



<b>Subject:</b>	<b>A Future Network For All - NIE Networks RP7 Price Control Consultation</b>
<b>Date:</b>	18th November 2022
<b>Reporting Officer:</b>	John Tully, Director of City and Organisational Strategy
<b>Contact Officers:</b>	Richard McLernon, Climate Programme Manager - City

<b>Restricted Reports</b>	
<b>Is this report restricted?</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>If Yes, when will the report become unrestricted?</b>	
<b>After Committee Decision</b>	<input type="checkbox"/>
<b>After Council Decision</b>	<input type="checkbox"/>
<b>Sometime in the future</b>	<input type="checkbox"/>
<b>Never</b>	<input type="checkbox"/>

<b>Call-in</b>	
<b>Is the decision eligible for Call-in?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report/Summary of Main Issues</b>
1.1	To update the Committee on the NIE Networks RP7 Price Control consultation which will inform spending during the period 2025 to 2031. Council officers have prepared responses to a number of the questions posed, these will be submitted on Monday 21st November on the understanding that they will be subject to Council ratification.
<b>2.0</b>	<b>Recommendations</b>
2.1	The Committee is requested to review the following summary and attached officer response, which will be subject to Council ratification.
<b>3.0</b>	<b>Main Report</b>
3.1	NIE has stated that the RP7 period (2025-2031) will be critical in enabling the changes in the electricity network necessary to achieve the goals set out in the Department for Economy's

	<p>(DfE) Energy Strategy and the recently enacted Climate Change Act and have set out a series of proposals for consultation, which will be submitted to the Utility Regulator in March 2023 to inform the budget setting process.</p>
3.2	<p>As an overarching principle we have welcomed the suggested additional investment by NIE into the network infrastructure with the aim of future proofing for the transition to net zero. We have caveated this by seeking to ensure there is no adverse impact on domestic and commercial customers through increased bills, given the current cost of living crisis and increased vulnerability for both business and domestic users. While cost increases to pay for specific actions may appear modest, cumulatively these may have a negative impact and should be examined through a cost-of-living lens before being implemented. NIE have acknowledged this within the consultation document, and we welcome the recognition of the cost-of-living crisis within the document and the references to protecting the most vulnerable in society. The NIE proposals are underpinned by stakeholder engagement which we have welcomed.</p>
3.3	<p>NIE proposes transforming their business model from Distribution Network Operator to Distribution System Operator which will involve a new focus on forecasting, flexibility and investing in infrastructure using the 'touch the network once principle' to avoid having to replace assets in an ad hoc manner.</p>
3.4	<p>The Council will produce a Belfast Local Area Energy Plan, with support from Energy Systems Catapult, which will be complete by the end of 2023. NIE has proposed that a resource be created within NIE to support local area energy planning and the Council has connected to NIE to ensure these workstreams are joined up. NIE have confirmed they will participate in and support the Belfast process. Accordingly, we have welcomed the creation of the local area energy planning team.</p>
3.5	<p>NIE proposes to add additional meters to the network to support increased monitoring of low voltage systems to ensure that issues can be addressed promptly and prior to outages developing. NIE also propose the distribution of meters to customers with smart meter functionality that can be activated at a later date in line with Department for the Economy Energy Strategy actions. We have welcomed these investments and proposed upgrades to infrastructure.</p>
3.6	<p>NIE has proposed the creation of an open data platform which we have welcomed. A resource such as this will be utilised through the Council's future planning and to complement data analysis across the city.</p>

3.7	<p>In relation to planning for climate change NIE proposes further adaptation of their infrastructure to prepare for increased flooding and heat. It is reassuring that NIE has carried out a hazard assessment and we would encourage further development of these to understand vulnerability and exposure for its assets in order to fully assess climate risk if that has not already occurred. Belfast has completed an Infrastructure Risk Assessment and would be keen to share and integrate the findings from this with any future risk assessment undertaken by NIE. Belfast will be developing a climate action plan in 2023 and would encourage active engagement of NIE to develop an integrated plan for adapting to climate change. In terms of extreme heat we encourage the integration of city climate evidence such as the Belfast Heat Map that identifies adaptive capacity of different electoral wards in the city and can help inform a targeted approach to reducing climate risk of different neighbourhoods and communities in the city.</p>
3.8	<p>Regarding increased flooding, we would also encourage engagement with the Green and Blue Infrastructure Plan for Belfast in terms of sustainable urban drainage opportunities at key sites, as well as the Living with Water Programme. Also refer to Belfast's SUDs SPG and Tree Strategy in terms of development of its sites and infrastructure.</p>
3.9	<p>NIE is a partner on the One Million Trees Programme, and we would welcome opportunities to scope and identify sites in Belfast for increased tree cover in order to help mitigate flood risk, improve biodiversity, improve air quality and improve health and wellbeing. Strategic opportunities for increased tree cover in the city should be explored across NIE Estate.</p>
3.10	<p>NIE has proposed to seek allowances through the RP7 price control to spend on direct measures or initiatives to help those customers who are worst impacted by the energy Crisis. We have welcomed this measure and will work with NIE where appropriate to ensure that Belfast residents benefit from this approach.</p>
3.11	<p>NIE has requested that their proposed actions to improve environmental sustainability are ranked and accordingly we have suggested the following ranking:</p> <ol style="list-style-type: none"><li data-bbox="331 1664 799 1697">1. Moving away from SF6 gas use.</li><li data-bbox="331 1709 900 1742">2. Reducing our business carbon footprint.</li><li data-bbox="331 1753 691 1787">3. Decarbonising our fleet.</li><li data-bbox="331 1798 1177 1832">4. Helping reduce the environmental impact of our supply chain.</li><li data-bbox="331 1843 715 1877">5. Reducing network losses.</li><li data-bbox="331 1888 1066 1921">6. Quantifying and reducing embodied carbon footprint.</li><li data-bbox="331 1933 1102 1966">7. Quantifying and improving biodiversity / Natural Capital.</li><li data-bbox="331 1977 735 2011">8. Minimising waste to landfill.</li></ol>

	<p>9. Replacing worst performing fluid filled cables.</p> <p>10. Reducing fluid leaked from fluid filled cables.</p>
	<b><u>Financial and Resource Implications</u></b>
3.12	None.
	<b><u>Equality or Good Relations Implications/Rural Needs Implications</u></b>
3.13	None.
<b>4.0</b>	<b>Documents Attached</b>
	The NIE consultation report is available at <a href="#">RP7 Stakeholder Consultation WEB - Flipbook - Page 9 (paperturn-view.com)</a>
	BCC Consultation Responses.