

From the Office of the Minister
Diane Dodds MLA



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Dear Jim,

FOLLOW-UP INFORMATION FOR AQO 895/17 -22: AUDIT OF HOW MUCH ELECTRICITY CONSUMERS ARE PAYING FOR RENEWABLE ENERGY

You inquired during oral questions on 12 October as to whether I will undertake to publish an accurate audit of how much electricity consumers are paying for renewable energy refers.

At 30 June 2020, 47.7% of Northern Ireland's electricity came from renewable sources. If this electricity was not available from renewables then investments would have had to be made in order to obtain this electricity from somewhere else (most likely fossil fuels). It is therefore the differential between what NI currently pays for electricity and what NI might otherwise have paid (if renewables were not available) that represents the accurate cost of renewables. This is not straightforward to identify given the complexities of energy markets (including wide variations in world fossil fuel prices over time) and the difficulties in assuming what investments would have had to be made over the years had renewables not been available.

As you may be aware my officials are now developing a new Energy Strategy for Northern Ireland in the context of the UK government's target for net zero carbon by 2050. I have recently announced that I will be looking to bring forward a revised target for renewable electricity as part of that strategy. In that context, it will be important to undertake a comprehensive exercise along the lines of that which you have suggested and my officials will liaise with colleagues from the Utility Regulator to carry this out.

I hope this is helpful.

Yours sincerely,

Diane Dodds

DIANE DODDS MLA
Minister for the Economy