



03.02.2016

Review of Connection and Grid Access Policy: Initial Thinking & Proposed Transitional Arrangements. CER/15/284

Dear Sir/Madam,

The Renewable Gas Forum-Irish Green Gas Ltd is grateful for the opportunity to submit our views to the CER review of connection and grid access policy.

We suggest that the Commission for Energy Regulation collaborate with relevant policy guidelines from all Departments of Transport, Agriculture, Environment and Energy in conjunction with European Policy Directives to establish an overarching policy statement. The Policy Statement of intent to progress the nation's energy security needs, security of supply, sustainability and targets for reduction in GHG emission and mitigations plans. Including integrated into a progressive process and solution driven policy to maximise the existing transmission and distribution energy networks to include the electricity and gas infrastructures.

The RGFI is of the opinion that irrespective of National or EU policy on reduction of GHG emissions and mitigation plans, globally the multinational companies are demanding 100% renewable energy from energy suppliers. The multinational companies will not wait for Ireland Inc. to comply with EU policy or Cop21 commitments, they are demanding certainty in national policy and security of supply of renewable energy in the near term.

Ireland has stiff targets to reach by 2020, the targets set for 2030 and beyond should be borne in mind. We would encourage the CER not to focus solely on the targets imposed on Ireland by the EU or other legislation but to set about exceeding these targets, secure Ireland competitive advantages and develop a low carbon economy at every opportunity. Strive to achieve a carbon neutral position at the earliest possible date with emphasis on a mix of renewable energy technology and generators to secure this. Support the development of policies that support a mix of renewable technologies and innovation for the generation of sustainable renewable energy.

The CER has a role to play in setting out and holding to task the TSO and DSO to facilitate the efficient and most cost effective use of the electricity infrastructure.

We believe that the CER should take a progress view of utilising all the infrastructures for energy transmission and distribution to maximise the national assets that are available to transport and distribute renewable energy in the most cost efficient and effective manner. The large heat and energy consumers are demanding 100% renewable energy. It is essential to realise that a sustainable energy mix is required which will ensure competition within the renewable energy market but also more importantly a cost effective delivery of this renewable energy from a mix of renewable energy technologies. Provide surety of connections cost and lead time to the energy infrastructure to allow renewable projects to be developed.

The large energy and heat consumers should be encouraged to utilise efficient use of primary energy, for example, the use of biomethane as a primary energy on site delivered by existing gas grid or a virtual grid, in order to maximise the energy efficiency and be supported in doing so. The autonomous generation and efficient use of biomethane as a primary energy by the large heat consumers would have an immediate impact on the reduction and mitigation of GHG emissions, at least cost to the transmission and distribution energy infrastructure.

Autonomous generation delivers real energy cost reduction to local industries, improves competitiveness, and delivers employment while ensuring the most efficient use of existing electrical infrastructure. The proposed incentives under the Renewable Electricity Support Scheme needs to include and implement supports for the autonomous on site generation when using a renewable gas as the primary energy.



The losses experienced in the transmission and distribution of electricity from remote locations to destination for use can be mitigated by the autonomous on site generation using biomethane as the primary energy, efficient end use achieving between 90% to 97% efficient use of the primary energy with least losses. The SEAI recognise typical efficiency of industrial gas boilers to be 90% to 97% efficient, even taking seasonal efficiency factors into consideration.

The existing electric grid infrastructure would have the spare capacity to facilitate additional renewable energy generation without increasing the requirement for deep infrastructure costs.

The RGFI recommends that in order to achieve and exceed the National and European policies on GHG emissions and mitigation, the development and speedy establishment of a low carbon economy is a matter of urgent national policy. It is in the national interest to stay competitive and at the very least keep a pace with other competing European member states with low carbon economy policy driven by the promotion of renewable energy generation to satisfy the demand of sustainable and secure supply of renewable energy which adheres to the EU GHG Directive and sustainable criteria.

We need to be aware that other European member states are significantly more advanced in their energy policies with a strong emphasis and focus on renewable biogas as a sustainable energy, autonomous on site generation, maximising the efficient end use with government supports and priority to achieving a low carbon economy.

We need clarity from the Irish government that the autonomous generation model in parallel to the existing grid connection will be supported equally or more favourably than standard grid connected renewable power projects. Renewable autonomous generation will give meaningful financial support to our industries and is similar to policies the UK and other EU countries have adopted. It does not require the rigors of EU support approvals for our industries.

The Department of Communication, Energy and Natural Resources is presently drafting and structuring the legislation for a proposed 'Renewable Electricity Support Scheme'. The RGFI strongly recommends the proposed structures of support allows the large energy consumers and employers to avail of "direct savings" from the government support mechanism.

We welcome the opportunity to engage further with the CER on the proposals submitted above.

Yours Sincerely,

PJ McCarthy

Chair (Interim)

Renewable Gas Forum (RGFI)