together? Do you think that DETI has a bigger role in all that?

Ms Cormacain: Very briefly, just to pick up on your point about information, any designation should be evidence based. The offshore renewable energy forum, on which NIRIG sits and which cuts across a number of Departments and external stakeholder groups, is looking at the data gaps that exist in and around Northern Ireland's marine area. There is a subgroup of the offshore renewable energy forum that is identifying those data gaps. It is then identifying which are priorities and those that need to be addressed in advance of designation. That was the first point that I wanted to pick up on regarding an evidence base.

NIRIG's main concern about the role of DETI and DOE is that any processes and procedures that are in place should be appropriate, accessible and transparent, and that consultation and engagement takes place with relevant stakeholders at an early stage of any policy development.

Mr Harper: We agree with that. As regards DETI's consenting role, part 4 of the Bill draws the licensing requirements of DOE and DETI together. It states that the Department may require that both licensing requirements follow the procedures of the electricity order, which is welcome. We very much support the intent of streamlining these two licensing requirements. In NIRIG's experience, the co-operation between the two Departments in the whole strategic environmental assessment and offshore strategic action plan process, as well as DETI's contribution to the marine planning exercise, is working well. There is good co-operation between the two Departments. It is important, though, that we do not miss the opportunity, as I raised at the beginning of the session, to bring in the other element of the

Department of the Environment's activities, which is the onshore Planning Service. We think that not developing a streamlined approach that addresses all three consents is a missed opportunity.

Mr Boylan: Just to return to the two points that I made at the start. The pre-application discussions (PADs) should be where it should all be ironed out. I am not saying that a planning application ought not to be granted permission, but that discussion provides an opportunity to bring suggestions to the table about what can possibly work. Do you know what I mean? We can cross-reference compliance to policy and everything else. There may be an opportunity for us to look at that in the PAD process, because it cuts across Departments.

Mr Harper: Yes.

Mr Boylan: There are obviously timeline issues; will you talk more about what we can do about that in the Bill?

Mr Harper: Part 4 of the Bill provides for the Departments to push joint applications through the electricity order process, so to the extent that any application for a renewable project is not progressed through the Electricity (Northern Ireland) Order 1992, applications will follow the marine licence application route, through what is currently NIEA's marine team. At the moment, there is a lack of clarity as to how that process will work.

You are sort of asking whether, if they did not follow the Electricity Order, there is an alternative system that would work. We do not think that the current NIEA marine licence system is sufficiently focused to deliver for major infrastructure projects of the nature envisaged in the offshore renewable energy strategic action plan. In fact, no distinction is made in marine licensing between a project of major regional significance costing ± 1.5 billion and a minor extension to a quay that is of lesser regional significance. There is no process such as that which exists in GB, which has the soon-to-be-changed Infrastructure Planning Commission, or in Scotland, under Marine Scotland, which treats the different projects in differing ways and has streamlining and advanced timetables for determining applications. Those do not exist in Northern Ireland in NIEA's procedures.

Although we support Part 4 of the Bill as an attempt to pull the two licences together and put them through the Electricity Order, if the Departments choose not to go down that route, there needs to be clarity on exactly what the route will be. Reference has been made to a marine management organisation (MMO), and Meabh may want to say a few additional words on that. What the industry is really looking for is clarity on this; clarity as to what the mechanisms and what the timetables are for consultation and determination. All of that is absent from this process.

Now, this is an enabling Bill in the sense that those details could be worked out. However, it is important that such details are provided at some point.

The Chairperson: We have that difference in approach to terrestrial planning applications. Through article 31, bigger projects would be considered by the Department. Are you looking for something like that?

Mr Boylan: Some of the issues that have been raised are obviously for the Department.

In the absence of an MMO, how do you feel marine management can be handled?

Ms Cormacain: I will probably end up repeating myself a little. We did not mention in our submission at the outset that there is an ongoing debate. The existence of the MMO is still being raised in different arenas.

The main concern of the renewable energy industry is that there is an appropriate process. In our submission, we indicated a preference for a one-stop shop in the form of an MMO equivalent in Northern Ireland while also recognising that there may be some limited bureaucratic justification, given the difference in scale between Northern Ireland and, for example, Scotland. The most important element is early, transparent and accountable engagement between whichever Departments are

responsible for decision-making, and external stakeholders should be engaged early in that process. It is not really a question of who will do it but how it will be done.

Lord Morrow: Can you clarify this for me: are you advocating an MMO?

Ms Cormacain: We see the value of an MMO. We would like there to be a one-stop shop, and we have said that we would support the creation of an MMO if that decision were taken.

Lord Morrow: I will ask you another way. You do not believe that an MMO is necessary?

Ms Cormacain: An appropriate process is necessary.

Lord Morrow: I will try it another way then. [Laughter.] Do you think that this all could be delivered without an MMO?

Ms Cormacain: I believe that it could be.

Lord Morrow: That is fair enough.

The Chairperson: There would be complexities, and you want a simple and straightforward one-stop shop so that all the processes and decisions are in the one agency. Is that right?

Mr Harper: It will require co-ordination between the different Departments, and the vehicle for achieving that for consenting and licensing could be done through good co-ordination between the Departments or through a single agency.

The Chairperson: The Bill spreads out to five different Departments. That is the difficulty.

Mrs D Kelly: Thanks for your presentation. Could I get a bit of insight into the current value of renewable energy and your projected outlook on its economic benefit here for the next five to 10 years? Is that relevant to the forecast in the economic strategy that was published by the Department of Enterprise, Trade and Investment (DETI) recently?

Ms Cormacain: Yes, I can give some information. When we talk about future figures, it is not always possible to be accurate. Some work was done recently in looking, in the first instance, at job creation and at Northern Ireland meeting its 40% renewable targets. The construction of renewable energy projects, at its peak, is expected to create approximately 2,000 jobs in Northern Ireland in, to a large extent, planning and construction. 2020 was the point at which the research stopped because that was the target date. The likelihood of 584 full-time-equivalent jobs in renewable energy will, of course, depend on which types of projects are taken forward and whether timelines are followed. However, that is with the aim of reaching that 40% target by 2020.

If I recall correctly, the renewable energy industry has invested about £150 million in the past 18 months, of which approximately one third has been spent in Northern Ireland. When I say the renewable energy industry, I mean NIRIG members. That is a broad brush figure for the past 18 months. Again, in the future, it will depend on how many projects get built. I may be corrected here, but I think that there are another 400 megawatts of capacity in planning. We would be looking at a figure of — again, correct me if I am wrong; I can confirm some of these figures for you — approximately £1.5 million per megawatt of installed capacity. Those are some very general figures.

Mrs D Kelly: It might be helpful if you could provide us with further information after the meeting. It is useful to set it in context.

Are any of the forecasted jobs engineering or manufacturing jobs or are they solely in the management and running of the industry or the sector itself?

Ms Cormacain: They would include manufacturing, construction and engineering jobs, as well as ongoing operational and maintenance jobs. It is such a variable issue. We look at, say, an offshore development and the impact that it might have on a local environment — a local fishing port, for example — versus an area where there may be greater construction, such as Belfast port or Harland and Wolff and the facilities there. I can provide some more information after the meeting on the numbers and jobs. Is there any specific area for which you would like information?

Mrs D Kelly: I am just trying to set it in context. Although renewable energy has many facets, I am interested in the impact of marine and wave technology and offshore technology, as opposed to such renewable energies as incineration or solar panels. I am interested in energy specific to the area of inquiry.

Mr Harper: There are a number of areas in marine energy, particularly tidal and wave energy, where local companies are leading in design, development and research. There are certainly opportunities for local companies on the engineering side. Some of those companies are world-leading. The work by McLaughlin & Harvey for the OpenHydro tidal device is a good example of that, as is the work that Belfast harbour has done in attracting investment for the offshore sector. That demonstrates that there are certainly opportunities for local companies.

Mrs D Kelly: Thank you.

The Chairperson: Thank you very much for your presentation and submission.