



## PATRICK O'DONOVAN TD

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Review of the Energy Supply of Ireland's Electricity and Natural Gas Systems Consultation, Wholesale Electricity and Gas Price Division,
Department Environment, Climate and Communications,
29-31 Adelaide Rd,
Dublin 2.
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## A Chara,

I wish to make a submission on the recently published Review of the Energy Supply of Ireland's Electricity and Natural Gas Systems.

The publication of this report now, while long awaited, is I believe timely in the context of the current geo-political situation in Europe, and the exposure, as I perceive it to Ireland's security of supply given the current network connectivity that is available to us.

The report acknowledges a key weakness in our infrastructure, our ability to store natural gas and to be in a position as a Country, of being able to continue supply electricity to domestic and commercial customers in the event of an external shock. However, it does not I believe, adequately reflect the entire risk to the Country's ability to meet our energy needs in the absence of gas storage. Recognising, as most people do, the fact that natural gas will continue to be an essential component of our energy make up for the near future, and acknowledging that our own natural gas reserves will continue to deplete, the lack of an available storage facility here in Ireland creates a serious risk, which the Country must address.

It is, I believe, accepted by most that the use of natural gas as a transitional fuel will be at least two further generations as we continue to build capacity in the renewable sector. I believe that the expansion of the renewable sector will continue apace in Ireland with further onshore and ultimately scalable offshore coming on stream from wind, solar and other sources. This is something that deserves continued support from Government.

In relation to renewables, we know from tracking data that the daily fluctuations of renewables, especially wind, during both summer and winter periods is something that we should be concerned with, especially if we are to expand our reliance in them. This exposes a lack of reliability which industry and domestic users would be placed at increased levels of risk if there is not a supporting fuel source and/or greater level of inter-connectivity to the European Grid. In turn, this could lead to interruptions of supply, unless the transitional element of natural gas is accepted, and the necessary



investment is put in place to support the roll out of modern infrastructure like LNG terminals. This would be in keeping with practices currently underway in Germany and other EU Member States where the need for LNG terminals has been accepted and the required investment and policy platform made available by the Government to secure its delivery.

Another risk, which exposes Ireland, are the sources of our gas. With the invasion of Ukraine, some EU Member States that previously acquired gas from Russia, will inevitably turn to other sources, ones where Ireland currently purchases from, and this will place the supply at an even greater level of risk.

Use of the facilities of third countries for either storage or conveyance, as Ireland does with the United Kingdom, also places a risk for Ireland. The United Kingdom's exit from the European Union presents a changed environment in the energy market for Ireland, which we must respond to.

While all of this is happening, Ireland has no gas storage and no ability to broaden our base in terms of acquiring and importing gas from different sources. The report references a number of possible solutions, which in varying ways have a capacity for further use, particularly if green hydrogen becomes a viable option. It examines offshore and onshore and the element of whether this can be achieved either privately or publicly.

Some observers and commentators have sought to conflate a private investment with automatically meaning increases in the net amount of gas that would be used in Ireland. I do not believe that there is any basis to assume that a private investment would lead to any more or less consumption than if it was to be publicly provided.

The State must now act on the need to provide storage, and quickly. To that end the mechanisms and levers that are at the State's disposal in the form of planning, and the type of sources that the State deem to be acceptable in terms of the type of extraction should be determined as soon as possible in order for a clear pathway to be determined for storage solutions to be put in place.

I believe that time is not something we have a lot of here in Ireland, and a decision is urgently needed in order to protect the interests of our citizens and the Irish Economy from an unnecessary shock that could be disastrous to our future here in Ireland. Ireland needs gas storage, and the issues that should be taken into consideration are not who owns it, but rather the standards it is constructed to, its safety and the speed at which it can be delivered as an asset to Ireland as a whole.

I trust that my observations will be taken into consideration.

Regards

Patrick O'Donovan T.D.

Aire Oifige na n-Oibreacha Poiblí.

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