

ENERGY STRATEGY E-BULLETIN

ISSUE 7: DECEMBER 2020

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WELCOME TO THE ENERGY STRATEGY E-BULLETIN

Welcome to the final Energy Strategy e-bulletin of 2020. We've seen significant progress this year, from initial stakeholder workshops in February during the Call for Evidence, through to emerging policies on a wide range of energy issues that will be put out for consultation.

We've also done this while adjusting to the realities of a global pandemic, and I'd like to thank the entire team for adapting and continuing to deliver through what has been a difficult year for many. I'd also like to thank our key stakeholders who have continued to contribute and engage with the strategy development during this difficult time. We are looking forward to 2021 when we will consult on and deliver on a new Energy Strategy.

A handwritten signature in white ink that reads "Thomas Byrne".

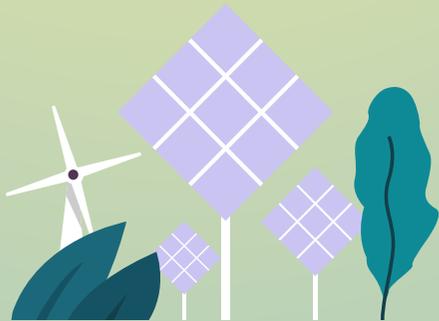
Thomas Byrne
Director, Energy Strategy

CLEAN GROWTH

The Role of Clean Energy in a Green Recovery

Clean energy has been highlighted as one of four sectors which could make a real difference to economic recovery as a result of Covid 19. The Energy Strategy will therefore form an integral part of the NI Executive's approach to addressing both climate change and growing the green economy.

Our renewable electricity success to date has helped to support a low carbon and renewable energy economy made up of 3,500 business, 5,400 jobs and £269m of exports. Our Energy Strategy will seek to grow the size of this.



A number of areas, in particular, are currently being considered:

- Offshore wind presents a real opportunity for Northern Ireland, and officials are working with Invest NI to develop the capacity for offshore wind projects across the UK and Ireland.
- Renewable hydrogen is an area where we can use our engineering strengths, for example on hydrogen bus manufacturing, as a stimulus to broader skills development in the hydrogen economy.
- Energy efficiency is another important policy lever for green economic recovery, and the Energy Strategy is looking at strengthening the capability of the sector in order to deliver on the scale of activity needed.

- Work is ongoing to ensure that we can maximise the economic opportunities that a net zero transition presents, including consideration of the green skills requirement and potential options for financing the energy transition.

This work cuts across the responsibility of many different departments and we continue to work collaboratively on identifying opportunities for growing a greener economy.

Hydrogen Opportunities

Hydrogen is seen as a key enabler of decarbonisation in the pathway to net zero emissions. It was a recurring theme in responses to our Call for Evidence earlier this year, alongside opportunities for other alternative fuels. Given our substantial renewable electricity resources, there is potential to use this electricity for green hydrogen production. Producing hydrogen could therefore help to decarbonise energy while also addressing issues around the electricity grid accommodating renewables.

DfE attend as observers at the Hydrogen Advisory Council, recently established by BEIS, and has been working with UK Government to ensure that any funding for hydrogen production is made available for Northern Ireland. We will continue to assess and develop policy for the role of hydrogen in achieving net zero emissions through the Energy Strategy. Last month we were pleased to facilitate a webinar on

‘Opportunities in the Hydrogen Economy’ led by academics who have been examining the potential for development of the sector in Northern Ireland.

Industrial Energy Transformation Fund (IETF) competition

The Department for Business, Energy and Industrial Strategy has announced that they are launching an IETF competition in spring 2021. The first phase of the competition closed on 28 October 2020 having generated significant interest. In Phase 1 organisations were able to apply for a share of up to £30 million to fund feasibility, engineering studies and deployment relating to decarbonisation.

Phase 2 is likely to run along similar lines and is also expected to be extremely popular. More details about the next competition is expected to be posted on the BEIS [website](#) soon.



Economy Committee Energy Strategy Micro-Inquiry

In May this year the Committee for the Economy launched a Micro Inquiry into the Energy Strategy. The Committee carried out this Inquiry in order to engage with key stakeholders and to develop a report which will stimulate debate on how to approach the future of energy in Northern Ireland. The **report** has now been published and on 23rd November a motion was debated in the Assembly, welcoming the report, supporting the development of an ‘ambitious, target-driven Energy Strategy’ and recognising ‘the Strategy’s potential to boost our economic, health and social well-being into the future’.

A recording of the Assembly debate can be found [here](#).



Committee for Climate Change advice on the 6th Carbon budget

On 9th December the Committee for Climate Change published advice on the **6th Carbon Budget**. These Budgets provide advice on the volume of greenhouse gases the UK can emit in 5-year periods. However as the first carbon budget to be set into law following the UK’s commitment to net zero emissions by 2050, the advice also includes pathways for the UK to reach this target.

The CCC conclude that an 82% reduction in all greenhouse gases in Northern Ireland represents equivalent effort and a fair contribution to the UK Net Zero target. The report highlights that delivering extensive decarbonisation in the UK will require a strong policy framework at all levels.

While DAERA is responsible for overarching decarbonisation targets in Northern Ireland and has launched a **discussion document** on a new Climate Change Bill, we intend to consider sector recommendations as they relate to Energy Strategy.

