

Meeting Minutes – 8th Energy Security Emergency Group

14:00 1 June 2022

Attendees

Mark Griffin (Secretary General - DECC – Chair), Matt Collins, Barry Quinlan, Grainne Ui Thuama, Aoife MacEvilly (CRU), William Walsh (CEO - SEAI), Frank Bergin (CEO - NORA), Denis O’Sullivan (COO - Gas Networks Ireland), Rodney Doyle (COO - EIRGRID), Ronnie Downes (D/ETE) and Alan Barrett (Director – ESRI).

Other Attendees: Kevin Brady, Fergal Corcoran, John Twamley, Niall Power, Rob Barnes (Secretariat).

Apologies: Paul Bolger

1. Minutes of ESEG meeting on 11 May

Meeting minutes of 7th ESEG meeting were agreed.

2. Actions agreed at previous meeting

Updates on outstanding actions on Gas & Electricity Emergency Scenarios were given by Matt Collins who noted that CEPA have done supplementary analysis and will present it to the next Electricity and Gas Security of Supply subgroup. Concerning the follow-up action on disconnections during shortages, it was noted that EirGrid have interacted with Large Energy Users and that DECC will be meeting D/ETE to discuss this area. Actions to be carried forward for further updates at future meetings.

Aoife MacEvilly said that updates on estimates on winter retail prices are not currently available, but CRU may have more data to share by July. Action carried forward with an expected completion in July.

Barry Quinlan gave an update on the oil-related actions including the completion of the emergency action exercise on 26 May. This exercise will inform the completion of the other actions, including the need for legislation, which will be carried forward for further updates at the next meeting.

An update on the policy response implementation plan was provided by Kevin Brady.

3. REPowerEU

Niall Power provided an update on RePowerEU proposals, which represents which includes, *inter alia*, a significant increase in ambition for both renewable energy generation and energy efficiency for the EU. The group discussed these proposals in the Irish context. The Policy Response group will consider the proposals in detail and revert to ESEG if there are new proposals to consider and include in the NESF. DECC will also meet with D/PER to discuss the Recovery and Resilience Funding for RePowerEU proposals.

4. Subgroup and sectoral updates

Gas Markets: Denis O’Sullivan noted the curtailment of supply to some countries has resulted in price increases. GNI are in close contact with the UK’s National Grid which is confident supply is secure. It was noted that due to the limited and depleting gas source from Corrib, by 2026 or 2027 Ireland may be almost 100% dependent on gas supply via interconnectors to the UK. Concerns were raised that demand may exceed the capacity of these pipelines during peak days and that upgrade works are likely to be required.

Oil Security of Supply: Barry Quinlan noted industry have restocked to normal levels and have no short-term concerns on supply. DECC hosted an Oil Emergency Exercise with stakeholders and examined three scenarios. An exercise report is forthcoming.

John Twamley set out the EU’s sixth sanctions package, including the challenges in ensuring Russian oil is not refined in third countries and exported to the EU. The European Commission is expected to compile an information document on this issue to Member States.

Frank Bergin raised the potential need for legislation for demand curtailment which is to be considered as part of the results of the Oil Emergency Exercise.

Consumer & Vulnerable Households: William Walsh noted the subgroup received a presentation on relevant modelling results by Alan Barrett. William confirmed that a business case under the Public Spending Code is being developed for the solar PV scheme in parallel with development of the scheme; on target for Q2.

Communications: Grainne Ui Thuama noted a meeting with SEAI behavioural team which highlighted the need to incentivise those who can afford to change their behaviour to do so. She has met with the Policy Response group to ensure updates on NESF are received and highlighted publicly where appropriate. The Subgroup will consider the impact of the campaign to date with a view to informing the next stage of the communications campaign.

Data and Modelling: Alan Barrett noted his subgroup have examined the impact of fuel price increases on households across income deciles. They have also looked at the benefit to households of fiscal measures introduced so far. It was noted that the number of households in fuel poverty (those spending more than 10% of income on fuel) has increased significantly. A report will be circulated.

The Chair asked that the Data and Modelling subgroup meet with the Policy Response subgroup to consider proposals that could be included in any Government cost of living package for Budget 2023.

Business Subgroup: Ronnie Downes noted that DETE have worked with Enterprise Ireland to outline a list of potential measures which could be deployed to support businesses which will be explored in more detail as the situation develops.

Policy Response: Kevin Brady noted that a RAG report on NESF policy responses will be brought to the next ESEG meeting. The subgroup are currently examining RePowerEU proposals. The secretariat of the group will also meet with Department of Finance next week to discuss the role that energy security/affordability will have in the Tax Strategy Group Papers in advance of Budget 2023, and to discuss the technical feasibility of taxing potential windfall gains in the gas and electricity sectors.

5. AOB/ Next meeting

The next meeting will be on 15 June.

Actions

Details	Timeline	Owner
<p>Gas & Electricity subgroup to consider and update on:</p> <p>[REDACTED]</p> <ul style="list-style-type: none"> • Role of secondary fuels in electricity generation • Order of rationing in gas and electricity sectors • Security of supply review • Concerns raised by GNI in relation to future gas capacity 	15.06 and ongoing	Matt Collins
<p>Oil subgroup to consider and update on:</p> <ul style="list-style-type: none"> • Communication of oil response plans • Impact of oil supply reduction on price • Complete the work on the Oil Emergency Allocation Scheme including consideration of whether legislation is required 	15.06	Barry Quinlan
<p>Policy Response subgroup to:</p> <ul style="list-style-type: none"> • present RAG report on NESF implementation • update on consideration of REPowerEU 	15.06	Paul Bolger
Circulate paper on Data & Modelling subgroup outputs	15.06	Alan Barrett
Data and Modelling subgroup should meet with the policy response group on potential cost of living measures	Update on 15.06	Alan Barrett/Paul Bolger
Updated estimates on Winter Retail Prices	July	Aoife MacEvilly

