

Response Information

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IP Address: [REDACTED]

Login Info

User Name: AnonymousRespondent

Invitee:

Response Details

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1 - Name

[REDACTED]

2 - Company

Micro-Renewable Energy Federation Ltd

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

5 - Please provide reasons to support your response.

All sectors of society and businesses large and small have a role to play in climate actions and in reducing (and ultimately) eliminating emissions of greenhouse gases. The micro-renewable energy sector is particularly relevant as our sector helps businesses and households to deploy technologies that provide renewable sources of energy that are self-generated, thereby reducing reliance on mostly fossil fuel generated power provided by the main network operators.

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;

No

7 - Please provide reasons to support your response.

All participants in the liquid fuel market should be obligated to participate in the EEOS.

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

Yes

9 - Please provide reasons to support your response.

All participants in an energy supply sector should ideally be obligated unless this is contrary to normal considerations of cost efficiency and in meeting required energy efficiency targets.

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

Yes

11 - Please provide reasons to support your response.

Ideally all players in the electricity and gas supply markets should be obligated, including new entrants.

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

13 - Please provide reasons to support your response.

The basis of final energy sales volume is the most straight forward and fairest way to establish obligation under the new EEOS.

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.

An obligation threshold of 400 GWh of sales is too high. In addition to ensuring maximum coverage of obligations in energy supply markets, it is also important that the maximum number of active market participants are obligated.

16 - Question 3.5

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

No

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?

Don't know / No Strong opinion

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)?

Yes

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)?

Yes

23 - Please provide reasons to support your response.

the Micro-Renewable Energy Federation is of the view the proposed targets for energy efficiency and energy savings in the residential sector are too low and are a reduction on the targets for the later years of the previous EEOS 2014-2020.

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.

MREF has concerns at the proposed definition of 'energy poor homes' that will be utilised for a delivery sub target in this area. Such a definition must not exclude those on low incomes from undertaking those measures that they can afford to achieve savings and rise out of fuel poverty.

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?

Yes

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

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?

Yes

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?

Don't know / No Strong opinion

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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)?

Don't know / No Strong opinion

36 - Question 6.2

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

Yes

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?

Yes

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?

Yes

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.

The establishment of the EEOS has effectively created a market in energy efficiency credits that comprises Obligated Parties, suppliers of products and services that achieve energy efficiencies on behalf of businesses and home owners and who can in turn provide credits for savings to Obligated Parties, end energy users/consumers and finally, the SEAI as effective regulator of this market. As with all markets, there should be competitiveness and transparency, and a prohibition on dominant positions being acquired by any party.

Members of MREF provide renewable energy technologies (both energy generation and storage) that allow businesses and homes save money and meet their energy needs with self-generated renewable power. Micro-generation also reduces reliance and the use of fossil-fuelled energy. Accordingly, microgeneration products and services should play an important role in achieving energy efficiencies under the EEOS 2021-2030.

44 - Question 7.4

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

Yes

45 - Obligated Parties should be required to meet their energy efficiency obligations each year between 2021 to 2030 with the one proviso that they should be afforded an opportunity to make up any shortfall over a three year period provided that their accumulated total three year target is met by 1st January 2024. Similarly, MREF is of the view that three-year accumulated totals should be also be met by 1st January 2027 and 1st January 2030, and the full years total for 2030 by 1st January 2031.

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?

Yes

48 - Question 7.6

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

Yes

- 49 -** MREF proposes that Obligated Parties must meet their allocated targets each year under the EEOS 2021-2030 with the one proviso that they should be afforded an opportunity to make up any shortfall over a three year period provided that their accumulated total three year target is met by 1st January 2024. Similarly, MREF is of the view that three-year accumulated totals should also be met by 1st January 2027 and 1st January 2030, and the full years total for 2030 by 1st January 2031.

50 - Question 7.7

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

Yes

52 - Question 7.8

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

No

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?

No

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

MREF understands that the buy-out mechanism in the EEOS 2014-2020 was never used, and that no fines were ever imposed. Furthermore, a buy-out mechanism could act as another competitor to EEOS energy efficiency credit providers in the market. Obligated parties would know that if they miss their target, they can buy out their target as opposed to implementing energy efficiency measures. This could distort the EEOS market, undermining the objectives of the EEOS to achieve energy savings and make it less competitive for the EEOS energy efficiency credit suppliers.

MREF is of the view that obligated parties should be incentivised and required to positively and actively engage in the EEOS market to achieve real energy efficiency targets and energy savings. The buy-out mechanism could be used as an avoidance mechanism that allows obligated parties to bypass engaging with the EEOS and avoid delivering real energy savings and carbon emissions reductions.

60 - Question 7.12

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

Yes

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?

No

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?

Yes

69 - Please provide reasons to support your response.

MREF proposes that a comprehensive compliance framework should be established as part of the EEOS 2021-2030. This should include the setting of penalties for non-compliance and/or failures in meeting allocated energy efficiency targets at levels that would clearly incentivise compliance through the acquisition and funding of energy efficiency measures in homes and businesses. This framework should incorporate a flexibility mechanism over three-year periods as we have set out in our response to Question 7.6.

Factors to be considered in this framework should include: general compliance levels with the EEOS, performance in meeting annual allocated targets, overall pathway towards meeting overall allocated 2021 to 2030 total accumulated targets.

70 - Question 7.17

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

Yes

71 - MREF believes that greater clarity is required around the pathway proposals to a B2 BER rating and therefore the eligibility criteria for qualification for energy efficiency measures. The general approach set out in the consultation document appears overly complex and expensive and will likely deny the availability of worthwhile energy efficiency measures to businesses and homes that should qualify.

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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 - Micro-generation of renewable power by home owners, businesses and farmers has the potential to be a game-changer in Ireland's climate action planning and could deliver a major shift away from our continuing dependence on fossil fuels for our energy requirements, particularly for home heating and for transport. The EEOS 2021-2030 should accommodate and facilitate the widespread adoption of micro-generation solutions which should receive full recognition as energy efficiency and energy savings measures under the EEOS 2021-2030. MREF proposes that specific reference should be included in the EEOS 2021-2030 for micro-generation and that such measures should qualify and be available to as many businesses and homeowners as possible.

75 - Please provide reasons to support your response.

MREF is of the view that a balance needs to be struck between periodic review ensuring that the EEOS remains effective in delivering on its purpose in achieving targeted energy efficiencies and the need for regulatory certainty and the proper and fair operation of the market in energy efficiency credits that has been created. Accordingly, MREF is of the view that the EEOS should be reviewed very three years, i.e in early 2024 and in early 2027.

76 -

Question 8.3

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

Yes

77 - Please provide reasons to support your response.

MREF is of the view that cost data should also be made publicly available on a timely basis.

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?

Yes

79 - MREF is of the view that Obligated Parties should be required to be publicly reported the following data on an annual basis:

EEOS targets

EEOS achievement

EEOS cost data

EEOS price paid

80 - Question 8.5

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

Yes

81 - Please provide reasons to support your response.

MREF supports the publication of cost data to help ensure the proper functioning of a competitive market under the EEOS 2021-2030.

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?

Yes

83 - MREF is of the view that Obligated Parties should be required to be publicly reported the following data on an annual basis:

EEOS targets

EEOS achievement

EEOS cost data

EEOS price paid

Cost data should be published by Obligated Parties provided reasonable and necessary commercial confidentiality considerations are addressed.

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?

Yes

85 - Please provide reasons to support your response.

MREF supports the provision of clear, concise information to consumers to empower them in the choices they make about their energy use. However, such information should be specific to each consumers energy use and actionable by them, supporting them in reducing their energy use, saving money and switching from fossil fuels.

87 - Please provide reasons to support your response.

Each consumer should receive, at least on an annual basis or otherwise at their request, an energy usage report specific to them and their energy use in their home and/or business. This report should provide data on their current energy use and also prescribe a pathway to greater sustainability in their energy use, including recommended efficiency measures and available funding/grant supports, with strong messages around money savings and their contribution to national climate action plans.