

# The need for local energy & how 'Brexit' affects energy policy



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**Dublin City Hall November 2016**



# What I'm going to look at:

- **NFLA Policy Briefing on energy policy on the island of Ireland**
- **Renewables in Ireland**
- **Political response**
- **The need for a deeper energy discussion**
- **Local authorities and decentralised energy**
- **Some good Irish local energy examples**
- **Brexit and energy policy**
- **Conclusions**



# NFLA Policy Briefing on Irish energy policy

- Looked at the political context of energy, north and south
- Considered how Republic's government may take forward the 2015 Energy White Paper
- Considered the ambitious renewable energy targets of both governments
- Looked at local energy and community energy
- Concluded that much work still needs to be done
- A lack of urgency dominates the energy debate in government, parties and the public



# Renewables in Ireland

- Republic of Ireland - 22% of electricity is renewable (2014)
- 2020 target – 40% (may get close to this)
- 7.7% of all energy from renewables (electricity, heat, transport)
- 2020 target – 15% (40% electricity, 12% heat, 10% transport)
  
- Northern Ireland – 19.5% of electricity renewable (2014)
- 2020 target – also 40% (may get close to this)
- 5.6% of all energy compared to 2020 target of 15% (v challenging)
- Below current EU average for all energy of 11.8%



# Irish Energy White Paper

**3 objectives – sustainable, secure, competitive**

- **More focal role for energy efficiency**
- **Need wider renewables mix beyond onshore wind**
- **Oil and gas still important ‘well into this century’**
- **Communities ‘more engaged’ with energy**
- **National Energy Forum to develop united policy**
- **Continue cooperation with N Ireland to develop an ‘Integrated Single Energy Market’**
- **SEAI the focus for developing ‘energy citizens’**
- **Small-scale renewables & a Bioenergy Plan**
- **Develop Renewable Heat initiative**
- **Support energy storage and sustainable transport**



# Response to the White Paper

- Welcome direction but where's the detail?
- Little on the positive role can local authorities play with energy
- Where is the ambition to move from energy imports to exports?
- Little on community support for onshore wind or other renewables
- Sketchy on community energy schemes being developed
- No clear decision on the Moneypoint site 'till before 2020'
- Where is the commitment to pay for some / all of these changes?



# Analysis of Irish political debate

- FG – no detailed carbon commitments / ‘balance’ with industry
- FF – positive on climate change department but tough on wind
- Labour - ‘carbon neutral cities’, pro community energy, anti fracking
- Sinn Fein – no real detail in energy manifesto but anti-fracking
- PBP / AAA - strong support for energy efficiency and anti-fracking
- Greens – call for binding carbon targets & 80% reduction by 2050
- Some good ideas but little in the way of an all-encompassing renewable energy vision
- FOE – time for concrete measures to promote local community energy





# N Ireland – Envisioning energy futures

- Study for NI Government by Ricardo-AEA
- Builds on the Strategic Energy Network 2010 – 2020
- 2 scenarios – continuation of current post 2020 trends of increased security of supply & decarbonisation; or a more aggressive change
- Under both scenarios N Ireland could become an energy exporter
- Renewable electricity from wind would be main form of generation
- A move to renewable heat
- Improved energy efficiency across all sectors
- Increased uptake of electric vehicles, hybrids and fuel cell
- Would require sustained and concerted effort across all sectors





# Yet...

- NI Government has closed the NI Renewables Obligation for larger onshore wind and solar and cut subsidies (like UK Government)
- NIRIG argue there is real concern over access to energy markets and allowing renewables to compete with high carbon alternatives
- Reducing energy imports would save £80.4m
- NI wind resource is most cost competitive in UK market
- NI will be in generation deficit by 2021 due to interconnection delays
- Renewables need strong political leadership to succeed
- Government needs to stabilise markets to maximise investment
- A second north-south interconnector is urgently required
- A single integrated Irish energy market is also urgently required



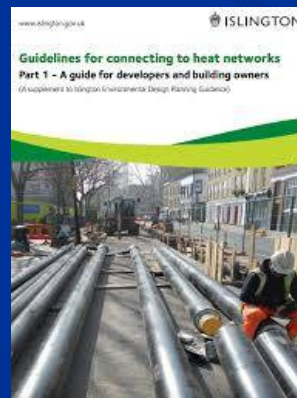
# WWF Garrad Hassan report

- By 2030, 70% of Irish single energy market could come from renewables
- Excess energy is possible for export
- Interconnectors will assist an export market
- Increasing electric heat and transport is possible if part of demand deferred outside the peak time
- Gas generation at present levels adequate and could reduce if interconnection expands
- Governments should set legally-binding targets



# What about local authorities?

- NFLA report gives 30 fantastic examples of Councils developing decentralised energy in England, Scotland & Wales
- Energy companies, community energy, district heating, geothermal, Passivhaus, white labelling – both big & small councils
- In Ireland – SEZ's in Dundalk / Newry and 9 other council areas
- Tipperary Energy Agency – national leader in community energy saving €760,000 to Tipperary Councils in 2016 alone
- Some welcome energy initiatives in Belfast / Derry City & Strabane
- But no clear central direction or support
- Councils have not grasped new powers and may need more powers to move forward in energy



# Some good local energy examples



**LED lighting in Tipperary**



**Energy audit on water treatment plant in Galway**



**CHP facility in Belfast CC / Queen's Uni**

**Dundalk 2020 SEZ**



**€16M savings in Dublin energy efficiency**



# **'Brexit' and the Irish single energy market**



- **Both Governments were working hard for the IEM pre Brexit**
- **Would provide efficiencies, decarbonisation and low carbon energy**
- **Will the UK now leave the European IEM arrangements?**
- **If they did, may need a 'carve-out' to save the Irish I-SEM**
- **Republic of Ireland may need gas interconnector with France**
- **NFLA full briefing on these and related Brexit matters to be published shortly**





# Conclusions

- The island of Ireland has fantastic potential for renewables
- Local communities have not been brought along with this revolution
- Political will beyond 2020 remains sketchy
- The potential is not being realised – targets and finance essential
- Role of local authorities in energy needs to be enhanced
- Councils need to be more bold – could we see Council energy companies in Ireland like in England, Scotland and Wales?
- NFLA seek to be advocates for this revolution – but need your help!
- ‘Dirty’ energy is still too pervasive – cultural change and vision is needed and you as politicians need to be engaged and be bold!
- Brexit is a medium-term concern for the Irish I-SEM



**Thank you for listening.**

**Questions?**

