CBI Northern Ireland Response: Committee for the Economy's Call for Evidence on the Renewable Electricity Generation Bill

21 October 2026

The CBI Northern Ireland (CBI NI) welcomes the opportunity to submit evidence to the Northern Ireland Assembly Committee for the Economy's Call for Evidence on the Renewable Electricity Generation Bill.

The CBI speaks on behalf of 170,000 businesses of all sizes and sectors, across every region and nation of the UK. This includes over 1,100 corporate Members, plus nearly 150 trade associations. Corporate Members alone employ over 2.3 million private sector workers. The CBI NI represents hundreds of local businesses (large, medium and small) across a full range of sectors. This includes indigenous companies in Northern Ireland, as well as those headquartered in other parts of the UK that have operations locally.

CBI NI has shared the request for input into the Committee for the Economy's Call for Evidence with our Energy and Large Energy Users Working Groups. The following is a summary of the written responses from members operating across electricity and gas networks, renewable generation and development, construction, legal and advisory services.

Introduction

1. CBI Northern Ireland welcomes the Renewable Electricity Generation Bill as an important foundation for a route to market for renewable electricity generation. A credible support framework can help turn Northern Ireland's renewable project pipeline into investment, strengthen energy security and support a more affordable transition to a low carbon economy.

2. The Bill should progress promptly, alongside transparent development of the secondary legislation, allocation rules and scheme Terms and Conditions. Developers, investors and lenders need those details sufficiently early to assess project eligibility, price risk and commit capital. Community benefit obligations require particular attention because their design will affect local confidence, project viability and auction bids.

Response

The following is a summary of the responses under key themes.

Eligibility and investment certainty

3. CBI NI members have reported that renewable investment has been delayed by uncertainty over support arrangements, connection dates and the expenditure needed to retain planning consents and grid offers. Some have reported increasingly sceptical investors and a risk of capital moving to jurisdictions with clearer delivery schedules. This reinforces the need for an operational timetable beyond passage of the enabling Bill, with sufficient clarity on subsidy control requirements, project eligibility, grid access and the treatment of projects that already hold planning consent or grid connection offers.

4. We therefore welcome the Department's October Notice of Intention as a useful response to the risk that commencing works could affect access to the first allocation round. Further clarity is needed on the timing and frequency of allocation rounds, qualification requirements and auction design. The scheme should remain technology neutral where possible and should address the grid access and curtailment risks faced by private investors in renewable generation and battery storage.

Community benefits under clause 13

5. The arrangements for community benefits should be fair, practical to administer and sufficiently predictable to finance. Poorly defined liabilities could raise bids or deter participation, reducing the resources available for both consumers and communities.

6. Clause 13 creates a power to require participating generators to arrange payments to specified persons. It does not itself settle the payment rate or geographical boundary. Its provisions contemplate applications, publicity, appeals and enforcement, including recovery as a civil debt. These matters should be resolved before developers submit binding bids.

7. Comparisons should be precise. England’s published onshore wind guidance describes voluntary arrangements, while Ireland’s RESS requires community benefit funds and includes household payments. Northern Ireland should explain the case for its chosen legal mechanism and any divergence from those models. The comparison is not simply between compulsory benefits here and no benefits elsewhere.

8. Regulations should establish a clear, mapped boundary for eligibility and specify how distance is measured. They should address occupied homes, tenants and landlords, multiple occupiers, changes of residence, new properties and people already receiving land lease payments.

9. The Department should consult on a predictable cap on total project liability, indexation and the share available for near neighbour payments. A defined allocation for wider community initiatives should be protected. Rules should explain what happens when eligible claims exceed the available allocation, including a transparent adjustment or derogation process. Developers should not face uncapped obligations driven by local population density.

10. Rules should explain how benefits interact with existing voluntary agreements, avoid duplicate obligations, and address changes in ownership and operation. The duration of payments must be clear, including whether obligations continue after the CfD ends. The Committee should consider whether clause 13 needs additional safeguards on proportionality and predictable liability, with operational detail in regulations. Community payments should remain separate from the assessment of planning merits.

Consultation and accountability

11. Continued engagement between the Department and industry will be essential. While the Bill sets the direction of travel, many of the issues that will matter most to developers, investors and lenders will be determined through secondary legislation, allocation rules and the scheme's Terms and Conditions. These documents should be published in draft, consulted on together where their effects interact, and finalised with sufficient lead time for financing and bidding. Engagement should include developers, lenders, storage operators, energy users and host communities.

12. Clause 18 leaves discretion over whom the Department considers it appropriate to consult. We recommend when appropriate consultation should take place with affected generators and consumer and community representatives, alongside the network, system, regulatory and supplier interests already identified. Consultation on the contract and allocation documents also needs a clear process.

13. The Department should publish the intended first auction date, qualification timetable, indicative volumes or budgets, and the expected frequency of later rounds. A delivery plan should identify the owners of outstanding approvals and operational tasks, and explain what will happen if milestones are missed. Planning authorities, network operators and the regulator should align their programmes with it. This greater policy and market certainty would help accelerate investment planning and maintain investor confidence.

14. Progress reporting should cover capacity awarded, projects financed and commissioned, renewable output actually delivered, connection performance, dispatch down, community benefits and net consumer cost. Institutions need sufficient staffing and technical capacity to implement the framework and resolve disputes promptly. The Department and Utility Regulator should also set out the evidence base underpinning the pathway, including any cost-benefit analysis of different demand, grid connection, constraint and curtailment scenarios.

System integration, demand and consumer impact

15. The proposed framework is a positive step towards reducing emissions and increasing renewable electricity capacity. The first auction is expected to procure a substantial volume of renewable generation. As deployment increases, the balance between generation growth and demand growth will need to be managed carefully to avoid higher levels of dispatch down and to ensure that new capacity delivers value for consumers.

16. In our response to The Northern Ireland Assembly Public Accounts Committee Inquiry on Northern Ireland Energy Strategy, we highlighted that CBI NI members had expressed differing views on the proposed REPG design. Some regard it as an essential step that can underpin renewable investment. Others are concerned that compensating constrained or curtailed generation without resolving the underlying system problem could impose disproportionate consumer costs and weaken incentives to find flexible users for electricity that would otherwise be lost.

17. Long-term strategic planning across electricity networks, heat, transport and industry will therefore be critical. Additional renewable electricity has the potential to put downward pressure on bills and support electrification, but those benefits will only be fully realised alongside enabling measures such as timely grid reinforcement, demand growth and tariff reform.

18. The consumer impact of the renewable electricity pathway should be transparent. The Department should provide, or commission, an estimate of the likely costs and benefits for an average Northern Ireland household and explain how grid reinforcement, constraint and curtailment costs will ultimately be funded. This should form part of a clear assessment of the overall net consumer cost of the scheme.

19. Overall, the Renewable Electricity Generation Bill is a welcome and important foundation for a route-to-market framework for renewable electricity generation in Northern Ireland. Its success will depend on the timely development of clear secondary legislation and scheme rules, effective coordination across government, the regulator and network operators, and continued engagement with industry and consumers. Getting this detail right will be essential to maintaining investor confidence, protecting consumers and delivering the renewable deployment needed to meet Northern Ireland's energy ambitions.

I trust that you find this information helpful. Please feel free to contact me if you have any further queries.

Kind regards

