AFFORDABLE ENERGY, COMPETITIVE ECONOMY: POWERING IRELAND'S FUTURE

Pre-Budget 2026 submission

www.windenergyireland.com

About Wind Energy Ireland

Wind Energy Ireland (WEI) represents Ireland's wind energy industry, working to promote wind energy as an essential, economical and environmentally friendly part of the country's low-carbon energy future.

Our 200+ members have come together to plan, build, operate and support the development of the country's chief, and most affordable, renewable energy resource.

Our members create jobs, invest in communities and reduce carbon emissions. WEI works to end Ireland's dependency on imported fossil fuels and support Ireland's response to the climate emergency.

Introduction from Wind Energy Ireland CEO, Noel Cunniffe

Over the past two decades, wind energy has become Ireland's leading source of renewable electricity, playing a key role in reducing our dependency on imported fossil fuels.

In 2024 alone, Irish wind farms saved €748 million euro on gas, which would have been predominantly imported, and a further €268 million in carbon credits.

Research published this year demonstrates that since 2000, renewable electricity has – conservatively – saved consumers nearly €1 billion.

Between 2020 and 2023 alone, at the height of the energy crisis and the COVID-19 pandemic, renewable electricity cut bills by an average of €320 per person.

We welcome the new Government's commitment, as outlined in its Programme for Government, to further reduce our dependency on fossil fuels, to take meaningful steps towards meeting our legally binding climate targets as set by the EU and to building an energy system that can rely on affordable, locally produced power.

As technology advances, wind energy will play an increasingly fundamental role in securing Ireland's clean energy future - helping to lower electricity costs for consumers and to support regional economic development in communities across the country.

To meet the needs of our growing economy, Ireland needs to adopt a strategy that drives innovation, supports competitiveness and positions Ireland as a renewable energy leader.

Challenges to overcome

However, Ireland's energy transition does not come without its challenges.

Last year, Ireland reached record levels of wind energy generation capacity, with over 5,000 MW of onshore generation capacity now installed. But it was also the worst year on record for wasted wind power with recent research estimating the cost to consumers of this waste has risen from €90 million in 2016 to €450 million last year.

Our electricity grid is simply not strong enough to cope with what wind farms produce today let alone meet the demands from offshore wind, solar generation and the electrification of our economy.

Every time a wind turbine is shut down because the grid cannot take the electricity, it means higher bills and more carbon emissions and, as we saw during Storm Éowyn earlier this year, a resilient electricity grid is essential to meeting growing demand while ensuring a secure and sustainable supply of power in the future.

Maintaining momentum for onshore wind

While the number of renewable energy projects receiving planning decisions from An Coimisiún Pleanála (ACP) has increased significantly, we are still falling well short of meeting our 2030 target of 9,000 MW of onshore wind.

In 2024, 10 new wind farms were granted planning permission with a combined capacity of around 717 MW. We estimate that, to achieve the 9,000 MW of onshore wind energy by 2030 target in the Climate Action Plan, ACP would have needed to approve 1,720 MW.

The key reason for this is the failure to put in place an effective and resourced planning system that would support the delivery of the targets set out in the Climate Action Plan.

Accelerating offshore wind

Ireland has some of the best offshore wind resources in the world and an incredible opportunity to build a resilient economy backed by affordable, clean energy.

There has been significant progress over the past year. The first group of offshore wind projects, known as the Phase One projects, entered the planning system and are awaiting decision. The terms and conditions for the second offshore wind auction (ORESS 2.1), to develop the 900 MW Tonn Nua site, were announced and the auction will take place later this year.

Another positive step was the Government's announcement of plans to develop a national Designated Maritime Area Plan (DMAP) around Ireland's coast. It will identify sites around the coast of Ireland that are suitable for offshore wind development including both fixed and floating offshore wind.

However, there is no sight of opportunities beyond the Phase One projects and the Tonn Nua auction. It is also abundantly clear that Ireland will not meet its initial target to have 5 GW of offshore wind deployment and connected to the electricity grid by 2030.

Shared ambition to deliver

Despite the challenges faced, the ambition is there to deliver within industry and Government.

If we are to successfully scale up deployment of more wind energy to secure our supply of clean energy, lower energy bills for consumers and cut carbon emissions, it will depend heavily on the actions taken now by the Government and policymakers.

Budget 2026 must support the vital role of Ireland's wind energy industry to ensure affordable, clean electricity for families and businesses across the country.

Noel Cunniffe

CEO, Wind Energy Ireland

We are calling on the Government to use **Budget 2026** to:

1. Increase **State capacity** to accelerate renewable energy development.
2. Strengthen our **electricity grid** and energy infrastructure.
3. Fix our **planning system**.
4. Invest in our **offshore future**.
5. Train **our people**.

Wind Energy Ireland recommendations for Budget 2026

1. Increase State capacity to accelerate renewable energy development

Ensuring that our Government Departments and State agencies responsible for the development of renewable energy have enough staff and the necessary expertise, is vital to successfully build more wind farms and deliver more affordable, clean electricity for consumers.

Agencies like An Coimisiún Pleanála (ACP), the Commission for Regulation of Utilities (CRU) and others play a fundamental role in planning, permitting, regulation and community engagement. However, many remain severely short of staff and struggle to deliver on time.

Government departments must implement the EU's Renewable Energy Directive (RED III) into Irish law, which calls for faster and simpler planning processes for renewable energy projects. Ireland missed the 1 July transposition deadline, increasing pressure to act quickly.

We believe that establishing a climate recruitment fund, similar to the implementation fund introduced for the Government's *Housing for All* strategy, would be helpful to address some of the capacity challenges experienced by State agencies.

It could be used to recruit and train people to work in the green economy across the public and private sector.

For example:

- An Coimisiún Pleanála, the National Parks and Wildlife Service (NPWS) and local authorities involved in planning and environmental assessment of renewable energy need additional capacity to review and assess an increasing number of planning applications for renewable energy projects.
- The updated National Planning Framework will also require County Councils and Regional Assemblies to review and amend County Development Plans (CDPs) to facilitate more onshore wind energy, the process of which will involve strong staff teams within local councils and across State bodies.
- For offshore, the Maritime Area Regulatory Authority (MARA) needs to have capacity to operate an efficient licensing system to support offshore wind delivery and to design the Competitive Maritime Area Consent (MAC) Framework for sites C and D within the South Coast DMAP, and the sites identified in the National ORE DMAP.
- Similarly, the Department of Climate, Environment and Energy (DCEE), Department of Enterprise Trade and Employment (DETE) and relevant Stage agencies like the IDA may require support to create a demand strategy for the South-East region to provide a route to market for sites B-D of the South Coast DMAP.
- And, importantly, DCEE, EirGrid and the CRU need capacity to design and put in place investment frameworks, like the support schemes that exist for wind and solar, for long-duration electricity storage and to ensure the swift implementation of the Government's new Private Wires policy.

With lengthy timelines for the delivery of infrastructure, it is critical that we increase capacity within our State agencies to help Ireland achieve its climate targets and sustain economic growth.

Our recommendation

a. Establish a Climate Recruitment Fund, similar to the implementation fund for Housing for All, to recruit people to work on climate and energy related policy within State agencies, including those mentioned above. In Budget 2026, set a target for this fund of €100 million to be reached by multi-annual contributions of €10 million over ten years.

This investment would potentially unlock billions of private sector investments in the green economy. An independent resource assessment by an external consultant may be required to support this work.

2. Strengthen our electricity grid and energy infrastructure

Ireland spends one million euro an hour importing fossil fuels to provide energy and in 2024, despite reaching record levels of wind energy generation capacity, Ireland lost around 14 per cent of all wind power produced due to challenges with electricity grid capacity.

Electrifying our heat and transportation systems must be a central part of any effort to build a resilient, electrified and competitive economy.

However, in order to achieve the level of electrification that is needed to decarbonise our society, the electricity grid must be robust enough to accommodate the increasing volumes of renewable energy on our electricity system.

This was reinforced in the Climate Change Advisory Council's (CCAC) Annual Review 2025, which noted :

"We have seen how vulnerable the grid has been to extreme weather events, and this provides us with a snapshot into what we can expect in the future.

"It is vital that there is a significantly strengthened grid, with further capital investments made to ensure that the electricity network can support the transition away from fossil fuels to more renewable electricity."

The Government, along with State agencies including EirGrid and ESB Networks, have committed to working together to develop Ireland's electricity grid so that we can get more wind energy on the grid and allow consumers to fully benefit from Ireland's renewable transition.

The additional funding of €3.5 billion to strengthen the electricity grid as part of the revised National Development Plan is very welcome. Direct investment in Ireland's electricity infrastructure not only helps to build a more resilient grid but also helps to protect consumers from rising energy costs.

Last year's €750 million grid investment in Budget 2025 reflected this approach and we encourage the Government to continue to consider direct funding in future budget allocations.

We must see continued investment in our renewable energy infrastructure to increase grid capacity and energy storage. Incentives for electrification are also vital in empowering our society to use electricity as a more sustainable and secure energy source.

Our recommendations

a. Allocate funding to support the development of large-scale demonstrators for long-duration energy storage. This will inform the development of Ireland's energy storage assets, which will be vital to secure our renewable energy supply.

b. Recognising that wind farms and other renewable energy technologies require substantial upfront investment, extend the qualifying period for pre-trading expenses in Section 82, TCA 1997.

c. The Government allocated €100 million in the period to 2025 through the National Development Plan to support investment in EV charging infrastructure. Continue to invest in our EV charging infrastructure, beyond 2025, to support Ireland's goal to electrify 30 per cent of its private vehicle fleet by 2030.

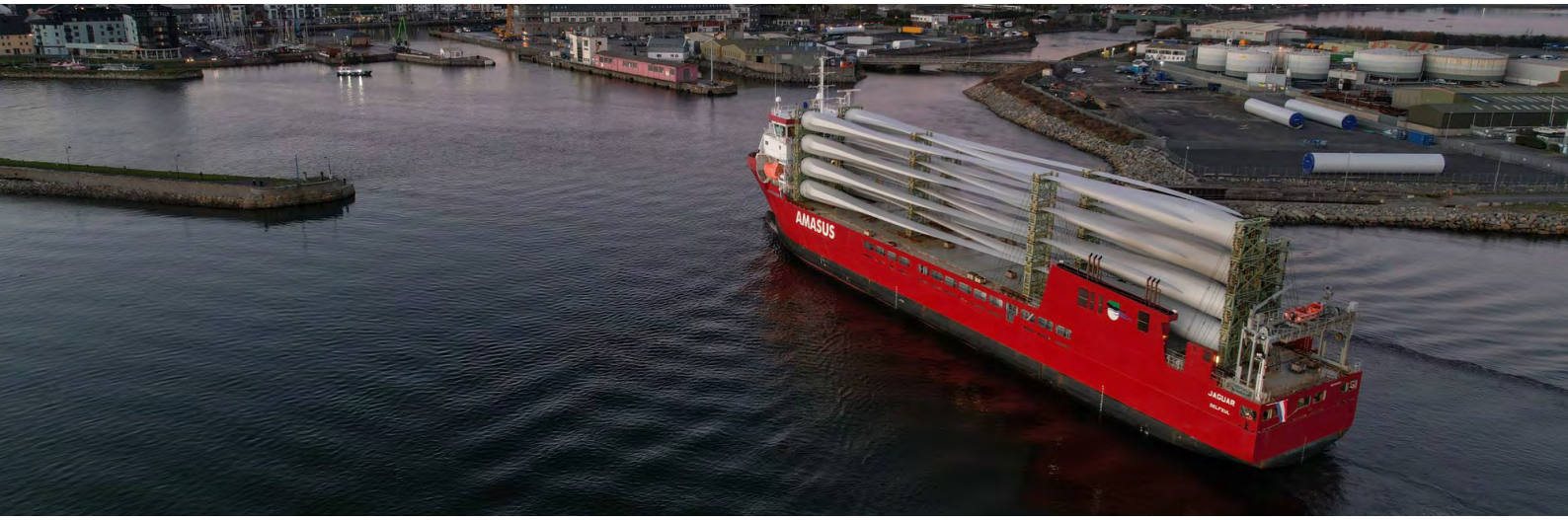
d. As recommended by the Climate Change Advisory Council (2025), maintain existing EV incentives with targeted additional support for lower income households. Targeted additional support for this cohort through a higher grant level of up to €10,000 for BEVs priced at less than €35,000 would increase affordability.

e. Extend the low-cost retrofit loan scheme to the purchase of EVs, including second hand vehicles.

f. Delay the phasing out of the Benefit in Kind (BIK) relief in EVs to 2030.

g. Apply a reduced rate of VAT to electric bicycles, as permitted under the new VAT Directive, to cut the VAT rate from 23 per cent to 13.5 per cent.

h. Extend the home energy upgrade scheme to 2030 to support the adoption of heat pumps and low-carbon heating technologies and to give confidence to the supply-chain.



3. Fix our planning system

Onshore wind energy is Ireland's most affordable source of new electricity. The more wind energy that we can develop, the less we rely on imported fossils fuels, and the better protected our communities are from a volatile fossil fuel market.

As the climate emergency worsens, the urgency to decarbonise how we produce electricity to power our homes and businesses grows.

Under the Climate Action and Low Carbon Development Act, Ireland has a legally binding target to reach net zero emissions by 2050. To achieve this, the private sector and key State agencies like An Coimisiún Pleanála (ACP) and the National Parks and Wildlife Service (NPWS) must work together to deploy renewables in a short number of years.

Central to Ireland's energy transition is creating an efficient planning system, underpinned by the new Planning and Development Act, that can assess and deliver decisions on an increasing volume of planning applications for renewable energy projects and related infrastructure.

The extra resources that the Government has put into ACP, the NPWS and key State agencies are very welcome and have made a significant impact. We are starting to see the effect of that in the number of planning decisions being made and particularly in Q4 2024 and Q1 2025.

However, and as referenced in the previous section, the updated National Planning Framework requires County Councils to review and amend County Development Plans (CDPs) to facilitate more onshore wind energy, the process of which will require a core staff team.

According to new analysis by planning consultancy MKO Ireland, Ireland has 1,302 square kilometres or 1.8% of its land mass available for an additional 6,000 MW of onshore wind generation, in addition to the approximately 9,000 MW already developed or in the planning system.

Budget 2026 must ensure that our local planning authorities have the workforce and expertise they need to review and amend the CDPs and ensure that local policy is consistent with national climate legislation.

At the time of writing, five Phase One offshore wind energy projects have submitted their planning applications to ACP for review.

Some of them already working through detailed requests for further information. It is vital that the relevant State agencies have the capacity to work with these projects to help them respond to the Commission promptly.

Subject to planning decisions, we expect to see these projects entering construction by 2030 and generating electricity as soon as possible.

However, they cannot do so without planning permission so it is critical that ACP and the NPWS have the resources and experience to prioritise processing applications for these projects, as well as the offshore wind projects that will follow as part of Phase Two and beyond.

Our recommendations

a. As referenced in Section 1, ensure that County Councils, Regional Assemblies and relevant State agencies have the necessary workforce and expertise to review County Development Plans to facilitate more onshore wind energy, as required by the updated National Planning Framework.

b. Introduce tax relief for wind farm decommissioning costs at the time a specific provision is created for these costs in the financial statements. Any specific provision related to the dismantling and removal of the turbines should qualify for relief.

4. Invest in our offshore future

Despite significant progress in the putting in place the policy framework for offshore wind energy a challenging global market and delays in the planning system mean the industry is at a critical juncture, facing both significant opportunities and challenges.

Developing policies, though essential, is not enough, it is the follow-through and timely delivery of actions that is paramount.

Budget 2026 provides an opportunity, arguably one of the last, to support Irish port industry to ensure we have ports ready to facilitate the construction of Ireland's future offshore wind farms. They are essential to the local supply chain, logistics and supporting offshore renewable energy infrastructure.

As our 2023 report on port financing showed, it is common practice across Europe for the State to invest in port infrastructure when there is a clear social and economic case for it to do so. The Government must update the National Ports Policy to facilitate direct investment in our ports for the development of offshore renewable energy.

Perhaps most importantly, the Government must also ensure that the necessary funding is available to deliver the National Designated Maritime Area Plan (DMAP) by the end of 2027. This will involve a strong core staff team as well as resources for technical, environmental and legal expertise.

It is vital that Government teams have the resources needed to deliver what is required by the set timelines and create greater efficiencies to expedite the DMAP process, taking lessons learned from the South Coast DMAP process.

This needs to be a priority for Budget 2026 as it will not be possible to deliver a national DMAP by the end of 2027 without significant resources allocated in this budget.

Our recommendations

a. Establish an ORE Port Infrastructure Fund to finance port infrastructure for the development of offshore wind energy. In Budget 2026, set a target for this fund of €80 million to be reached by multi-annual contributions of €20 million over four years. Ports looking to develop for ORE infrastructure could apply for funding from this fund to support their plans for development.

b. Allocate the necessary funding for the Department of Climate, Environment and Energy to deliver the National DMAP map by the end of 2027 and create greater efficiencies to expedite the DMAP process.

c. Provide funding to the Department of Agriculture, Fisheries and the Marine to support the design and implementation of a National Framework Agreement between the seafood and offshore renewable energy sectors.

d. Allocate €6 million to design an international recruitment and relocation package, similar to the HSE's, to attract skilled workers for Ireland's growing renewable energy sector. This package would help cover the costs associated with relocating to Ireland, potentially including items like travel and initial accommodation expenses.

e. Introduce tax relief for seafarers that incur capital expenditure to repurpose fishing vessels to service the offshore wind sector, along with an additional tax deduction for retraining associated workers who wish to diversify and work in the sector on a full or part-time basis.

5. Train our people

Investing in skills development is essential to meet the growing workforce and development needs of Ireland's renewable energy industry.

As the country accelerates its transition to a zero-carbon economy, a skilled workforce is needed to plan, build and manage Ireland's renewable energy resources such as wind and solar farms.

Wind Energy Ireland partners with Skillnet Ireland to administer Green Tech Skillnet (GTS) which facilitates training courses for Ireland's renewable energy industry. Since 2020, GTS has worked with nearly 1,800 companies, supported 5,000 trainees and held over 20,000 training days.

Last year also saw the opening of the new Skillnet Offshore Wind Academy (SOWA). Led by Skillnet Ireland, in partnership with Wind Energy Ireland, it provides new opportunities for skilled workers from a range of industries with transferable skills to upskill and become future leaders for the offshore wind sector.

By prioritising education, training and upskilling programmes, we can create more jobs, build a workforce with the skills required to develop our wind energy sector and deliver more affordable, clean energy for our homes and businesses.

Resourcing a diverse talent pipeline through investments in skills and education will be critical if Ireland is to build the wind farms, and supporting infrastructure, we will need to achieve energy independence.

Our recommendations

a. Increase funding to Government educational and training bodies like Skillnet Ireland and the NMCI to support the delivery of the renewable energy workforce across wind, solar and other energy assets. Leveraging a portion of the National Training Fund to support these entities would help Ireland's renewable energy industry achieve its future skill requirements.

b. Allocate an additional €2 million to the new Skillnet Offshore Wind Academy as part of Budget 2026 to provide further opportunities for skilled workers to upskill and support Ireland's offshore wind sector.

c. Increase the core funding allocation to agencies such as Skillnet Ireland to support the growth and development of its training networks.

d. Increase funding to Skillnet Ireland's SME Upskilling Incentive to €16 million for 2026 to enable SMEs to reclaim staff training costs and expenses for employees undertaking upskilling courses.

e. Establish a skills fund which allows companies (or further education institutions in collaboration with companies) to bid in for match funding for appropriate training initiatives. Matching funding will help encourage investment in training programmes as companies will share the financial burden.

f. Extend Tuition Fee relief for qualifying courses which will lead to upskilling of workers in areas related to decarbonisation.

g. Introduce an additional corporate tax deduction for payroll and training costs incurred by supply chain companies hiring and upskilling employees to service the offshore wind sector and the retrofit market. There is increasing global competition for this supply chain as countries accelerate decarbonisation measures. From an Irish perspective, we need to ensure that we attract and retain the requisite supply chain and provide the training that is needed to upskill in this sector.

h. Increase the R&D tax credit rate to 50 per cent for R&D carried out on green technologies.

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