





Ireland – Policy Brief; Existing Policy Baseline



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Introduction

On an international level, sustainable development has been driven by the Bruntland Report of 1987 which defined it as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts:

- the concept of 'needs', in particular the essential needs of the world's poor, to which overriding priority should be given; and
- the idea of limitations imposed by the state of technology and social organisation on the environment's ability to meet present and future needs."

Subsequent to publication of the Bruntland Report there have been several global summits relating to Climate Change, each seeking to put mechanisms in place to control Climate Change and reduce emissions of harmful gases. These summits include the Kyoto Protocol in 1997, which agreed international targets to reduce greenhouse gas emissions to a target percentage of 1990 levels and allowed for emissions trading between nations. Several major countries opted out of this, however, including the USA and Canada. More recently a new agreement, in the form of the Paris Agreement of December 2015 saw major nations including the USA sign up to an agreement to, amongst other targets, a long-term goal of keeping the increase in global average temperature to well below 2°C above pre-industrial levels.



The outcome of signing up to such agreements has been seen in the creation of sustainable development strategies cascading down from global to European to national and regional levels.

In Europe, the EU put in place the Sustainable Development Strategy (SDS) 2001 (Revised in 2006 and 2009) as an overarching policy to drive work in this area. All members were required to agree and sign up to the policies and outcomes set out within this policy. The EU SDS sets out several key objectives that form the backbone of the strategy and feed down to local level. The objectives include "To promote sustainable consumption and production patterns" and this is particularly relevant to the work SEAI hopes to carry out.

Another key document at European level is the Europe 2020 document. This is a ten year strategy setting out targets in the areas of employment, innovation, education, social inclusion and climate/energy with targets to be reached by 2020. This document provides targets at a European level for various topics including green-house gas emissions, level of energy consumption from renewable sources and other topics. Individual Nations can set their own targets, for example the European target for energy consumption from renewable sources is 20% by 2020 but Ireland has set a target of 16%. Latest figures available show that in 2013 Ireland had reached 8%.







Local Policy Background



Ireland's Transition to a Low Carbon Energy Future 2015-2030



The Minister for Communications, Energy & Natural Resources launched a new energy policy for Ireland in December 2015. The new white paper, <u>Ireland's Transition to a Low Carbon Energy Future</u>, is the first comprehensive update of energy policy since 2007.

This article summarises the key elements of the new policy. Government has committed to publishing annual energy policy updates and to undertaking comprehensive policy reviews every five years, the first of which will be in 2020.

Energy targets

The energy white paper sets out a policy framework for Ireland for the period to 2030, although it introduces the concept of a longer-term energy transition that will take place between now and 2050. The policy establishes 2020 and 2030 as important milestones in this transition

- •2020: there are no changes to the existing 2020 energy targets. Ireland is approximately half way to achieving them.
- •2030: the paper notes the EU-level climate and energy targets for 2030, but does not commit Ireland to any 'new' targets for 2030. Ireland 'will make a technically feasible, cost-effective and equitable contribution to...[the]...overall EU ambition'.
- •2050: the long-term goal is to reduce energy-related ${\rm CO_2}$ emissions by 80-95%, compared to 1990 levels. To achieve this, fossil fuels will be 'of the order of 19-30% of final energy demand' by 2050. Fossil fuels currently represent over 90% of consumption; their contribution will be 84% in 2020, if the 2020 targets are met.
- •2100: Ireland will have zero or negative GHG emissions by the end of the century.









Local Policy - continued

Decarbonisation

The three pillars of energy policy remain, i.e. security, competitiveness and sustainability. While the paper emphasises the need for balance between the pillars, there is a strong focus on sustainability and decarbonisation.

- •The ambitious decarbonisation goal for 2050 will be achieved through a combination of energy efficiency and renewable energy, with some fuel switching to less carbon-intensive fuels. The paper does not quantify the expected contribution from each of these elements, or that of specific technologies.
- •There will be no single technology solution; instead 'a diverse range of technologies will be required along the supply chains for electricity, heat and transport'. The policy is not prescriptive with respect to the technologies that will be adopted. Future technology choices will be shaped by technological development and market factors.
- •Ireland will seek a strong EU framework for carbon pricing to stimulate fuel switching away from carbon-intensive options and the deployment of sustainable energy technologies.



Decarbonising Electricity

- •Large-scale wind will continue to play 'an important role' and will be complemented with smaller-scale wind and other renewable technologies including bioenergy, solar PV and offshore energy as they 'mature and become more cost effective'.
- •Onshore wind will be developed before higher-cost offshore wind. The latter may be developed in the longer term to serve export markets and, potentially, domestic demand. Other ocean energy technologies will play a part 'in the medium to long term'.
- •Solar PV is being considered for inclusion in a new support scheme for renewable electricity, which will be introduced later in 2017.
- •'Nuclear power generation in Ireland is currently prohibited by legislation'.

Decarbonising heat

- •Policy is likely to focus on supporting the deployment of indigenous biomass resources in the heat sector, rather than for power generation. The previously-proposed renewable heat incentive (RHI) will be introduced for the non-ETS sector in 2017, subject to further approvals.
- •Further policy will be introduced to support the electrification of residential heating, and to support the development of district heating and combined heat & power (CHP).
- •A 'comprehensive heating strategy' will be introduced to decarbonise the heating sector beyond 2020.
- •A regulatory framework will be introduced for geothermal energy.







Local Policy - continued

Fossil fuels

- •Coal and peat will be 'replaced over time' with lower carbon alternatives, including gas. The paper does not include a decision on the future of Moneypoint. A decision will be made 'before 2020'.
- •There will be an enduring role for oil and gas. Both will contribute to energy security 'through the period of transition, on a declining basis over time'.
- •The paper emphasises the economic and security benefits of exploiting indigenous hydrocarbon resources and commits to continuing to modernise policy for offshore oil and gas exploration.
- •The ongoing operation of the oil refinery at Whitegate, Co. Cork is 'highly desirable from a strategic energy security perspective'.
- •No applications for hydraulic fracturing (fracking) projects will be considered until the Environmental Protection Agency's research in this area has concluded (in 2017).
- Carbon capture & storage (CCS) will be reviewed by Government in 2017, as part of an existing five-year review cycle.



Energy Security

- The level of strategic oil reserves held on the island of Ireland will be maximised, 'subject to increased storage availability and value for money considerations'.
- The paper emphasises the importance of EU-level cooperation for Ireland's energy security (especially gas security) and outlines the emerging linkages between cyber security and energy security.
- Further analysis will be undertaken on storage and interconnection requirements, on the potential for LNG, and on the existing primary and secondary fuelling requirements in the power sector.







Local Policy - continued

Energy Infrastructure

- Investment in energy infrastructure will be required to 'support the energy transition across the transport, heat and electricity networks'. The paper emphasises the importance of timely delivery and 'solid engagement with community and planning authorities'.
- The importance of the Grid25 strategy, of additional electrical interconnection and, specifically, of the proposed north-south interconnector are all noted in the paper.
- Government will seek to access EU funding for interconnection projects.



Energy & Gas Market Regulation

- The paper emphasises the importance of regulatory stability, transparency and independence, and notes the track record of the Commission for Energy Regulation (CER) in this regard.
- The electricity and natural gas networks will be retained in State ownership.
- The regulatory framework and the mandate of the CER will be formally reviewed.
- The policy reiterates Government support for the new integrated single electricity market (I-SEM), which will be implemented by 2017.





