Submission to the Public Consultation on the review of the security of energy supply of Ireland's electricity and natural gas systems

[redacted]

Risks

The consultation questions posed in respect of risk are too narrowly framed around "security of supply risks". There are a number of other very significant risks that should be considered and consulted on.

Firstly, any consideration of energy security risk must be placed in the context of the extraordinary risks posed by climate change and the potential of any policy option to alleviate or exacerbate the massive dangers which climate change poses must be a key test at all points.

Secondly, as recognised in section 6.1.1. there are a number of Demand Side Risks as including increased electricity and energy consumption from Large Energy Users such as Data Centres. Ireland is an unnecessarily exposed outlier in this regard with demand for electricity having increased by 9% in the last five years.

Large-energy users accounted for 23% of metered electricity consumption in 2021 and perhaps more starkly energy use by data centres specifically has grown by 265% since 2015.

It is really important to recognise this significant increase in energy demand not just as short term or temporary risks, eg during a moment of peak demand but as a wider strategic risk due to the overall increase in pressure on energy supply systems and related policy choices eg the report mentions data centres as a driver of gas usage The increasing use of diesel generators as back up generators is another energy and climate risk.It is not appropriate that so much analysis in this area treats the level of demand as a given rather than a mutable and adjustable factor.

Other underdiscussed risks include potential exposure to financial risks such as stranded asset disposal and the potential chilling effect on policy choices posed by corporate lawsuits under the Energy Charter Treaty.

The IPCC has explicitly named the Energy Charter Treaty as an obstacle to achievement of our climate targets. Many countries, including Spain, Netherlands and France are announcing their decision to leave the Energy Charter Treaty due to the financial vulnerabilities it creates when attempting to transition away from fossil fuels. The Treaty creates a perverse incentive to continue reliance on volatile fossil fuel markets due to fear of litigation, compromising the long-term security and sustainability of energy in the State. Ireland should undertake a risk assessment on our membership of the Treaty and ultimately should begin the process of withdrawal from the Treaty.

There are particular risks associated with developing new gas based infrastructure, particularly which locks-in the State to fossil fuel use in the medium to long term and opens up future risk of stranded assets or messy and expensive decommissioning.

Gas is not only environmentally and ethically risky, it has also been proven to be economically volatile. Its use should be absolutely minimised – for example through following the example of countries mentioned in the report moving completely away from household or domestic use.

Wherever gas infrastructure remains on the table, there is also a very real risk that this will route investment and focus away from the development of renewable energy infrastructure which should be the absolute priority.

Another energy supply that is ethically and environmentally risky is coal -this year the Irish Independent reported that the ESB had resumed purchasing coal from the Cerrejon Coal Mine in Colombia to be burned in Moneypoint. Christian Aid Ireland, which works with human rights defenders in La Guajira, the region where the giant mine is based have consistently raised how communities displaced by the mine have chronicled a litany of abuses including diversion of crucial rivers, pollution of land and air, widespread intimidation and incidents of violence. With new EU Due Diligence legislation coming down the tracks, we could see a scenario where the ESB falls afoul of the new legislation due to not having appropriate consideration for human rights along its supply chain.

Mitigation Options/Policy Measures:

4. Do you have any additional mitigation options that you think should be considered?

6. Which electricity supply mitigation options, if any, should be considered for implementation?

The independent expert report clarifies the positive contribution that can be made from energy efficiency, offshore wind, solar, battery storage and further interconnection. These must be prioritised instead of continuing dependence on dirty, expensive and unreliable fossil fuels.

The state has the technologies and the resources to protect and decarbonise our electricity system. The Government must choose to use them and not fall back into old ways of thinking.

There needs to be a major scaling up in battery storage eg. through increased use of daisy chaining.

Green hydrogen ammonia storage is another potential area for expansion.

The state should already be proactively seeking ethical and sustainable supply chains in relation to the metals and ammonia needed for these areas

The dangerous trend towards planning permission requests for back up diesel generators by large energy users must be quashed.

5. Which gas supply mitigation options, if any, should be considered for implementation?

None, we should seek to reduce our exposure to the economic, environmental and ethical volatility associated with gas.

The current moratorium on LNG and fracked gas imports should be made permanent through legislation. The independent expert report makes clear that commercially-operated or state-owned LNG import terminal on land, such as Shannon LNG, should not be supported as it would like result in the importation of fracked gas, it would have high emissions and there's no guarantee volumes would be sufficient to cover a security of supply shock.

Even if LNG infrastructure is billed as "Hydrogen Ready" there is no guarantee that green hydrogen will in fact be what it is used for, particularly if other forms of LNG or hydrogen prove more economically rewarding. The majority of hydrogen currently in use is still based on fossil fuels and there has unfortunately been quite a pattern of the small amount of green hydrogen in play being used as a fix leaf for the sustaining or expanding gas or LNG infrastructure.

Where we do invest in green hydrogen infrastructure it should be clearly and exclusively green hydrogen, not just "hydrogen ready".

However Renewables and storage solutions such as batteries should remain the priority for investment.

While the ending of new licences for fossil fuel exploration was welcome, a number of existing licences for such exploration are still in play. Steps should be taken to end and exit any such current licences. The independent expert report makes clear that additional gas reserves from existing exploration licences, such as from Providence or Corrib should not be supported as "additional domestic production of natural gas could lock Ireland into a high-gas energy market…Unknown volume of any potential additional natural gas discoveries."

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Gas is not only environmentally and ethically risky, it has also been proven to be economically volatile. Its use should be absolutely minimised – for example through following the example of countries mentioned in the report moving completely away from household or domestic use.

Wherever gas infrastructure remains on the table, there is also a very real risk that this will route investment and focus away from the development of renewable energy infrastructure which should be the absolute priority.

Also, it is absolutely clear from a climate perspective that if we do not leave the remaining fossil fuels, like gas, in the ground we risk catastrophic and irreversible climate change and the collapse of global security and liveability. As a member of the Beyond Oil and Gas Coalition Ireland should show leadership in this respect.

7. What measures should be considered on the demand side to support security of supply of electricity and gas?

In terms of demand reduction, the CRU and other key actors have too often limited their focus to "demand flexibility" mitigation measures eg at peak times or on cold days and not enough thought and effort has gone into actual sustained overall demand reduction. As outliers in the EU, this is the issue Ireland must address urgently we cannot continue to treat increased demand, particularly by large energy users, as inevitable or acceptable.

An urgent moratorium on planning permission for new private data centres should be introduced. The UCC MaREI research centre has highlighted a pause in the connection of new data centres as the most impactful single action the Government can take to reduce electricity demand.

We also need more nuanced regulatory tools to allow prioritisation of those forms of data processing which are more essential then others. Eg - in energy crunch there are differences between public health data storage and advertising algorithms. Consideration should be given to developing public data centres to prioritise the data that is needed for processing in the public good, while private data centres must be significantly regulated, and new developments banned.

In terms of demand flexibility, the State must give itself clear regulatory or legislative tools. For example we should not have a system where we are simply 'requesting' large energy users to reduce their usage at certain times we need tools that allow us to require that reduction eg. It may be a condition of new or continued grid connection. This should also be uncompensated – as any schemes based on bidding around peak times creates their own financial and moral risks.

Other key measures to reduce demand include transport and retrofitting. We cannot afford to rely on or wait for market dynamics to drive change in these areas.

Free or reduced access to public transport is a more immediately impactful demand reduction tool then the creation of a market for EVs

Accelerated free retrofitting of social housing and public buildings should also be prioritised as ways to immediately reduce demand rather then relying too heavily on commercial incentives around private demand.

It is really important that we seek and press for sustainable and energy wise building standards on any new builds – we should not be seeing new gas boilers going in anywhere.

Heritage skills based on time and skill rather then energy and speed can play a major role - from shutters to wool insulation to metal recycling.

8. Do you have any views on how the mitigation options should be implemented?

Any planned energy security infrastructure must align with Ireland's climate obligations. This means proposed infrastructure must include:

- An assessment of emissions associated with the project and how it aligns with Ireland's first two carbon budgets to 2030 and associated sectoral emissions ceilings.

- Full information on how it will support full decarbonisation of the energy system by the 2030s in accordance with Ireland's target of net zero emissions by 2050 at the latest.

- An examination of health and environmental impacts

- Full information on how the infrastructure will be used (e.g. only in an emergency) and how it will be phased out (e.g. in order to prevent undue reliance on backup infrastructure).

- Key emergency infrastructure should be in full public ownership so as to avoid lock in and ensure maximum responsiveness to policy needs with no risk of profiteering or potential law suits by private actors.