Northern Ireland Electricity Networks

CONSULTATION RESPONSE COMMITTEE FOR THE ECONOMY

RENEWABLE ELECTRICITY GENERATION BILL

INVESTORS IN PEOPLE®
We invest in people Platinum

ABOUT NIE NETWORKS

Northern Ireland Electricity Networks (NIE Networks) is responsible for the safe, efficient and reliable transport of electricity to 932,000 homes, farms and businesses across Northern Ireland.

NIE Networks owns, maintains and develops the electricity infrastructure and operates the distribution network in Northern Ireland.

We connect around 8000 properties to the electricity network each year and provide electricity meters and metering data to suppliers and market operators. The company plays a vital role in meeting Northern Ireland's energy needs. The £2.23bn investment in the electricity network, during our current price control period (RP7), will ensure NIE Networks plays its part in facilitating Northern Ireland meeting its Climate commitments for the benefit of our environment, our people and our society.

Owned by ESB, NIE Networks operates as an independent organisation with its own Board, management teams and separate regulation via the Utility Regulator for Northern Ireland. The company contributes approximately £200m to the Northern Ireland economy each year.

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

Yes

5. How would you like your submission to be published?

Publish in full

Clause 1 - Overview of this Act

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

Yes

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

Yes

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

Yes

NIE Networks notes that the proposed supplier levy approach is consistent with established CfD arrangements elsewhere in the UK which follows the supplier levy mechanism established under the Contracts for Difference (Electricity Supplier Obligations) Regulations 2014, as amended, including by the Contracts for Difference (Electricity Supplier Obligations) (Amendment) Regulations 2024.

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

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

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

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

While a set auction schedule may not provide suitability adaptability in a changing world, a balance needs to be found to offer market participants and the whole delivery chain/ecosystem a good level of foresight. A clear methodology and rationale for when auctions are triggered should be established.

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

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

Clause 7 - Agreements to modify certain standard terms

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

Clause 8 - Contracts for Difference notifications

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

Yes

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

Yes

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

Yes

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

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

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

Clause 15 - Information and advice

40. Do you agree with the provisions of this clause?

Yes

Clause 16 - Oversight and resolution of disputes

41. Do you agree with the provisions of this clause?

Yes

Clause 17 - Further provision in connection with CfDs

42. Do you agree with the provisions of this clause?

Yes

Clause 18 - Making of Regulations

43. Do you agree with the provisions of this clause?

Yes

Clause 19 and Schedule 2 - Consequential and other provisions

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

Yes

Clause 20 - Interpretation

45. Do you agree with the provisions of this clause?

Yes

Clause 21 - Commencement

46. Do you agree with the provisions of this clause?

Yes

Additional Comments

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

The proposed bill is a positive step to progress on emissions reductions and increasing the renewable energy capacity onto the system.

The first auction is targeting to procure between 750 – 1,250GWh/year[1] , representing a significant portion of the maximum peak demand of Northern Ireland. This means the balance between generation growth and demand growth needs to be taken seriously to avoid increased dispatch down.

Broader efforts remain critical, however, and would be supported by long-term strategic planning which spans key sectors.

The policy and market landscapes are equally important, and increased certainty on these fronts would accelerate planning for investment.

From the consumer perspective, incorporating additional renewable electricity can help affordability by adding downward pressure to bills. This would support the electrification of home heating, transport and industry. However, this potential will only be fully realised if this affordability is ensured through supporting measures like tariff and market reform.

[1] https://www.economy-ni.gov.uk/sites/default/files/2025-09/Renewable%20Electricity%20Support%20Scheme%20-%20Final%20Scheme%20Design%20%28Final%29.pdf


Northern Ireland
Electricity
Networks
nienetworks.co.uk