

Response Information

Started: 30/04/2021 14:58

Completed: 30/04/2021 15:43

Last Edited: 30/04/2021 15:43

Total Time: 00:44:28.5530000

Is Test: No

IP Address: [REDACTED]

Login Info

User Name: AnonymousRespondent

Invitee:

Response Details

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1 - Name

[REDACTED]

2 - Company

Brookfield Renewable

3 - Email

[REDACTED]

4 - Question 3.1

Do you agree with our proposal that the EEOS should cover entities across all the main energy markets - electricity, natural gas, liquid fuel and solid fuel?

Yes

6 - Question 3.2

Do you agree with our proposal to obligate the following types of eligible parties within each market, should they be above a certain size, that is:

*a) of the eligible parties in the liquid fuel market, only the liquid fuel importers operating in Ireland;

Yes

7 - Please provide reasons to support your response.

We believe that allocation of obligations should be done so based on parties size of the markets. Flexibility should be allowed for in regards to changing market dynamics where electricity or gas could make further impact into transport markets for instance (e.g CNG)

8 -

b) of the eligible parties in the solid fuel market, all entities, including all distributors and suppliers operating in Ireland;

Yes

10 - c) of the eligible parties in the gas and electricity markets, only retail energy supply companies operating in Ireland

Yes

12 - Question 3.3

Do you agree with our proposal to set the obligation threshold in terms of annual final energy sales volume (GWh)?

Yes

14 - Question 3.4

Do you agree with our proposal to set the obligation threshold level at final energy sales of 400 GWh per annum, combined with the introduction of a free allowance?

No

15 - Please provide reasons to support your response.

We agree with the threshold approach but believe it should be linked to renewable energy.

It is a sensible approach to incorporate new suppliers into the market but also to avoid a cliff edge approach to their entry. Even though Article 7 refers to energy in all its forms and doesn't make distinctions for renewables if the threshold and free allowances were linked to renewable energy it would help to meet the objectives set out in the Clean Energy Package and also encourage suppliers to have this type of energy within their portfolio.

Such a strategy would also allow for the development of the Corporate Power Purchase agreements set out by Government also.

16 - Question 3.5

Do you wish to provide any specific comments in relation to the target setting approach?

Yes

17 - Please provide reasons to support your response.

Scheme should facilitate flexibility to account for market changes moving forward. We have ambitious targets for decarbonizing our energy system so the scheme should be able to facilitate change going forward.

The Scheme should take a holistic approach of the energy system to encourage energy efficiency but also to tie in other targets in terms of decarbonisation of our economies.

18 - Question 4.1

Do you agree with our proposal that 60% of Ireland's Article 7 obligation for 2021-30, equivalent to 36,424 GWh cumulative final energy savings, should be met by an Energy Efficiency Obligation Scheme?

No

19 - Please provide reasons to support your response.

We believe that the allocation should be fair and transparent. The additional requirements set out for the EEOS to meet the targets going from 50 to 60% while at the same time changing the target to Final versus Primary Energy does not appear to be an equitable allocation compared to the previous scheme. We believe that the existing arrangement of a 50:50 to be a fair solution.

Any changes that are proposed should be evidence based with clear cost benefit analysis done.

20 - Question 4.2

Do you agree with our proposal that the EEOS Target should be disaggregated, with a 40% target allocated to all transport energy suppliers and distributors (the Transport Sales Target), and a 60% target allocated to all non-transport energy suppliers and distributors (the Non-transport Sales Target)?

No

21 - Please provide reasons to support your response.

In the spirit of a fair and equitable system it is encouraging to see Transport manage its requirements under this scheme. We believe that the split should be based on the Transport sector Final Energy supply (estimated to be ~45%) and that the Transport sector should be treated as per the non-Transport sector and have subsector targets.

Many electricity suppliers do have customers in the sub-sectors but are still obliged to meet their requirements in these sectors and Transport should not be any different

22 - Question 5.1

Do you agree with our proposal that a certain proportion of obligated parties' energy savings must come from measures delivered in the residential sector (the Residential Delivery Sub-target)?

No

23 - Please provide reasons to support your response.

As per the response in Section 4.2 we believe Transport should have obligated based on the sub-sectors as per the non-Transport sector

24 - Question 5.2

Do you agree that, of these residential savings, a certain proportion must also come from activity in energy poor homes (the Energy Poverty Delivery Sub-target)?

Yes

25 - Please provide reasons to support your response.

We agree that the most vulnerable in our society should be looked after from an energy perspective. We would have concerns as to the definition of the energy poverty sector in the consultation being too narrow being linked to houses with specific energy rating homes.

Smart use of electricity such as initiatives being progressed by Energy Cloud where renewable energy which could be wasted but is instead diverted to the most needy is something that should be rewarded under the EEOS redesign.

26 - Question 5.3

Do you agree with our position not to specifically require that a portion of the EEOS Target must be met by obligated parties through savings from measures in the transport sector?

No

27 - Please provide reasons to support your response.

We do not believe it is fair or equitable that the transport portion of the target can be delivered in any sector. Electricity suppliers are obligated to provide savings in sectors where they have no customer base potentially. Transport should not be treated any differently.

28 - Question 5.4

Do you agree with our proposal that at least 15% of all EEOS savings, equivalent to 5,464 GWh cumulative final energy savings, must be delivered in the residential sector?

Yes

29 - Please provide reasons to support your response.

A 15% target would be in-keeping with historic targets in the sector and would be an acceptable target

30 - Question 5.5

Do you agree that at least 5% of the EEOS Target (a third of the Residential Delivery Sub-target), equivalent to 1,821 GWh cumulative final energy savings, must be achieved through measures delivered in energy poor homes?

No

31 - Please provide reasons to support your response.

As per the response in Section 4.2 we believe Transport should have obligated based on the sub-sectors as per the non-Transport sector

32 - Question 5.6

Taking account of the worked examples provided in Appendix 3, do you agree with our proposed approach in how the delivery sub-targets are allocated to obligated parties?

No

33 - Please provide reasons to support your response.

As per the response in Section 4.2 we believe Transport should have obligated based on the sub-sectors as per the non-Transport sector

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34 - Question 6.1

Do you agree with our proposed requirements for delivery under the Residential Delivery Sub-target (excluding the Energy Poverty Delivery Sub-target)?

No

35 - Please provide reasons to support your response. Where you do not agree with any aspects of the above proposal, please be as specific as possible in your response, including any suggestions you wish to make, taking account of the broad policy intent and the additional points included for consideration.

As the scheme is almost a decade in duration we believe that flexibility should be given to Suppliers to achieve their targets. If they exceed these targets they should be rewarded for same. In the case of the delivery of the residential targets we believe that it should be designed to claim credits under a BER or deemed credits table to ensure the flexibility of the scheme

36 - Question 6.2

Do you agree with our proposed requirements for delivery under the Energy Poverty Delivery Sub-target?

No

37 -

Please provide reasons to support your response. Where you do not agree with any aspects of our proposal, please be as specific as possible in your response, including any suggestions you wish to make, taking account of the broad policy intent.

As per the answer to 6.1 we believe that flexibility is key. The definition for energy poor is too prescriptive to make it inherently difficult to implement practically.

We also believe that innovation in the sector should be rewarded. Currently in the wind sector power the equivalent to Galway city was curtailed/ constrained due to system inefficiencies. Some entities in the sector are looking to direct this energy to those in the energy poor sector. This smart use of energy with the use of smart meters should be incorporated into the targets for Suppliers

38 - Question 7.1

Do you agree with our proposal to implement annual additive targets up to 2030, which obligated parties will be required to meet every year?

No

39 - Please provide reasons to support your response.

Flexibility for the sector is key and it should be up to the Energy Supplier in consultation with the SEAI to ensure that targets are going to be met. It should be up to the Supplier as to how they look to achieve these savings but it is apparent that the sooner energy efficient means are put in place the more effective they become due to the compounding impact

40 - Question 7.2

Do you agree that each obligated party's 2021 delivery, rather than their 2021 targets, should be considered in the calculation of targets for the remaining nine years of the obligation period?

Don't know / No Strong opinion

42 - Question 7.3

Do you agree that obligated parties should be allowed to count savings achieved on their behalf by third parties towards their targets?

Yes

43 - Please provide reasons to support your response.

With the sub-sectoral requirements this ability must be included in the market. Without the ability to use third party savings some entities will have no access to penetrate certain markets.

44 - Question 7.4

Do you wish to provide any suggestions or comments in relation to this flexibility mechanism?

No

46 - Question 7.5

Do you agree that a minimum achievement requirement should be put in place, which would mean that if an obligated party achieves at least 95% of its annual additive target, with the exception of the final year of the obligation period, they are deemed compliant?

No

47 - Please provide reasons to support your response.

Due to the inherent movement in the market we believe that it is essential that this leeway be included in the market. In the current Energy Efficiency arrangement there is an allowance of plus or minus 10% before an entity becomes obligated and we believe that this threshold should be applied into the future

48 - Question 7.6

Do you wish to provide any suggestions or comments in relation to this flexibility mechanism?

No

50 - Question 7.7

Do you agree that obligated parties should be allowed to exchange validated credits bilaterally?

Yes

51 - Please provide reasons to support your response.

As per 7.3 we believe that flexibility to trade certs is essential for this market to succeed

52 - Question 7.8

Do you wish to provide any suggestions or comments in relation to this flexibility mechanism?

Yes

53 - We would welcome transparency in to how to access the market. Access to information on pricing and market requirements was extremely difficult to ascertain in the first phase of the Obligation Scheme and we would welcome more transparency into how the scheme operates into the future. We could not access information as we were not an obligated party, even though we were proactively trying to plan as to how this was going to impact our business

54 - Question 7.9

Do you think it could be beneficial to allow obligated parties to bilaterally trade all or part of their targets?

Yes

56 - Question 7.10

Do you wish to provide any suggestions or comments in relation to this flexibility mechanism?

No

58 - Question 7.11

Do you think there should be a buy-out mechanism in place for the 2021-30 EEOS, which would allow obligated parties to buy out a proportion of their EEOS targets by contributing to an Energy Efficiency National Fund?

Yes

59 - Please provide reasons to support your response.

This is a sensible approach to give an incentive to the market to reach its targets.

60 - Question 7.12

Do you think that the buy-out cap should be set at a maximum of 30% of targets?

No

61 - Please provide reasons to support your response.

There is no advantage or disadvantage in applying a 100% buy out cap to the Obligated Parties. If entities wish to avail of the buy out cap then the Energy Efficiency National Fund can apply the scheme at no loss to the State if it is administered correctly.

62 - Question 7.13

Do you wish to make any suggestions on how buy-out prices are set, which would ensure the State is not financially disadvantaged and the relevant requirements of the EED are taken into account?

Yes

- 63 -** As per 7.8 we welcome transparency on how penalties are set and administered by the SEAI. We do not believe that this information was readily accessible in the initial scheme unless you were an obligated party and we welcome it going forward

64 - Question 7.14

Do you wish to provide any suggestions or comments in relation to this flexibility mechanism?

No

66 - Question 7.15

Do you agree with all, or part of, our proposed approach to non-compliance and penalties?

No

- 67 -** Please provide reasons to support your response.

We agree with the proposal to have a maximum penalty but we strongly disagree with the proposal that in addition to imposing penalties that the obligated party would be required to deliver the shortfall in credits at a later date

68 - Question 7.16

In your opinion, how should penalties for non-compliance be determined, i.e. what factors should be considered as part of any calculation framework?

Don't know / No Strong opinion

70 - Question 7.17

Do you wish to provide any suggestions or comments in relation to any aspect of this proposal?

Yes

- 71 -** Obligated Parties who make a concerted effort to reach their targets but due to issues outside their control (e.g. Covid most recently) which be treated under the principles of fairness and proportionality

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72 - Question 8.1

Do you wish to raise any issues or make any suggestions on improvements that could potentially be made, in relation to the redesigned EEOS, beyond those discussed in this document?

Yes

- 73 -** With the Climate Action Plan looking to reach 70% renewables by 2030 and the Government looking to develop the Corporate Power Purchase Agreement (CPPA) we believe that any scheme should be designed with this

future market in mind.

Renewable producers businesses are inherently built on decarbonizing their customers business and obligations under the EEOS should be designed to encourage these markets rather than create barriers to entry.

In the energy poor sectors there are many innovative products being designed to redirect renewable electricity which would be previously wasted to those most in need via smart meters. This lost energy is equivalent to the size of Galway city's demand in 2019 710TWh and the EEOS should account for this smart efficient use of electricity

75 - Please provide reasons to support your response.

With the energy sector rapidly transforming we believe that it would be prudent for the scheme to be reviewed every 3 years

76 - Question 8.3

Do you agree with our proposal to require obligated parties to report their EEOS cost data to SEAI?

No

77 - Please provide reasons to support your response.

We do not see the merit in sharing this sensitive data with the SEAI

78 - Question 8.4

Do you wish to make any suggestions on how such data is reported, e.g. the level of detail, format and frequency of reporting?

No

80 - Question 8.5

Do you agree that cost data should be published, provided all commercial confidentiality concerns are addressed?

No

82 - Question 8.6

Question 8.6: Do you wish to make any suggestions on how such data is published, e.g. the level of detail, format and frequency of publishing?

No

84 - Question 9.1

Do you think that there a case for the provision of additional information to all consumers, via bills or otherwise, on their consumption and/or on potential energy savings?

No

85 - Please provide reasons to support your response.

The application of the scheme should tally with current strategies around paperless billing where interaction with customers have changed. We therefore do not see the requirement to mandate suppliers to include this data requirements on bills

86 - Question 9.2

How could the provision of such information be implemented cost effectively and in a way that benefits all consumers, whether on bills or otherwise?

Don't know / No Strong opinion