

Mr Seamus Byrne
Commission for Energy Regulation
The Exchange
Belgard Square North
Tallaght
Dublin 24

12 October 2016

RE: Consultation on Gas Networks Ireland request for funding for Compressed Natural Gas

By email to sbyrne@cer.ie

Dear Mr Byrne,

Energy Cork welcomes the Commission for Energy Regulation's consultation on Gas Networks Ireland's (GNI) proposal to undertake a study on the impact of compressed natural gas on the gas network, and GNI's related request for approval to recover €12.83m from regulated revenues in order to access €5.96m of funding from the European Commission's Connecting Europe Facility. We are pleased to submit our response.

Energy Cork is an industry-driven cluster pursuing coordinated actions to strengthen enterprise and employment within the energy sector in the Cork Region. The initiative is supported by Cork City Council and Cork County Council through their respective Economic Development Funds (EDFs). Energy Cork was initially conceived by Cork Chamber with a view to building on the unique opportunities for the region to secure competitive advantage in the energy sector. Energy Cork has over 80 corporate members, employing approximately 4,000 people in the Cork region.

Since our formation in 2012, Energy Cork and, in particular, its Transport membership sub-group has been actively encouraging the emergence of a low carbon vehicle hub in the Cork region¹. For environmental and economic reasons, Energy Cork seeks to encourage the use of CNG (and in due course biogas) fuelled vehicles for public transport and large commercial fleets, and electric vehicles for the private car market².

Energy Cork has encouraged the uptake of electric vehicles in Cork via the Drive4Zero³ initiative and has led the development of the Ireland's Greenest Bus Fleet⁴ proposal which proposes the procurement and deployment of CNG fuelled buses for use on the Cork City Fleet.

¹ See <http://www.energycork.ie/wp-content/uploads/2016/07/Cork-A-low-carbon-vehicle-hub.pdf>

² See more about our work to encourage EV use at <http://www.energycork.ie/index.php/portfolio/drive4zero/>

³ <http://drive4zero.ie/>

⁴ See <http://www.energycork.ie/index.php/portfolio/irelands-greenest-bus-fleet/>

We are satisfied that the future uptake of CNG for transport will be dependent upon the development of a safe, cost effective, and consistently high quality refuelling infrastructure and associated commercial arrangements supported by an appropriate regulatory regime. To this end, Energy Cork supports the aims and objectives of The Causeway Study as outlined by GNI and its partners in the funding request. The installation and operation of 13 high capacity fast fill CNG stations (with 4 more in Northern Ireland), as well as the installation and operation of a renewable gas injection point, will be a very important step towards meeting Ireland's obligations under the Alternative Fuels Directive. It will also contribute towards Ireland's renewable energy and climate change targets.

While unlocking €5.96m of EU funding, The Causeway Study has the potential to simultaneously deploy a core network of refuelling stations (17 of 70 projected stations) in Ireland and allow for the essential assessment of the impact that CNG will have on the natural gas network.

Energy Cork supports The Causeway Study and GNI's related request for approval to recover €12.83m from regulated revenues in order to proceed with the Study and access €5.96m of funding from the European Commission's Connecting Europe Facility.

Thank you for the opportunity to contribute to this consultation process. We look forward to charting progress on this issue and following the progress of The Causeway Study.

Yours sincerely,



Kieran Lettice
Cluster Manager
Energy Cork