

Energy A Strategic Framework For Northern Ireland

Consultation Response: Traditional Unionist Voice

TUV appreciates that a balanced energy strategy is essential and that renewable energy has a role to play in this. However, we believe that the goals set in *Energy A Strategic Framework For Northern Ireland* are completely unrealistic.

In the Forward Minister Foster states that Northern Ireland will seek to achieve 40% of its electricity consumption from renewable sources by 2020. This target is repeated another seven times in the document.

At the moment, 10% of electricity comes from renewable resources. To suggest that this can be quadrupled in 10 years in pure fantasy.

During the last government, the UK as a whole set a target of 30% by 2020 and yet is currently sitting on 5.9% in 2010. This has actually fallen in the past year (it was 6.7% in 2009) so the idea that the UK as a whole can make such a change is completely unrealistic. Northern Ireland would be much better setting a realistic target than setting one which cannot possibly be met. Renewable UK – the industry body – believes that 15% by 2020 is achievable.

TUV therefore believes that the gap between 40% and 15% is political spin aimed at generating not electricity but positive media headlines.

Secondly, TUV is concerned about the cost to consumers of the Minister's plans. According to the BBC, the additional cost to a typical Northern Ireland household will be £100 per annum. This would amount to an approximate 15% increase in the average electricity bill.

TUV makes no apology for being on the side of hard pressed families. At a time on recession and economic downturn we believe that the priority should be on saving ordinary people money.

Added to this, increased energy costs will result in additional pressure on businesses at a time of economic downturn which may ultimately become a contributing factor in the loss of employment.

TUV notes with interest that the sale of NIE (Viridian) to the Republic of Ireland's state owned Electricity Supply Board is ignored in the report.

It is hardly surprising that the Minister should seek to sweep this issue under the carpet. In an article for the News Letter on 8th July this year Mrs Foster welcomed the sale of NIE to ESB as a positive move for Northern Ireland only to be embarrassed when two months later when her party leader and the leader of the UUP wrote a joint letter to the Irish government asking them to pull out of the deal.

TUV is on record as being against the sale of NIE (Viridian) to ESB from day one and unitedly so. Our party leader made this clear in a statement issued on 7th July 2010 (see <http://www.jimallister.org/default.asp?blogID=1996>).

As we said at the time, the deal raises the prospect of a struggling ESB seeking to offset financial losses in the Republic by raising electricity prices and cutting jobs in Northern Ireland.

A few weeks ago, ESB reported that its consumer debts had risen by 40% in the past two years. Added to this, in January ESB outlined its belief that offshore wind-generated electricity was more expensive than even nuclear power and ruled out entering the sector in the medium term. It is difficult to see, therefore, how this squares with *Energy A Strategic Framework For Northern Ireland* repeated avowed intention to see offshore wind power develop in Northern Ireland.

Finally, TUV is unclear as to how having the main supplier of electricity soon to be located outside Northern Ireland will help the “Security of Supply” aspect of the document’s stated aims.

In summary, TUV believes that from start to finish this strategy document smacks of delusionalism. While seeking to cover itself with greenery DETI fails to address the key issues of concern to most ordinary people and businesses:

1. Lower energy prices;
2. Better competition; and
3. Direct control of energy generation.

TUV believes that the 40% target is dangerous as it is not based on economic reality. It will undoubtedly cost us more and weaken the economy at a time when it is already under tremendous strain.

TUV wishes to see:

1. Reduced electricity costs for households and business. This, rather than setting unachievable renewable targets, should be the priority;
2. The Irish Government takeover of NIE stopped so that our energy generation is not left in the hands of a bankrupt government; and
3. Realistic green power targets which can provide real energy security and sustainability.