

Francey, David

From: Alastair Curran [CurranA@BelfastCity.gov.uk]
Sent: 30 June 2008 10:51
To: NIRO REFORM 2008
Subject: Reform of the Northern Ireland Renewables Obligation Preliminary Consultation
Attachments: BCC Preliminary Comments .doc

For the attention of:-

Mr. Malachy McKernan,
Sustainable Energy,
Department of Enterprise, Trade and Investment
Netherleigh,
Massey Avenue,
Belfast.
BT4 2JP

Dear Mr. McKernan

Thank you for your recent letter regarding the Reform of the Northern Ireland Renewables Obligation Preliminary Consultation. Please find attached a copy of Belfast City Council's submission in respect of the Preliminary Consultation. Additionally, I can confirm that Belfast City Council would welcome the opportunity to submit further detailed comments as part of the Statutory Consultation process, scheduled for later in the year.

With kind regards
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24/09/2008

**Belfast City Council Comments regarding the Reform of the Northern Ireland Renewables
Obligation Preliminary Consultation.**

Having reviewed the preliminary consultation document proposals, it is noted that a 0.25 NIROC banding has been proposed for landfill gas since it is regarded as an established generating technology. However, it should be noted that although generation of electricity from landfill gas is an established technology in England, Scotland and Wales, it is not in any way developed to a comparable level within Northern Ireland.

Those seeking to develop commercially viable landfill gas generation projects within Northern Ireland face a range of issues including:-

- Northern Ireland landfill sites tend to be smaller than their counterparts in England, Scotland and Wales. Their size impacts upon their generating capacity and therefore, the viability of such projects.
- Electrical connections are often difficult and in some cases, the cost can be prohibitive due to the rural nature of the network and the presence of numerous smaller connected supplies. It is understood that the £2.5 million electricity connection cost for the Belfast City Council North Foreshore Site is currently amongst the highest experienced within the United Kingdom for a landfill gas project.
- Northern Ireland landfill sites are often located close to residential housing, creating additional expense in achieving noise attenuation and other environmental requirements.

Given these issues, it is unsurprising that the landfill gas generating industry within Northern Ireland has yet to significantly develop. Within England, Scotland and Wales, the industry has had a significantly longer time to develop and moreover, it has had the opportunity to avail of additional economic incentives.

Within England, since 2002, the landfill gas industry has had the advantage of five rounds of the Non Fossil Fuel Obligation (NFFO) contract awards, followed by the Renewables Obligation. However, within Northern Ireland, there have been only two rounds of the Non Fossil Fuel Obligation (NFFO) contract awards followed by the Renewables Obligation since 2005. Moreover, the Non Fossil Fuel Obligation was a competitive process that favoured larger sites than the typically smaller Northern Ireland sites with higher development costs.

The Northern Ireland electricity market has also been more restricted and less competitive than in Great Britain. It is only now that NIRO power purchase contracts are starting to be fully valued at a level that properly supports the development of landfill gas generation projects within Northern Ireland.

Accordingly, Belfast City Council considers that the introduction a 0.25 NIROC band for landfill gas generation will leave many potential sites without the economic resources to develop viable landfill gas utilisation projects.