

## Energy

The reliable supply of safe, secure and sustainable energy is essential for the future prosperity of the Irish economy and society.

The energy policy of the next Government must ensure:

- **Security:** Ensuring reliable and secure energy supply into the future.
- **Affordability:** Keeping costs for households and businesses as low as possible.
- **Sustainability:** Planning for the decarbonisation of Ireland's energy supply and an orderly transition to a carbon-free Ireland.
- **Equality:** Ensuring that the changes needed to achieve this benefit ordinary people and communities, and do not have a disproportionately negative effect on vulnerable groups or areas of the country.

Creating a more sustainable and secure future presents economic opportunities, as well as the possibility of Ireland becoming a net exporter of clean energy in the coming decade. Failure to thus far capitalise on the potential of our own renewable energy resources has meant excessive exposure to imported energy crises. Ireland has thoroughly failed to meet its renewable energy targets, repeatedly missing emission reduction deadlines set by international agreements and facing significant fines. The current path cannot continue.

A combination of procrastination, lack of ambition, and a purposeful back-loading for decarbonisation actions to the end of this decade has ensured that the task facing the next government is a huge one. Sectoral Targets under the Climate Action Plan have set a target of 80 per cent renewable electricity by 2030. Failures by previous governments means that we need to do much more over the rest of the decade than would otherwise have been the case. However, our climate targets are now based in law.

The Social Democrats want to create a national energy policy that guarantees our future environmental, social and economic health and prosperity. In government we will strive to meet our commitment to a 51 per cent reduction in emissions by 2030, and achieving net zero emissions by 2050 through credible, incremental national and sectoral plans, based on ambitious but attainable goals.

### Energy Security

Securing a reliable and sustainable future supply of affordable clean energy will be the main energy policy goal of the Social Democrats.

In Government, the Social Democrats will:

- Scale up capacity within Bord na Móna and the ESB to deliver large renewable energy projects for the purpose of exploiting wind energy, both on and offshore.
- Invest to upgrade our port infrastructure to allow for the development of offshore wind farms, including allowing for the transport of materials to facilitate the maintenance and ongoing operation of offshore infrastructure.
- Invest to improve the interconnectivity between Ireland and other countries.
  - demand response, and
  - transmission.
- Pursue policies to increase the electrification of our heating and transport systems, including increased funding for electric vehicles.
- Boost investment in upgrading the nations' electricity grid infrastructure, to allow for expanded future growth in electrification.
- Acknowledge that secure supply requires secure storage, and that energy storage is an essential part of an integrated energy system. We will invest in storage technologies that will allow us to capture energy from intermittent sources that would otherwise go to waste.
  - battery storage,

- Acknowledge that while offshore wind capacity is being planned and built, there will be a need for back-up fuel. We will examine the possibility of using hydrogen as a viable back-up.
- Replace the temporary Energy Security Emergency Group with a permanent Energy

Security Group, which would analyse issues of energy security going forward. This group will advise government on energy security matters and oversee implementation of related measures.

### Energy Affordability

Ensuring energy affordability for homes and businesses is important to mitigate deprivation and fuel poverty, and improve economic competitiveness. Fuel poverty is often defined as a situation where a household spends more than 10 per cent of income heating the home, but more broadly might be viewed as a situation where households cannot afford to keep the home adequately heated. In Government, the Social Democrats will:

- Retain the lower 9 per cent VAT rate on energy to provide support to households and businesses.
- Set the Fuel Allowance at a level that better reflects the cost to vulnerable households of heating their home.
- Expand eligibility for the Warmer Homes Scheme, which provides free home energy upgrades to homeowners who get certain social welfare payments, and include access to solar panels in the scheme, with 100 per cent grants for the lowest income households.
- Ensure that all new housing developments include facilities for microgeneration and storage that enables maximum retention of energy produced, allowing households to reduce energy costs and generate income.
- Scale-up investment in retrofitting and cheap access to financing e.g. prioritising heat pumps in new builds and retrofits.
- Pilot a dedicated retrofitting programme for rural households relying on solid fuel and oil heating systems.
- Expand the Better Energy Homes scheme.
- Change regulations so that households using pre-paid power meters can avail of tariffs and deals currently limited to direct debit customers.
- Introduce an Energy Poverty Act to establish statutory targets and definitions for Energy Poverty.
 

The Energy Poverty Action Plan pledged to create a category of ‘financially vulnerable’ for the Vulnerability Register ahead of Winter 22/23. This is still not in place. The Energy Poverty Act would cover this.
- Advocate at EU level to ensure the link between gas and electricity prices on the wholesale market be broken.
- Increase funding to local authorities and their relevant Energy Agencies, to provide greater technical, financial and business planning expertise to Sustainable Energy Communities, as well as funding to provide long-term no-cost loans to help SECs through this process.
- Provide government backed low-interest green-loans to SECs in the construction of these renewable energy projects, and target at least 20 per cent of our new renewable energy generation to be community owned by 2030, providing direct funding to assist capacity building and technical expertise.

### Energy Sustainability

It must be a priority of the next Government to ensure the roll-out of renewable energy is sped up; is increased in scale and ambition; and the gains distributed equitably. The Social Democrats are planning for this next phase in the harnessing and development of renewable energy. We will have a strong focus on creating a more sustainable Ireland. Part of this means that individual households and homes must be made more resilient to energy price and supply shocks.

In Government, the Social Democrats will:

- Introduce a pay-as-you-save home insulation loan scheme.
- Install solar panels on 100,000 homes per year as part of a sustained state-led effort to harness the power-generating capability of the technology. Around one million homes in Ireland are suitable for solar panels but do not have them installed.
- Create an initial €200m fund to provide grants to households to install solar panels, reducing household emissions and cutting electricity bills by an average of up to 40 per cent over the course of a year.
- Enable local authorities to create a register of approved PV installers, allied with government grant funding, so they can efficiently manage PV installation at scale in council-owned private dwellings.
- Develop a Quality Mark scheme for businesses delivering retrofits and solar installations.
- Make access to, and affordability of, fossil-free alternatives like heat pumps and renewable district heating an urgent priority.
- Develop local district heating networks by incorporating district heating considerations into urban planning frameworks, allowing for community-owned heat networks to be set up.
- Enhance funding of local authorities and their associated Energy Agencies so they can support interested Sustainable Energy Communities (SECs) to become Solar Meitheals.

These Meitheals can then utilise their local authority's register of approved PV installers to create groups of homeowners, community organisations and/or small businesses who want to complete PV installations, thus achieving scale, efficiencies and saving.

- Examine the possibility for local authorities – or a central government authority – bulk-buying the solar panels to allow households to avail of further economies of scale. A standardised approach has the potential to cut costs by up to half.
- Build on existing grant schemes to support the purchase of microgeneration technologies in residential and commercial buildings, on farms, in public buildings and in the community.
- Ensure a fair price is paid to microgenerators for the power generated.
- Support and fund local authorities, SEAI and energy agencies to develop a list of building contractors under the coordination of One-Stop Shops to tender for block retrofits.
- Instruct and fund local authorities and energy agencies to identify council-owned housing estates, with building fabric that lends itself to a 'deep retrofit', and to work with local SECs, where applicable, to create block applications for 'deep retrofits' in areas of geographic concentration. The same process can be followed to create block applications amongst homeowners.

### Energy Equality

'Just Transition' is the principle that we cannot allow the burden of dealing with the climate emergency to fall disproportionately on those least responsible for the crisis, or least able to react or change.

The Social Democrats believe in the principle of Just Transition. During the 33<sup>rd</sup> Dáil we tried to legally define a Just Transition as a transition that ensures the economic and social consequences of the climate emergency are managed to maximise opportunities for decent work for all, reducing inequalities, promoting social justice, and supporting industries, workers and communities negatively affected. Government voted this down.

A just transition must be central to Government's approach to the climate and biodiversity emergency. A National Just Transition Commission was due to be established before this election. Under a Social Democrat government, it will oversee the bringing together of workers, communities, employers and Government in social dialogue to drive the plans, policies and investments needed for a fair transformation to a low-carbon economy. It is especially important to include the workers and communities that are impacted by the shift away from fossil fuel production.

One of the clearest opportunities where we can manage this Just Transition, thus increasing the viability of a low carbon lifestyle to all people regardless of income, is through the retrofitting and better insulation of homes, specifically through a 'deep retrofit'. Such 'deep retrofits' offer homeowners the opportunity to make significant energy and financial savings, while improving the quality of their living environment.

In Government, the Social Democrats will:

- Define Just Transition as “a transition that ensures the economic and social consequences of the climate emergency are managed to maximise opportunities for decent work for all, reducing inequalities, promoting social justice, and supporting industries, workers and communities negatively affected”.
- Put the National Just Transition Commission on a statutory footing, and resource it adequately to oversee the bringing together of workers, communities, employers and Government in social dialogue to drive the plans, policies and investments needed for a fair transformation to a low-carbon economy.

### Managing Data Centres

Increased energy demand is putting Irish energy security at risk, as well as increasing the risk that Ireland will not meet its renewable energy targets, and a large part of that is being driven by the growth of data centres.

In Government, the Social Democrats will:

- Enact a moratorium on the development of data centres and the issuing of planning decisions as an interim measure until an economic, environmental and energy impact risk analysis has been carried out.
- Enforce higher standards as set out in the European Union Code of Conduct for Energy Efficiency in Data Centres, removing the code's voluntary nature and putting in place statutory obligations to prevent the industry from self-regulating.
- Mandate data centres to supply waste heat to district heating networks.
- Implement the CRU (Commission for the Regulation of Utilities) proposals that would require EirGrid and ESB Networks to prioritise connection applications from data centres in accordance with a series of factors, including whether data centres:
  - Generate enough energy on site themselves to support their demand for electricity.
  - Can be flexible in reducing their consumption at times of system constraint.
  - Have chosen a location that is mindful of grid constraints.
  - Have the ability to provide onsite dispatchable generation and/or storage.

### Other Energy Priorities

In Government, the Social Democrats will:

- Develop a Community Energy Advice Service in every county to give independent and tailored advice to the public.
- Commission research on the potential for green hydrogen for use as an aviation fuel, and other purposes.
- Resource state bodies like An Bord Pleanála, EirGrid and the Commission for the Regulation of Utilities, so that delays on planning decisions related to renewable energy projects are minimised.
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- Aim to create greater uniformity of policy across local authorities on renewing permission for old wind farms, to remove uncertainty for windfarm projects.
- Invest and identify opportunities in battery storage and hydroelectricity plant storage that would allow excess energy to be stored in Ireland and be used during peak time.

