

Energia Response to Northern Ireland Assembly Committee for Economy

Renewable Electricity Generation Bill

21 October 2026

1 Executive Summary

Energia strongly supports and welcomes the introduction of a CfD framework for Northern Ireland and recognise its potential to accelerate investment in renewable generation, support decarbonisation objectives, and provide greater long-term certainty for consumers and developers. In Energia's view, the success of the scheme will depend not only on the legislative framework, but also on the careful and detailed design of the supporting arrangements. The primary objective should be to deliver a simple, investable, and practical scheme that can be implemented quickly, attracts investment at scale, and avoids unnecessary complexity that could increase costs or delay delivery. Energia's key points are:

- **Scheme design and delivery:** Prioritise a simple, investable scheme design that avoids unnecessary complexity, additional requirements, or barriers to participation. The overarching objective should be the timely delivery of renewable generation through a framework that is straightforward, predictable and attractive to investors.
- **Technology eligibility:** Focus initial support on established and commercially mature technologies, particularly onshore wind and solar, rather than prioritising storage in early allocation rounds, in line with the UR's Flexibility Needs Assessment, which indicates that the requirement for additional storage becomes more significant in the 2030s.
- **Contract duration:** Support longer CfD contract terms, with a preference for a 20-year duration to improve investment certainty.
- **Allocation rounds:** The rules and eligibility criteria should be transparent, predictable and published sufficiently in advance to support investor confidence.
- **Application requirements:** Application and assessment processes should be clear and streamlined, minimising administrative burden and compliance costs.
- **Lessons learned:** Lessons should be drawn from both GB CfD auctions and the RESS framework, while ensuring the final design is tailored to Northern Ireland's circumstances.
- **Non-Price Criteria:** Any potential Non-Price Criteria (NPCs) should be carefully considered, with a focus on avoiding unnecessary complexity and cost, particularly in early auction rounds.
- **Community Benefit Design:** Community benefit arrangements should remain flexible rather than mandatory and avoid a one-size-fits-all approach. It should provide developers discretion in how benefits are designed and delivered to reflect local circumstances and community needs. Community benefit requirements should draw on best practice from other jurisdictions while avoiding excessive administrative burdens.
- **Community Benefit Rate:** Preference for a £/MWh-based community benefit contribution model over prescriptive or fixed payment requirements, with appropriate arrangements to balance near-neighbour payments with funding available to the wider community. Further, should near-neighbour payments be required, appropriate limits should be considered to ensure meaningful funding remains available for wider community benefit funds.
- **Supplier Impact:** Levy, settlement, and billing arrangements should consider supplier cashflow, working capital, cost recovery, and the administrative

complexity associated to changes in customer billing. Any supplier collateral or financial assurance requirements should be proportionate and practical.

- **Customer Impact:** Mechanisms should be considered to manage customer bill volatility, with annual adjustments preferred over more frequent reconciliations.

2 Introduction

Energia welcome the opportunity to respond to the Northern Ireland's Assembly Committee for Economy on the Renewable Electricity Generation Bill. Energia welcomes the introduction of a CfD scheme in Northern Ireland.

This response begins with Energia's overarching views on the key priorities for the development and implementation of this Bill in detail. It then addresses each of the consultation questions in turn. While Energia understands this Bill is largely an enabling framework, inputs on the uses of these powers and the resulting implementation of the Bill are included in this response.

Energia Group operates through three businesses: Renewables; Flexible Generation; and Customer Solutions.[1] We currently supply approximately 13% of the island of Ireland's total electricity requirements and are responsible for approximately 20% of wind power capacity installed on the island. Our plans for the future will transform how we supply clean energy including the future development of renewable energy projects (significantly using both onshore wind and solar), which will be capable of supplying green electricity to more than 1 million homes.

The Renewables business owns and operates 408MW of wind assets, is currently constructing a 153MW solar farm as well as purchasing electricity from 1,109MW of renewable generation capacity on the island of Ireland. The business has extensive experience in the design, construction, and operation of renewable energy projects, primarily onshore wind, but more recently solar, green hydrogen production, and battery storage projects have been completed by the Group. We are also developing a further substantial pipeline of onshore and solar projects across the island of Ireland.

The Flexible Generation business owns and operates 747MW of conventional generation assets in the Republic of Ireland, these units are critical to security of supply in the all-island Single Electricity Market (SEM). To address security of supply concerns in the SEM, the Group has also recently delivered a 50MW battery storage facility in Belfast and 50 MW of emergency generation at the Huntstown campus in Dublin. We are also constructing a data centre at our Huntstown campus and related 220kV transmission substation and have a further pipeline of battery storage development projects across the island of Ireland.

The Customer Solutions business supplies electricity to over 898,000 residential and commercial customers via our Power NI and Energia retail companies. Customer Solutions has provided customers with innovative new products to assist them with the energy transition, such as green electricity and electric vehicle (EV) products. We are committed to guiding customers throughout their energy transition, promoting a sustainable and efficient energy future.

[1] Energia Group Responsible Business Report 2026

3 Overarching Response

3.1 Scheme Design and Delivery

Energia considers it essential that the REPG scheme is designed with simplicity and deliverability as its primary objectives. Northern Ireland's challenge is not a lack of ambition, but rather the need to accelerate deployment and provide a stable framework that can be implemented at speed. The scheme should therefore avoid unnecessary complexity, excessive administrative burden, or additional obligations that could increase costs, deter participation, or delay project delivery. Application and assessment processes should be clear, proportionate, and streamlined, ensuring the framework remains accessible to developers while supporting efficient implementation and timely delivery of renewable generation.

Ultimately, the success of the REPG framework should be measured by its ability to accelerate the deployment of renewable generation and contribute to Northern Ireland's decarbonisation objectives. The scheme should therefore be designed around the principle of facilitating timely delivery, encouraging investment and supporting efficient project development. A framework that is simple, predictable and attractive to investors will be best placed to deliver the scale of renewable generation required while helping to maintain affordability and ensure long-term benefits for consumers and the wider economy.

3.2 Technology Eligibility

In the principle of designing a deliverable-at-pace scheme, particularly for the initial allocation rounds, support should be focused on established technologies with proven delivery records, particularly onshore wind and solar generation. These technologies are best placed to deliver renewable capacity at scale within the required timeframes, and at competitive costs. While Energia recognises the important role that emerging technologies, including storage, will play in the future energy system, their inclusion should not come at the expense of simplicity or delay the implementation of the wider scheme. This approach is consistent with the Utility Regulator's recently published Flexible Needs Assessment, which indicates a greater requirement for storage into the 2030s, rather than as an immediate priority for the initial REPG allocation rounds.[2] Therefore, Energia strongly believes that the early focus of this scheme should be on technologies with a proven route to market in order to maximise renewable deployment.

3.3 Contract Design and Investor Certainty

The provision of long-term revenue certainty is one of the principle benefits of a CfD mechanism, and will be critical in attracting investment in Northern Ireland's renewable energy sector. Energia therefore supports longer CfD contract terms and considers a 20-year duration to be appropriate, rather than adopting a 15-year term by default. Recent reforms to the GB scheme demonstrate the potential for longer contracts to reduce revenue risk and place downward pressure on strike prices. Longer contract periods can improve project certainty, increase amount of lower cost debt funding available and reduce financing costs, and support greater competition by lowering overall project risk. This can ultimately support delivering better value for consumers, while creating a more attractive investment environment for developers. Ultimately, any decision should be informed by a transparent assessment of whole-of-contract

[2] UR: Northern Ireland- Flexibility Needs Assessment 2026

costs, consumer value, and the particular characteristics of the Northern Ireland market.

Further to this, a clear and predictable allocation framework is paramount to the success of the scheme. Developers require adequate visibility of future allocation rounds, eligibility requirements, and auction rules in order to make informed investment decisions and progress projects through the development pipeline. Energia believes that key information such as allocation rounds, scheme parameters, and qualification criteria should be communicated with adequate notice and remain consistent between auction rounds, with any changes being flagged to industry as soon as feasible. A transparent approach such as this will improve investor confidence, and support a steady flow of projects capable of participating in future auctions.

The application and assessment framework should be designed to minimise unnecessary administrative complexity while ensuring robust and transparent decision-making. Excessively burdensome application requirements can increase development costs, deter participation, and ultimately reduce competition within allocation rounds. Energia therefore supports a streamlined process that focuses on the key information required to assess project eligibility and deliverability. The assessment methodology should be clear, consistent and proportionate, providing participants with certainty regarding how applications will be evaluated and what requirements must be met to secure support.

3.4 Lessons from Other Jurisdictions

Significant value can be derived from the experience gained through both the GB CfD scheme and the Republic of Ireland's Renewable Electricity Support Scheme (RESS). Both mechanisms have demonstrated the importance of competitive auctions in supporting renewable investment, while also highlighting the need for scheme design to evolve in response to changing market conditions, investor requirements, and practical delivery challenges. Further, these mechanisms have demonstrated both successful approaches and areas where refinements have been necessary over time.

For example, the GB CfD scheme demonstrated the importance of ensuring auction parameters reflect the prevailing market conditions. Recent reforms to the scheme have sought to address this, by introducing the longer, 20-year CfD contracts for wind and solar technologies from Allocation Round 7.[3] This evolution reinforces the importance of maintaining an investable framework, with appropriate contract durations, realistic auction parameters, and sufficient flexibility to respond to changing market conditions.

Similarly, the ROI RESS has demonstrated the value of predictable auction rounds and ongoing engagement with industry to refine scheme design. Experience across the successive RESS auctions has informed adjustment to auction T&Cs, project qualification requirements, and community benefit arrangements. The scheme provides relevant lessons regarding the supplier funding arrangements, the treatment of consumer costs, and the importance of aligning renewable deployment with network connection and delivery requirements.

Energia believes Northern Ireland should draw on these lessons when developing its own framework, particularly in relation to auction design, contract duration, community benefit arrangements and administrative processes. However, while international experience should inform policy development, the final design should reflect Northern

[3] Contracts for Difference (CfD) Allocation Round 7: Subsidy Control Transparency Database estimates - GOV.UK

Ireland's specific market characteristics, network challenges and renewable deployment objectives rather than simply replicating arrangements from elsewhere.

3.5 Non-Price Criteria

Energia recognises that Non-Price Criteria (NPCs) can play a role in supporting wider policy objectives, and compliance with the EU's Net-Zero Industry Act (NZIA). However, any potential introduction of NPCs within the REPG framework should be carefully considered. Any requirements should be proportionate and designed to avoid unnecessary complexity or cost, particularly in early allocation rounds where simplicity and timely delivery should remain priorities. Energia believe strongly that the delivery of renewable electricity at a competitive cost should remain central to the scheme's design.

Energia recommends that any proposed NPCs should be subject to meaningful industry engagement and consultation, in tandem with a transparent assessment of their potential impacts on costs, competition, and project deliverability. Requirements should be proportionate to the scale and nature of the projects, and avoid unnecessary duplicative planning, environmental, or regulatory obligations.

As a further consideration, Energia highlights that the extensive consultation, impact assessment, and administrative arrangements required to appropriately develop and implement NPCs into the REPG scheme could introduce delays to the delivery of the scheme. Given the importance of accelerating renewable electricity deployment in Northern Ireland, Energia considers that the potential future introduction of NPCs into subsequent allocation rounds should not compromise the timely establishment of the scheme or its initial allocation rounds. This allows the initial scheme to prioritise simplicity, investor certainty, and timely delivery while providing sufficient opportunity for rigorous assessment of any additional requirements.

3.6 Community Benefit

Energia believe that arrangements for the community benefit should remain flexible and proportionate. Energia believe that best practice from other jurisdictions should be considered, and that a mandatory prescriptive approach may not be appropriate. Any requirements should minimise administrative burden and allow developers flexibility in how benefits are delivered.

A flexible approach to community benefit arrangements will support meaningful engagement by the developers with the associated communities, ensuring that actual benefit is provided by the arrangements, rather than applying a one-size-fits-all approach. Community benefit arrangements should avoid excessive prescription and instead allow flexibility to reflect local circumstances and community needs. Experience from Energia's existing community benefit programmes demonstrates that communities benefit from locally tailored approaches supported by robust governance and administration arrangements. Where community benefit funds are established, consideration should be given to the use of experienced independent administrators, such as charitable trusts, which can provide governance, transparency, expertise and support to communities in identifying funding priorities and maximising the impact of available funding. Any framework should also avoid introducing unnecessary administrative burdens or costs that could ultimately reduce the competitiveness of renewable projects or delay delivery. Energia supports adopting the RESS scheme approach to community benefit schemes, as this has been in operation for several years and many stakeholders will be familiar with its provisions. In addition to this, it is important that the framework should retain sufficient flexibility to reflect local circumstances and community needs. Should near-neighbour payments be a requirement, appropriate limits should be applied to ensure that sufficient funding

remains available for a wider community benefit fund supporting initiatives and groups in the local area. Consideration should be given to the experience and lessons learned from the ROI's RESS framework.

Therefore, Energia would favour a contribution mechanism based on a £/MWh rate, providing a transparent and proportionate link between project output and community benefit delivered.

3.7 Supplier and Consumer Impacts

The design of levy and settlement arrangements will have important implications for electricity suppliers and the overall functioning of the scheme. Energia considers it essential that these arrangements take account of supplier cashflow, working capital requirements and cost recovery considerations, particularly during periods of market volatility. Poorly designed arrangements could create unintended financial pressures on suppliers and increase costs for consumers. The final framework should therefore seek to balance effective scheme administration with practical implementation considerations and ensure that financial obligations remain proportionate and manageable.

Consideration should be given to mechanisms that manage customer bill volatility and improve predictability for both suppliers and consumers. Recent experience under the PSO framework in the Republic of Ireland has demonstrated that support schemes funded through the PSO can be subject to significant year-on-year fluctuations, driven largely by movements in wholesale electricity prices and subsequent correction factors. Challenges have been highlighted associated with relying on long-term forecasts in periods of wholesale market volatility. Significant divergence between the forecast and outturn wholesale electricity prices can result in material reconciliation amounts, customer bill volatility, and substantial working capital requirements for suppliers. Energia has consistently highlighted the importance of considering mechanisms to reduce exposure to forecast error and minimise the build up of large correction factors. The CRU has explicitly acknowledged this volatility and will be taking steps to engage with industry on how to smooth customer impacts.

Energia therefore believes the design of the REPG funding mechanism should seek to avoid similar outcomes where possible, through the use of appropriate volatility management, forecasting, and settlement arrangements. In this context, annual adjustments are likely to be preferable to more frequent reconciliations, as they would provide greater bill stability for customers while reducing administrative complexity for suppliers.

Care should also be taken to ensure that suppliers are not required to fund significant payment mismatches over extended periods before being made whole, as this could increase financing costs, place pressure on working capital, and ultimately increase costs for consumers. Thus, the frequency of changes to billed rates should be kept to a minimum, recognising the additional cost and administrative complexity for suppliers, as well as the potential for multiple intra-year adjustments to create confusion for customers.

4 Questions

4.1 Clause 1 – Overview of this Act

Clause 1 provides an overview of the Act.

The clause also defines a Contract for Difference as being between an eligible generator of electricity and an eligible counterparty. The counterparty manages the generation contracts with the generator. In England the counterparty is the Low Carbon Contracts Company. The Bill does not specify who the counterparty will be.

The clause defines a Contract for Difference in terms of generators receiving sums where the market reference price is below the strike price and the generator paying sums to a counterparty where the market reference price is above the strike price.

The clause indicates that the counterparty's costs are to be met by a supplier levy.

Provisions relating to eligible generators and the counterparty are given in Clause 3 and Clause 4 respectively.

4.1.1 Do you agree that Contracts for Difference should be the basis for encouraging renewable electricity generation? If no, how should this clause be amended?

Yes. Energia supports the use of Contracts for Difference as the primary mechanism for encouraging renewable electricity generation.

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

Yes. A dedicated counterparty provides an established and transparent mechanism for administering CfD contracts, managing payments and obligations, and maintaining confidence in the operation of the scheme.

4.1.3 Do you believe that the costs of the counterparty should be met by a supplier levy?

Yes, in principle. However, the levy design should carefully consider supplier cashflow, working capital requirements and customer bill impacts. Experience with the PSO in Ireland has demonstrated that support mechanisms can be subject to significant volatility, and consideration should be given to smoothing arrangements that minimise bill fluctuations and improve predictability for customers. The frequency of changes to billed rates should also be carefully managed, recognising the additional administrative costs for suppliers and the potential for customer confusion arising from multiple adjustments within a year.

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

No.

4.2 Clause 2 – Contracts for Difference

Clause 2 sets out the Department's power to make regulations to define the market reference price, the strike price, the period for which a Contract for Difference will apply and when payments to or from eligible generators will or will not be met.

4.2.1 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? If no how should this clause be amended?

Yes. Energia agrees that the Department should have the ability to make regulations relating to the key terms and payment arrangements of CfDs. This will provide the flexibility required to adapt the scheme over time and respond to changing market conditions. However, key parameters such as contract length, strike price methodology and payment arrangements should be developed transparently and in consultation with industry to provide investor certainty and support efficient project delivery.

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

No.

4.3 Clause 3 – Eligible Generators and Eligible Generating Stations

Clause 3 sets out that the Department must make regulations to define eligible electricity generating activities and then defines an eligible electricity generator as a generator of electricity which complies with the relevant definition.

4.3.1 12. Do you agree that the Department should be able to make regulations in respect of the definition of eligible electricity generating activities? If no, how should this clause be amended?

Yes. In respect to this, Energia believes that for initial allocation rounds, eligibility should focus on established and easily deployable technologies capable of delivering renewable generation at scale, namely onshore wind and solar. The introduction of additional technologies should only be considered where it does not add unnecessary complexity nor delay the delivery of this scheme. The UR Flexibility Needs Assessment does not see this as an immediate priority, and indicates that the requirement for additional storage becomes more material in the 2030s.

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

No.

4.4 Clause 4 – Counterparty

Clause 4 sets out that the Department can make regulations so as to designate a person to be a counterparty if they are a company or a public authority. The clause indicates that neither the Department nor the system operator can be the counterparty or act in the management of a counterparty.

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

Yes. Energia agrees that the Department should have the power to designate a counterparty. A dedicated counterparty is a fundamental component of the CfD model and provides an established and transparent mechanism for contract management, payment administration and risk allocation.

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

No.

4.5 Clause 5 – Allocation Rounds

Clause 5 requires the Department to make an allocation round for Contracts for Difference from time to time with limitations or conditions which may vary for each allocation round. The Department will be obliged to publish relevant notices, issue standard terms and publish rules for each allocation round. The Department may also make regulations in respect of how generators are to apply and how applications are to be adjudged as successful.

4.5.1 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. However, Energia strongly recommends that the timing and frequency of allocation rounds should be published sufficiently in advance to give developers satisfactory notice to plan projects, and communicated clearly to provide overall certainty for investors and developers.

4.5.2 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, transparency is essential for investor confidence, and for efficient resource allocation by developers. Terms, conditions, and allocation rules should be published sufficiently in advance to enable participants to thoroughly assess opportunities and prepare competitive applications.

4.5.3 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, a clear framework is necessary. The application and assessment process should remain as simple and transparent as possible, and avoid introducing unnecessary administrative requirements or criteria that could increase costs or delay deployment.

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

No.

4.6 Clause 6 – Allocation Scheme

Clause 6 confers functions on the NI electricity grid system operator in respect of determining the outcome of a Contracts for Difference allocation round and notifying the counterparty.

The clause also defines the content of the allocation scheme which is to be made by the Department.

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

Yes. Energia agrees that the system operator is well placed to undertake this role.

4.6.2 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?

Yes. The allocation framework should provide sufficient clarity on maximum strike prices and delivery objectives. Maximum strike prices should be informed by appropriate expert analysis and reflect Northern Ireland-specific factors, including project scale, grid-related costs, and expected levels of dispatch down. In developing the scheme, consideration should be given to lessons from both GB CfD auctions and the various iterations of the RESS framework, while ensuring the final design reflects the specific needs of Northern Ireland.

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

No.

4.7 Clause 7 – Agreements to Modify Certain Standard Terms

Clause 7 allows the counterparty and the generator to amend the terms of the Contract for Difference where such a modification is minor and where it was previously designated as amendable.

4.7.1 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. Energia agrees that modifications should be permitted where the relevant standard term has been identified as amendable from the outset and the modification is minor and necessary. This provides appropriate flexibility while maintaining contractual certainty and investor confidence. Circumstances where modification may be appropriate could include the correction of manifest errors, addressing conflicts with legal or regulatory requirements, or limited amendments required to support contract bankability.

4.7.2 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. Regulations should clearly define the circumstances and process under which modifications may be made, ensuring transparency and predictability for generators and financiers.

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

No further amendments are proposed at this stage. However, any future modification process should remain narrow in scope and designed to preserve contractual certainty for investors.

4.8 Clause 8 – Contracts for Difference Notifications

Clause 8 requires a notification to be sent to the counterparty in respect of a Contract for Difference allocation.

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

Yes. Energia agrees that the outcome of CfD allocation rounds should be formally notified to the counterparty to ensure efficient contract administration and provide clarity regarding successful applicants.

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

Yes. Any required information should remain proportionate and limited to that necessary for contract administration.

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

Yes. The Department should retain flexibility to update notification requirements over time. However, any changes should be proportionate, transparent and subject to appropriate stakeholder engagement where they may have material impacts on participants.

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

No.

4.9 Clause 9 – Allocation: Offer to Contract on Standard Terms

Clause 9 requires the counterparty to offer to contract with the relevant electricity generator following receipt of a Contracts for Difference notification

4.9.1 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. Energia agrees that successful applicants should receive an offer to contract based on the notified allocation outcome. This provides certainty for generators and supports confidence in the allocation process.

4.9.2 Do you agree that the Department should be able to regulate completion of standard terms, timelines and failures to complete?

Yes. Clear rules governing contract completion, timelines and the treatment of failures to complete will help ensure a transparent and efficient allocation process. Any timelines should be reasonable and reflect project financing and contractual requirements.

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

No further amendments are proposed at this stage. However, completion processes and timelines should be designed to support project bankability while minimising unnecessary administrative burden.

4.10 Clause 10 – Supplier Levy

Clause 10 allows the Department to make regulations to require electricity suppliers to pay a levy to the counterparty and allows exemptions and financial collateral arrangements.

4.10.1 Do you agree that the Department should be able to make regulations to require electricity suppliers to pay a levy to the counterparty?

Yes. However, Energia recommends that the design of any levy mechanism should carefully consider impacts on suppliers and consumers, including cashflow implications, volatility management and efficient cost recovery arrangements. Lessons should be drawn from the operation of the PSO mechanism in Ireland, particularly in relation to forecasting uncertainty, reconciliation processes, supplier working capital requirements and customer bill volatility. The administrative complexity associated with levy calculation, settlement and customer billing should also be minimised where possible.

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

Any exemptions should be clearly justified, transparent and designed in a manner that does not create unintended distortions or lead to disproportionate cost burdens falling

on other customers. The Department should also consider the impact that exemptions may have on levy recovery, customer billing arrangements, and overall scheme administration.

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

No.

4.11 Clause 11 – Supplier Levy: Supplementary

Clause 11 allows for the Department to make regulations in respect of the levy including allowing the counterparty to specify the form and terms of any financial collateral. The clause also requires the counterparty to ensure collection and recovery of supplier debt.

4.11.1 Do you agree with the provisions of this clause?

Yes. Energia agrees with the provisions of this clause, provided that any collateral and financial assurance requirements are proportionate to the risks being managed and do not create unnecessary working capital burdens for suppliers. The design of levy collection and recovery arrangements should also seek to minimise administrative and billing complexity where possible.

4.12 Clause 12 – Payments to Electricity Suppliers

Clause 12 allows the Department to make regulations requiring the counterparty to make payments to electricity suppliers in specified circumstances and allows conditions to ensure customers receive a benefit.

4.12.1 Do you agree with the provisions of this clause?

Yes. Energia agrees with the provisions of this clause. Arrangements for payments to suppliers should support efficient cost recovery, minimise supplier working capital requirements and consider lessons learned from the operation of the PSO mechanism in Ireland. Consideration should also be given to reducing billing complexity and avoiding unnecessarily frequent changes to customer charges, which can increase administrative costs and reduce bill transparency for consumers. The frequency of adjustments should be carefully considered, balancing accurate cost recovery against the operational impacts on suppliers and the potential for customer bill volatility.

4.13 Clause 13 – Community Benefit

Clause 13 allows the Department to make regulations requiring electricity generators receiving a Contract for Difference to make community benefit payments.

4.13.1 Do you agree with the provisions of this clause?

Community benefit should remain flexible and proportionate. Energia believe that best practice from other jurisdictions should be considered, and that a mandatory prescriptive approach may not be appropriate. Any requirements should minimise administrative burden and allow developers flexibility in how benefits are delivered. A contribution model based on a £/MWh rate may provide the most pragmatic approach.

Consideration should be given to the potential lessons learned from the RESS framework, including both the quantum of community benefit contributions and its approach to balancing near-neighbour payments with wider community benefit funding. Should direct payments to local residents be introduced, appropriate limits should be considered to ensure that sufficient funding remains available for wider community benefit funds supporting constituted groups and community initiatives.

4.14 Clause 14 – Sums Held by, and Liabilities of, the Counterparty

Clause 14 allows the Department to make regulations about the use of money held by the counterparty and how costs are met where funds are insufficient.

4.14.1 Do you agree with the provisions of this clause?

Yes. Energia agrees with the provisions of this clause. It is important that the counterparty has clear arrangements governing the management of funds, the treatment of liabilities and the recovery of costs where funding is insufficient. Any arrangements should be transparent, proportionate and designed to minimise unnecessary financial risk for market participants.

4.15 Clause 15 – Information and Advice

Clause 15 allows the Department to make regulations around the provision of advice and information by generators, suppliers, the counterparty, the Utility Regulator and the system operator.

4.15.1 Do you agree with the provisions of this clause?

Yes. Energia agrees with the provisions of this clause. Appropriate information and advice requirements are important to support effective scheme administration, regulatory oversight and informed decision-making. Any reporting obligations should remain proportionate and avoid placing unnecessary administrative burdens on participants.

4.16 Clause 16 – Oversight and Resolution of Disputes

Clause 16 allows the Department to appoint a monitor for Contracts for Difference allocation rounds and enables dispute resolution arrangements.

4.16.1 Do you agree with the provisions of this clause?

Yes. Energia agrees with the provisions of this clause. Appropriate oversight and dispute resolution arrangements will help ensure confidence in the allocation process and provide a transparent mechanism for resolving issues should they arise. Any arrangements should be clear, proportionate and designed to minimise unnecessary delays or administrative complexity.

4.17 Clause 17 – Further Provision in Connection with CfDs

Clause 17 allows the Department to make regulations in connection with Contracts for Difference and to require another body to undertake the role of system operator.

4.17.1 Do you agree with the provisions of this clause?

Yes. Energia agrees with the provisions of this clause. Providing the Department with the ability to make further provision in connection with CfDs will help ensure the framework remains flexible and capable of responding to evolving market, regulatory and operational requirements. Any future regulations should be subject to appropriate consultation and stakeholder engagement.

4.18 Clause 18 – Making of Regulations

Clause 18 requires the Department to consult with the Utility Regulator, system operator, distributor, electricity suppliers and others before making regulations.

4.18.1 Do you agree with the provisions of this clause?

Yes. Energia agrees with the provisions of this clause. The requirement to consult with relevant stakeholders, including the Utility Regulator, system operator, distributors and suppliers, will help ensure that regulations are informed by practical experience and are developed in a transparent and proportionate manner.

Energia would recommend that generators are explicitly included in the wording of this clause.

4.19 Clause 19 and Schedule 2 – Consequential and Other Provisions

Clause 19 and Schedule 2 allows for the making of regulations that are necessary for the purposes of the Bill.

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

Yes. Energia agrees with the provisions of this clause and Schedule. Consequential and supplementary regulation-making powers are appropriate to support the effective implementation and operation of the legislative framework, provided they are exercised transparently and for the purposes intended by the Bill.

4.20 Clause 20 – Interpretation

Clause 20 defines terms used in the Bill.

4.20.1 Do you agree with the provisions of this clause?

Yes. Energia agrees with the provisions of this clause. Clear definitions and interpretation provisions are important to support consistent understanding and application of the legislative framework.

4.21 Clause 21 – Commencement

Clause 21 provides for the provisions of the Bill to be commenced after Royal Assent.

4.21.1 Do you agree with the provisions of this clause?

Yes. Energia agrees with the provisions of this clause. Commencement following Royal Assent is appropriate and will allow the Department to begin implementing the framework and developing the supporting regulations required for the scheme.

4.22 Clause 22 – Short Title

Clause 22 specifies the short title as:

Renewable Electricity Generation Act (NI) 2027

4.23 Schedule 1 – Designation of Other Persons to be the Counterparty

Schedule 1 makes provisions for the situation where a body has its designation as counterparty revoked. The schedule allows for transfer schemes in this situation.

4.23.1 Do you agree with the provisions of this schedule?

Yes. Energia agrees with the provisions of this Schedule. The ability to designate an alternative counterparty and provide for the transfer of functions and obligations is a sensible safeguard that supports continuity, transparency and the effective operation of the CfD framework.

4.24 Additional Comments

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

Ultimately, Energia's view is that the overarching priority should be the delivery of a simple, investable and timely support scheme capable of accelerating renewable deployment in Northern Ireland.

The framework should focus initially on established technologies, particularly onshore wind and solar, while avoiding unnecessary complexity that could unnecessarily increase costs or delay implementation. A clear and predictable allocation process, supported by appropriate contract durations and transparent auction parameters, will be critical to providing investor confidence and securing the scale of investment required.

Community benefit arrangements should be proportionate and flexible, drawing on lessons from other jurisdictions while allowing sufficient scope to reflect local circumstances. Similarly, any consideration of Non-Price Criteria should carefully balance wider policy objectives against the potential for increased complexity and cost, particularly in early allocation rounds.

The design of levy, settlement and payment arrangements should also take account of supplier cashflow, working capital requirements and customer bill impacts. Lessons

should be drawn from the operation of the PSO mechanism in Ireland, particularly regarding volatility management, forecasting uncertainty and reconciliation processes.

Further, the success of the scheme will depend on its ability to provide long-term revenue certainty, attract investment at scale and deliver renewable generation in a manner that is efficient, practical and beneficial to consumers. A 20-year contract term (aligned with current GB arrangements) would support these objectives by improving project bankability, increasing investment certainty and helping to reduce the overall cost of capital.

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Submitted to Renewable Electricity Generation Bill
Submitted on 2026-10-21 14:52:30

Introduction

1 What is your name?

name:
[redacted]

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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:

Energia

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

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