Response ID ANON-4C5V-8A3R-Z

Submitted to Renewable Electricity Generation Bill
Submitted on 2026-10-21 10:48:55

Introduction

1 What is your name?

name:
[redacted]

2 What is your email address?

email address:
[redacted]

3 Are you providing a submission on behalf of an organisation or business?

Yes

If yes, please provide the name of the organisation or business below:

ABO Energy Northern Ireland Ltd

Consent

4 Please confirm that you have read the Northern Ireland Assembly Committee's Privacy Notice by clicking the button below.

yes:
Yes

5 How would you like your submission to be published?

Yes. Publish but with my personal information and any content that could be used to identify me redacted.

Clause 1 - Overview of this Act

6 Do you agree that Contracts for Difference should be the basis for encouraging renewable electricity generation?

Yes

If no, how should this clause be amended?:

ABO Energy strongly supports the use of Contracts for Difference (CfDs) as the primary support mechanism for renewable electricity generation in Northern Ireland. CfDs have proven successful in Great Britain and internationally by reducing revenue uncertainty, lowering financing costs and delivering competitive prices for consumers. It is a tried and tested way to balance the revenue certainty required to unlock investment with protections for consumers when market prices are high. A well-designed CfD mechanism will support delivery of Northern Ireland's renewable electricity targets, attract investment and improve energy security.

7 Do you agree that the generating contracts should be managed using a counterparty?

Yes

If yes, who should the counterparty be?:

The preferred counterparty should be an independent, experienced organisation modelled on the Low Carbon Contracts Company (LCCC) in Great Britain, or alternatively LCCC itself if legally feasible. A proven body will increase investor confidence and minimise administrative risk.

If no, how should this clause be amended?:

N/A

8 Do you agree that the costs of the counterparty should be met by a supplier levy?

Yes

If no, how should this clause be amended?:

A supplier levy is consistent with established CfD structures and provides an efficient funding mechanism, provided costs remain transparent, proportionate and subject to regulatory oversight.

9 Do you have any further amendments that you would like to propose to this clause?

clause 1:

ABO Energy supports the overall approach in Clause 1. No further amendment is considered essential. However, it is crucial that subsequent implementation should follow a clear programme so that the first allocation round is not unnecessarily delayed. Investor confidence will depend on timely designation of the counterparty, publication of detailed CfD terms and completion of the necessary regulatory and subsidy/state-aid processes.

Clause 2 - Contracts for Difference

10 Do you agree that the Department should be able to make regulations in respect of the key terms and payments of the Contracts for Difference?

Yes

If no, how should this clause be amended?:

ABO Energy supports the Department retaining power to set the detailed CfD terms and payment mechanics through regulations, provided the resulting framework is bankable and developed through meaningful industry consultation. In particular, the regulations and standard terms should provide clear treatment of the market reference price, strike price and indexation, negative pricing, change in law and termination, and should provide full and predictable compensation for curtailment and constraint events. ABO Energy propose that the CfD term should be 20 years in line with GB.

11 Do you have any further amendments that you would like to propose to this clause?

clause 2 :

No - However, ABO Energy recommends that the secondary legislation and standard CfD terms expressly provide compensation for curtailment and constraint events. This is particularly important in Northern Ireland, where dispatch-down risk is material and largely outside a developer's control. Allocating this risk to generators would increase financing costs and auction bids and could undermine project bankability. The detailed methodology - including qualifying events, baselining, metering, calculation of deemed output and exclusions - should be set out in secondary legislation and/or the standard CfD terms rather than prescribed on the face of the Bill.

Clause 3 - Eligible generators and eligible generating stations

12 Do you agree that the Department should be able to make regulations in respect of the definition of eligible electricity generating activities?

Yes

If no, how should this clause be amended?:

The Department should retain flexibility to define eligible generating activities through regulations, subject to consultation and Assembly scrutiny. ABO Energy considers that eligibility for an allocation round should be focused on mature, deliverable projects. Applicants should be required to demonstrate that planning permission has been granted, appropriate grid accreditation/connection status has been secured, and enforceable land rights are in place. This would reduce speculative bidding and increase confidence that successful projects can proceed to construction within the required delivery window.

13 Do you have any further amendments that you would like to propose to this clause?

clause 3:

ABO Energy recommends that Clause 3 is implemented broadly enough to accommodate co-located and hybrid renewable projects incorporating electricity storage. Wind-plus-BESS and solar-plus-BESS configurations should be capable of participating where the supported electricity is demonstrably renewable. Detailed rules on storage eligibility, grid charging, metering, losses and settlement should be addressed through secondary legislation and CfD terms rather than prescribed in primary legislation.

The Department should also confirm the treatment of projects that energise before the first allocation round so that otherwise deliverable renewable generation is not incentivised to delay energisation. Eligibility rules should require full demonstration of project maturity, including planning permission granted, appropriate grid accreditation/connection status secured and land rights in place.

Clause 4 - Counterparty

14 Do you agree that the Department should be able to make regulations in respect of the designation of a counterparty?

Yes

If no, how should this clause be amended?:

Designation through regulations is appropriate. The counterparty should be demonstrably independent, appropriately capitalised and capable of administering long-term CfD liabilities. Using an experienced body could reduce implementation risk and improve investor confidence.

15 Do you have any further amendments that you would like to propose to this clause?

clause 4:

No further amendment is considered necessary. The Department should, however, provide early clarity on the intended counterparty and ensure continuity arrangements are robust so that generators and funders have confidence that contractual liabilities will be honoured over the full CfD term.

Clause 5 - Allocation rounds

16 Do you agree that the Department should be able to make an allocation round for Contracts for Difference from time to time and at its discretion?

Yes

If no, how should this clause be amended?:

This is subject to an important qualification. Allocation rounds require sufficient flexibility to set capacity, budget, delivery years and eligible technologies, but ABO Energy considers that this discretion should operate within a transparent forward auction programme. The secondary legislation should prescribe that the Department should publish a credible multi-year allocation timetable, with expected auction dates and key qualification parameters sufficiently in advance to support development investment, financing and supply-chain planning. Given the importance of REPG to the statutory 2030 renewable electricity target, avoidable slippage in the first allocation round should be treated as a material delivery risk.

17 Do you agree that the Department should be obliged to publish related notices, issue terms and publish rules and thus make an allocation scheme, at its discretion?

Yes

If no, how should this clause be amended?:

The Department should be required to publish the allocation-round notice, standard terms and allocation scheme sufficiently in advance of an auction. Material changes should be subject to consultation and reasonable notice so that projects can make informed investment and bidding decisions.

18 Do you agree that the Department should make regulations in respect of how generators are to apply and how applications are to be adjudged as successful?

Yes

If no, how should this clause be amended?:

Detailed application and award procedures should be set through regulations and the allocation scheme. These requirements should be published sufficiently in advance of an allocation round and applied consistently and objectively.

19 Do you have any further amendments that you would like to propose to this clause?

clause 5:

No

Clause 6 - Allocation scheme

20 Do you agree that the NI electricity grid system operator should determine the outcome of a Contracts for Difference allocation round?

Yes

If no, how should this clause be amended?:

ABO Energy is broadly supportive of the approach set out and recognise conferring functions to the system operator is consistent with the operation of comparable CfD framworks. The system operator is well placed to undertake administrative allocation functions, provided the process is governed by clear rules, appropriate oversight and effective separation from its other system functions. The allocation methodology should minimise discretion in individual project decisions.

21 Do you agree that the allocation scheme devised by the Department and at its discretion should specify the strike price, the setting of targets including how electricity is to be generated?

If no, how should this clause be amended?:

Yes. ABO Energy supports the use of objective auction parameters, including capacity or budget limits and maximum strike prices, where these are evidence-based, transparent and consulted upon. However, ABO Energy does not support the allocation scheme differentiating between otherwise

eligible projects on the basis of geographical location. REPG should procure renewable electricity through a fair and competitive process and should not use geographical differentiation as a proxy for network constraints or wider system-planning issues. Those issues should be addressed through grid investment, connection policy and system operation rather than by discriminating between projects in the CfD auction.

22 Do you have any further amendments that you would like to propose to this clause?

clause 6:

"ABO Energy recommends that the power in Clause 6 to specify targets relating to the geographical location of generating stations should be removed. We do not consider geographical differentiation to be appropriate within REPG. Projects that satisfy the same technology, eligibility and deliverability requirements should compete on an equivalent basis irrespective of location.

Network constraints are a system issue and should not be transferred into auction eligibility or ranking in a manner that disadvantages projects because of circumstances outside developers' control. Allowing geographical differentiation could reduce competition, create locational investment uncertainty and potentially increase the strike prices required by developers. Grid constraints should instead be addressed through timely network reinforcement, connection reform and appropriate curtailment/constraint compensation."

Clause 7 - Agreements to modify certain standard terms

23 Do you agree that the counterparty and the generator should be able to amend the terms of the Contract for Difference contract in the circumstances specified?

Yes

If no, how should this clause be amended?:

Limited modification of designated standard terms is sensible where necessary to address project-specific circumstances, provided the process is transparent, consistently applied and does not undermine competitive equality between applicants. However, ABO request further information, illustrative examples or draft criteria regarding the circumstances in which modification agreements may be utilised. Particularly it would be useful to understand what constitutes a “minor” or “necessary” amendment.

24 Do you agree that the Department should have the power to make regulations to specify how and when the terms of the Contract for Difference contract may be modified?

Yes

If no, how should this clause be amended?:

Regulations should establish a clear, time-bound and transparent modification process. Developers should know before bidding which terms are capable of modification and the evidential threshold that applies.

25 Do you have any further amendments that you would like to propose to this clause?

clause 7 :

No further amendment is considered essential. Guidance should ensure that modification decisions are made promptly so that the process does not delay auction participation or financial close.

Clause 8 - Contracts for Difference notifications

26 Do you agree that Contracts for Difference allocations should be sent to the counterparty?

Yes

If no, how should this clause be amended?:

Successful allocation decisions should be notified to the counterparty so that the contractual offer can be issued on the applicable standard terms.

27 Do you agree with the proposed content of the notification?

Yes

If no, how should this clause be amended?:

The notification should identify at least the successful generator, generating station/project, strike price and other information necessary to issue the CfD accurately. Requirements should remain proportionate and should not duplicate information already supplied during qualification.

28 Do you agree that the Department should be able to, through regulations, vary the content and circumstances of issuing for notifications?

Yes

If no, how should this clause be amended?:

The Department should be able to refine notification requirements through regulations as the scheme develops, subject to transparency and consultation where changes are material.

29 Do you have any further amendments that you would like to propose to this clause?

clause 8 :

No further amendment is considered necessary, provided notification and appeal processes are subject to clear deadlines so that successful projects can progress rapidly to contract execution and financing.

Clause 9 - Allocation: offer to contract on standard terms

30 Do you agree that the counterparty should be required to offer to contract with a relevant electricity generator subject to the terms of the notification?

Yes

If no, how should this clause be amended?:

ABO Energy agrees that, once a valid CfD notification has been issued following the allocation process, the counterparty should be required to offer a contract to the relevant generator in accordance with the terms of that notification. This provides essential contractual certainty for successful applicants and supports the bankability of the scheme.

31 Do you agree that the Department should be able to, through regulations, in respect of how the counterparty is to apply or complete the standard terms and in respect of timelines and failure to complete?

Yes

If no, how should this clause be amended?:

Regulations should govern completion of the standard terms, contractual timelines and consequences of failure to execute. Time periods should be clear and commercially realistic, with safeguards for circumstances outside a generator's reasonable control.

32 Do you have any further amendments that you would like to propose to this clause?

clause 9:

No further amendment is considered essential. The contractual process should be designed to minimise the period between auction award and CfD execution.

Clause 10 - Supplier levy

33 Do you agree that the Department should be able to make regulations to require electricity suppliers to pay a levy to the counterparty to cover the counterparty’s costs of making payments to electricity generators under Contracts for Difference including covering losses as a result of insolvency or supplier default?

Yes

If no, how should this clause be amended?:

A supplier levy is an established and appropriate mechanism for funding a two-way CfD scheme and is broadly consistent with the approach used in established renewable support frameworks. ABO Energy supports a transparent and proportionate levy structure that maintains the counterparty's creditworthiness while minimising unnecessary volatility and cost for suppliers and consumers. The framework should clearly explain how generator repayments during periods when the reference price exceeds the strike price are reconciled and returned for the benefit of consumers.

34 Do you agree that the Department should be able to, through regulations, allow for the exemption of certain electricity supplies from the levy?

Yes

If no, how should this clause be amended?:

Targeted exemptions may be appropriate where justified by wider policy or market considerations. Any exemptions should be transparent and carefully assessed so that costs are not unfairly shifted onto a smaller group of consumers or suppliers.

35 Do you have any further amendments that you would like to propose to this clause?

clause 10:

No, However, ABO Energy recommends that the supplier-levy framework provides strong visibility over forecasting, reconciliation, reserve requirements and treatment of generator repayments when reference prices exceed strike prices. The two-way nature of the CfD should be clearly communicated: consumers provide support when market prices are below the strike price, while generator repayments when prices are above the strike price should flow transparently back for consumer benefit. This will strengthen the consumer-protection case for REPG while maintaining a financially robust counterparty.

Clause 11 - Supplier levy: supplementary

36 Do you agree with the provisions of this clause?

Yes

If no, how should this clause be amended?:

The supplementary provisions are appropriate. Collateral requirements should be proportionate to supplier default risk and designed so that the counterparty remains a bankable long-term contractual counterparty without creating unnecessary costs for the market.

Clause 12 - Payments to electricity suppliers

37 Do you agree with the provisions of this clause?

Yes

If no, how should this clause be amended?:

Where the counterparty receives surplus sums, including repayments from generators under a two-way CfD, regulations should provide a transparent and auditable mechanism for returning the benefit to electricity consumers. This is central to the consumer-protection rationale for REPG. The mechanism should minimise unnecessary retention of surplus funds and ensure suppliers pass through any required benefit to customers in a timely and transparent manner.

Clause 13 - Community benefit

38 Do you agree with the provisions of this clause?

No

If no, how should this clause be amended?:

No, We consider this needs amended.

ABO Energy supports meaningful and enduring community benefit from renewable projects. It is ABO Energy's opinion that Community Benefit is best delivered as a voluntary provision, supported by evidenced best practice, as it the case in the successful schemes across the UK. However if is to be mandatory, any statutory arrangement must be proportionate, predictable and designed in consultation with developers and communities. The framework should however avoid complexity that could delay implementation of the REPG.

REPG-supported projects may already provide voluntary community-benefit funds or other locally agreed benefits. The regulations should provide flexibility to account for this and therefore avoid duplication or cumulative obligations that result in developers effectively funding two separate community-benefit regimes for the same project. The overall obligation should be clear before an allocation round so that it can be properly reflected in project economics and auction bids. The Department should consult separately on the appropriate value, eligible recipients, definition of locality, indexation and interaction with existing voluntary arrangements.

Generators should only be required to make community benefit payments where they are receiving corresponding revenue, save in the case of any negative pricing event. Obligations should cease upon cessation of generation activities and not on decommissioning.

Clause 14 - Sums held by, and liabilities of, the counterparty

39 Do you agree with the provisions of this clause?

Yes

If no, how should this clause be amended?:

The counterparty must have a robust mechanism for managing funds and meeting all CfD liabilities. The treatment of reserves, shortfalls and surplus funds should be transparent and should protect the contractual certainty required for project finance.

Clause 15 - Information and advice

40 Do you agree with the provisions of this clause?

Yes

If no, how should this clause be amended?:

Effective information sharing is necessary for administration and oversight of the scheme. Requirements placed on generators should be proportionate, avoid duplication and include appropriate protection for commercially sensitive and confidential project information.

Clause 16 - Oversight and resolution of disputes

41 Do you agree with the provisions of this clause?

Yes

If no, how should this clause be amended?:

Independent monitoring, review and a clear dispute-resolution mechanism are important for confidence in a competitive allocation process. Appeal and dispute procedures should be rapid enough that they do not unnecessarily delay an allocation round or prevent successful projects progressing.

Clause 17 - Further provision in connection with CfDs

42 Do you agree with the provisions of this clause?

Yes

If no, how should this clause be amended?:

The Department requires sufficient powers to implement and maintain the CfD framework. Material changes affecting project economics, eligibility or contractual risk should be subject to meaningful consultation and should protect existing contracted projects from retrospective changes. ABO Energy also recommends that the Department publishes a clear implementation roadmap showing how these regulation-making powers will be exercised ahead of the first allocation round.

Clause 18 - Making of Regulations

43 Do you agree with the provisions of this clause?

Yes

If no, how should this clause be amended?:

Yes, subject to meaningful and timely consultation. ABO Energy strongly supports the statutory consultation requirement. Developers, investors, lenders and other affected market participants should be given sufficient time to assess the bankability and practical implications of substantive regulations and standard terms.

The Department should publish a clear critical path to the first allocation round covering passage of the Bill, secondary legislation, counterparty designation and readiness, subsidy control and/or EU State-aid processes as applicable, standard CfD terms, system-operator readiness and the auction timetable. Any outstanding State-aid or subsidy-control process should be progressed early and transparently so that it does not become the critical-path item delaying the first auction.

Given the significance of regulations under Clauses 2, 3, 10, 12, 13, 14 and 17, affirmative Assembly scrutiny is appropriate.

Clause 19 and Schedule 2 - Consequential and other provisions

44 Do you agree with the provisions of this clause and Schedule?

Yes

If no, how should this clause and schedule be amended?:

The consequential powers are appropriate, provided they are used consistently with the purpose of the Act.

Clause 20 - Interpretation

45 Do you agree with the provisions of this clause?

Yes

If no, how should this clause be amended?:

The definitions are generally appropriate. The secondary legislation should include any additional terminology required to accommodate hybrid and co-located renewable-plus-storage configurations, while ensuring that CfD support applies only to eligible renewable generation. This would future-proof

the framework without requiring detailed storage rules to be fixed in primary legislation.

Clause 21 - Commencement

46 Do you agree with the provisions of this clause?

Yes

If no, how should this clause be amended?:

Commencement immediately following Royal Assent is appropriate. The priority should then be timely delivery of the secondary legislation, standard terms, counterparty arrangements and allocation process.

Schedule 1 - Designation of other persons to be the counterparty

47 Do you agree with the provisions of this schedule?

Yes

If no, how should this schedule be amended?:

Continuity of the counterparty is essential because CfDs are long-term contracts relied upon by lenders and investors. Any transfer should preserve generators' contractual rights and avoid disruption to payment obligations.

Additional Comments

48 Please provide any additional comments on the Bill you feel should be considered.

additional comments:

ABO Energy Northern Ireland Ltd welcomes the Renewable Electricity Generation Bill and strongly supports the establishment of a long-term, competitive and bankable CfD framework for Northern Ireland. The principal challenge is now timely implementation and the delivery of an investable first allocation round.

ABO Energy recommends that the Department:

• publish a clear critical path and multi-year timetable for the first and subsequent allocation rounds, including secondary legislation, counterparty readiness, State-aid/subsidy-control requirements, standard terms and system-operator readiness;
• provide full and predictable compensation for curtailment and constraint events so that uncontrollable system risk is not transferred to generators and ultimately priced into auction bids;
• adopt robust project-readiness requirements, requiring applicants to demonstrate planning permission granted, appropriate grid accreditation/connection status secured and enforceable land rights;
• ensure Clause 3 and the subsequent regulations accommodate co-located wind-plus-BESS and solar-plus-BESS projects, with detailed storage metering, charging and settlement rules dealt with in secondary legislation;
• avoid geographical differentiation between otherwise eligible projects in allocation rounds. Network constraints should be addressed through network investment, connection policy and system operation rather than by discriminating between projects in the CfD auction;
• ensure any mandatory community-benefit requirements are proportionate and take account of existing voluntary community-benefit arrangements so that obligations are not unnecessarily duplicated, and generators do not pay when not generating income from generation;
• maintain a transparent two-way supplier-levy mechanism under which generator repayments during high-price periods are returned for the benefit of consumers; and
• provide transparency on the State-aid/subsidy-control critical path so that approvals do not delay the first auction.

Northern Ireland requires substantial new renewable generation to meet its statutory renewable electricity target. REPG should therefore be designed around project deliverability, competitive consumer pricing and bankability, while recognising the material planning, grid and dispatch-down challenges faced by developers.

Submit your survey

49 If you provide an email address you will be sent a receipt and a link to a PDF copy of your response.

email:
