

IRELAND'S ENERGY REVOLUTION

Pre-Budget 2024 Submission

www.windenergyireland.com



About Wind Energy Ireland

Wind Energy Ireland 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 nearly 200 members have come together to plan, build, operate and support the development of the country's chief renewable energy resource.

We create jobs, invest in communities and reduce carbon emissions. We work to end Ireland's dependency on imported fossil fuels and we are leaders in Ireland's response to the climate emergency.





Budget 2024 should recognise and support Ireland's wind energy industry to sustainably deliver our 2030 onshore and offshore wind targets. It must also start to lay the foundations for building a zero-carbon electricity system by 2035 as our first step to energy independence.

Onshore wind energy will save more carbon emissions in this decade than any other technology in the Climate Action Plan.

Last year our members connected 110 MW of new onshore wind energy to the grid, but we need to be connecting 4-500 MW every year if we are to hit the Government's target of 9,000 MW by 2030. As of April 2023, we have 4,700 MW of installed onshore wind capacity in Ireland and require an additional 4,300 MW to be built to achieve the Government's target.

The continuing thriving onshore wind pipeline shows that the Irish wind industry is ready to play our part. At present, there is over 11,000 MW of onshore wind energy projects at various stages of development, all hoping to compete to deliver part of the 9,000 MW target by 2030. The faster we can build and connect new onshore wind farms onto the electricity system, the more secure we make Ireland's energy supply, the more money we put back in people's pocket and the more we cut our carbon emissions.

Momentum is growing behind Ireland's offshore wind energy revolution. There is a strong pipeline of offshore wind projects developing in Ireland.

The results in June of the first offshore wind auction under the Renewable Electricity Support Scheme (ORESS 1) were a breakthrough moment for Ireland's offshore wind energy sector and a very significant step forward in the delivery of renewable energy in Ireland.

Six Phase 1 projects, both those successful in June's auction and those pursuing other routes to market, are now engaged in pre-planning consultations with An Bord Pleanála ahead of submitting planning applications before the end of the year.

This signals our industry's ambition to lead Ireland's efforts to achieve the legally binding reductions in our carbon emissions and achieve its climate targets, as required by the Climate Action and Low Carbon Development Act 2021.

We also welcomed the launch of the new Maritime Area Regulatory Authority (MARA) in July, which marks an exciting new era for sustainable marine planning and development. The success of MARA will be directly linked to the sustainable development of the offshore wind farms we need to cut our carbon emissions and achieve energy independence.

We are committed to working with the Government, MARA and other key stakeholders to realise the long-term potential of Ireland's renewable energy sector.

But to do this, we need partners in Government and State agencies that have the funds and the expertise to deliver. Ireland ranked 2nd in the 2023 IMD World Competitive Rankings, which assesses 64 economies around the world based on their ability to create and maintain a competitive business environment.

But within this the only one of four categories in which Ireland fell behind was infrastructure, where we placed 19th.

Ireland needs to accelerate efficiency in project delivery but the reality is that the country's planning system is still seriously underfunded.

The resources and the people are simply not yet in place and, while we recognise additional recruitment in An Bord Pleanála and funding for the National Parks & Wildlife Service (NPWS) in recent budgets, we are still well short of what we need.

We are calling on the Government to use Budget 2024 to:

- 1 Resource the **planning system** to support Ireland's climate objectives;
- 2 Allocate funding to support the **electrification** of our energy system;
- 3 Invest in **skills development** to build the workforce the Irish renewable energy industry needs; and
- 4 Fund a National Climate Emergency Communications Unit to help inform, educate and empower people to be part of Ireland's renewable energy revolution.



Wind Energy Ireland's recommendations for Budget 2024

1. Resource the planning system to support Ireland's climate action plan objectives.

Ireland has huge potential, and the right ambition, to become a renewable energy leader. To enable this, the planning system needs to keep pace with the scale of renewable energy deployment needed to meet Ireland's targets.

The progress to date on the draft Planning and Development Bill has been widely welcomed. We hope it will bring greater clarity, consistency and certainty to how planning decisions are made. It is hugely positive that additional resources are being deployed across Government departments and State agencies to facilitate planning processes.

But reforming the planning system will achieve little if the resources are not in place. This Budget must ensure that An Bord Pleanála, the NPWS, MARA and key environmental NGOs have the appropriate funds to hire sufficient staff – with the required expertise – to meet the demand on their services for the rest of the decade and beyond.

The acceleration of onshore wind delivery is key and we have a strong pipeline of new projects. However, planning applications for onshore wind farms are supposed to be decided by An Bord Pleanála within 18 weeks but, on average, it is taking over a year.

As of time of writing, in mid-July, not a single onshore wind farm has received planning permission from An Bord Pleanála since September 2022. This is a blueprint for total failure.

For offshore wind projects, we are expecting the first ORESS 2 auction on the south coast of Ireland in 2024 and, once the provisional results of this auction are complete, the successful Phase 2 project will need to engage in the same pre-planning process with An Bord Pleanála and the NPWS as will have been undertaken for Phase 1 projects.

If we look at Scotland as an example, the functionality of An Bord Pleanála and MARA is reflected across the roles of Crown Estate, the Planning Inspectorate and Marine Scotland respectively. Crown Estate Scotland have an annual operating budget of £10m and this covers the management of a portfolio of property and estate assets. Marine Scotland operate with an annual budget of approximately £60m, though it should be acknowledged that the functionality of the organisation is broader than MARA and covers fisheries management and marine science.

With lengthy timelines for the delivery of infrastructure, this is the last budget opportunity to put in place the resources needed to achieve our 2030 target.

Our recommendations

- a. In partnership with An Bord Pleanála, the NPWS, MARA and local authorities involved in planning and environmental assessment of renewable energy, agree the number and type of staff they will need to achieve our Climate Action Plan targets. An independent resource assessment by an external consultant may be required to support this work.
- **b.** Resource a fast-track recruitment process for key state bodies, as identified above, that are on the critical path to delivering a zero-carbon electricity system.
- c. Allocate €1 million to the Irish Environmental Network to support environmental NGOs working to ensure the development of renewable energy is done as sustainably as possible.
- d. Increase the Climate Action Fund by €5 million for investment in environmental research, monitoring, protection and restoration, which will be integral to the delivery of Ireland's renewables commitments.
- e. Invest €1 million to establish the National Biodiversity Centre as a standalone State agency. This would play a role in making data more freely available to better understand and assist the protection of Ireland's biodiversity.



2. Allocate funding to support the electrification of our energy system.

Ireland spends one million euro an hour importing fossil fuels to provide energy. A central part of any plan to cut our carbon emissions and to end our dependency on imported fossil fuels must be to electrify our heat and transport systems including aviation and shipping.

It is in this context that investment in upgrading the electricity grid infrastructure is vital for expanded future growth in electrification and to maximise our potential in producing clean electricity.

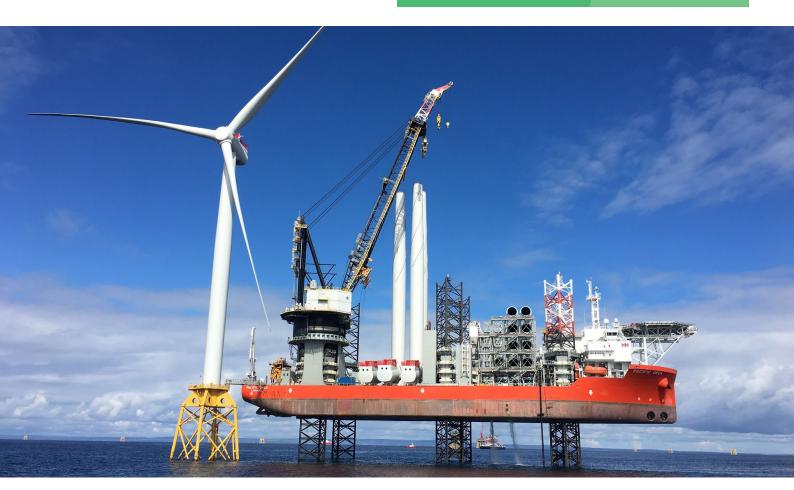
The more we can use electricity to heat or cool our homes and to travel to work or school, the more secure our energy supply and the fewer carbon emissions we produce. The move to electrification will directly displace imported fossil fuels while enabling greater use of Irish renewable energy instead.

To make the best use of electricity generated by wind energy, consideration should be given to ensuring that adequate funding and financial incentives are in place for key infrastructure e.g., EV charging points, to facilitate commercial car fleet electrification, industrial and domestic heat electrification and thermal storage.

We must see continued investment in the incentives for electrification to help aid the householder and businesses move to a more sustainable and secure energy source in electricity.

Our recommendations

- a. Invest in the establishment of a high-level cross Government Group, with a brief to examine the costs of producing renewable energy in Ireland, develop policy recommendations on ways to reduce the price of renewable electricity and examine the design of renewable electricity auctions to maximise consumer value.
- **b.** Introduce a partial income tax credit for EV charging costs.
- c. Increase the funding allocated over the next three years to building a national EV charging network from €100 million to €150 million.
- d. Extend the €5,000 VRT reliefs for BEVs and electric vans to 31 December 2025.
- e. Introduce a grant to encourage the purchase of private used second-hand EVs.
- f. Apply a reduced rate of VAT to electric bicycles, as permitted under the new VAT Directive approved in April 2022.
- **g.** Extend the residential retrofit loan guarantee scheme to 2024 to support the adoption of heat pumps and low carbon heating technologies.





3. Invest in skills development to facilitate the workforce and development needs of Ireland's renewable energy industry.

To deliver a zero-carbon power system by 2035, and support decarbonisation initiatives under the National Development Plan, supporting the workforce development needs of businesses within the renewable energy sector will be critical.

The Offshore Wind Delivery Taskforce is assessing the wind energy sector's future skills and resourcing requirements.

Wind Energy Ireland partners with Skillnet Ireland to administer Green Tech Skillnet (GTS) and we are grateful for Skillnet Ireland's support in growing GTS to offer a wide range of training courses for the renewable energy industry. To date, in 2023, GTS has supported over 830 individuals and delivered nearly 1,400 training days, which is set to increase during the second half of 2023.

Universities are also working on projects to coordinate on microcredentials, whilst connecting with industry. Investment in R&D activity will play a pivotal role in supporting industry and academia working together to research, develop and steer our transition to a zero-carbon energy system.

A qualified maritime workforce will be needed to deliver offshore wind and additional resourcing is required by the National Maritime College of Ireland (NMCI) to ensure that Ireland's output of qualified maritime professionals matches the demand needed to deliver on offshore wind.

Looking ahead, Ireland can benefit from investment in skills and infrastructure to sow the seeds for businesses to thrive in this field and pave the way for Ireland to become a world leader in renewable energy. 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. Invest in training and education to promote the renewable energy sector to school leavers and, for example, those returning to work after a career break or looking to change careers. This will help to ensure that there are more specialists such as such as ecologists, engineers, health & safety and environment professionals, technicians, seafarers and commercial solar panel installers.
- b. Building on the Budget 2023 allowance of €3 million for 2,000 Skillnet places in sustainable finance, green tech and climate change, allocate €4.5m as part of Budget 2024 to allow for 3,000 places.
- c. Allocate funding to maintain and grow microcreds.ie. The newly launched website acts as a one-stop-shop site and is an invaluable resource for people interested in pursuing courses across a range of sectors, including renewable energy.
- **d.** Increase the R&D tax credit rate to 50 per cent for R&D carried out on green technologies.

Fund a National Climate Emergency Communications Unit to help inform, educate and empower people to be part of Ireland's renewable energy revolution.

Ireland is striving to limit climate change and achieve a goal of net-zero emissions by no later than 2050.

With climate change at the centre of policymaking, Ireland will invest in structural and behavioural change to enable our transition to a climate neutral, climate-resilient, country.

Whether it is increasing our usage of electric vehicles or installing solar panels, educating businesses and communities about sustainable solutions should be at the forefront of our efforts to inspire people to change.

The whole of Government communications response mobilised by the Department of An Taoiseach in response to the Covid-19 emergency is an example of a successful campaign, which sought to ensure maximum clarity for citizens, businesses and our wider community in difficult and complex circumstances.

The communications material was distributed through a variety of channels using national and local radio, national

and regional newspapers, and social media platforms and was effective in reaching a vast audience across the country.

It is past time that the Irish Government invests in designing a communications campaign to focus on educating and empowering the response from Irish society to the climate emergency, and to building support for renewable energy and electrification.

Our recommendation

a. Allocate €4 million to a new National Climate Emergency Communications Unit in the Department of An Taoiseach to devise and deliver a series of climate communications campaigns focused on amplifying climate messaging to target audiences across Irish society. Creativity in devising these campaigns is recommended to ensure they resonate with audiences and deliver key messages.





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