

# Five-point plan for Government to cut bills, save energy and reduce pollution

May 2022

## Introduction

The Russian invasion of Ukraine is an abhorrent and devastating attack on the freedom of the Ukrainian people. The invasion and associated gas crisis has only served to highlight the dangers of our fossil fuel dependence. Ireland is now being impacted by the most significant energy shock since the 1970s oil crisis and we need further coordinated action to help those struggling to pay their energy bills. It has never been clearer that the rapid decarbonisation of the Irish economy and society is an economic and social imperative as well as a moral and environmental one. The position of the EU, supported by Ireland, to rapidly phase out Russian gas is a welcome step.

Even before the invasion, we faced the imperative to cut energy pollution rapidly and radically to prevent complete climate breakdown. Moreover, volatile gas markets were driving an increase in energy prices and already hurting lower income households. The Russian invasion has since exposed the country to record energy prices and triggered a cost-of-living crisis.

This is not a challenge that can be tackled by individual behaviour change alone. It is the result of long-standing structural and political failings and requires a comprehensive Government response. Notwithstanding the Government's *Energy Security Framework* released in April, Ireland does not have sufficient safeguards to protect against further price volatility as a result of the heavy role of polluting fossil fuels in Ireland's energy mix.

The Russian invasion has also added a threat to the European supply of what we used to call "natural" gas, actually fossil methane gas, and exposed the gas dependence of both Ireland and the EU. While 40% of the gas we use in the EU comes from Russia<sup>1</sup>, that is not

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<sup>1</sup> <https://www.iea.org/news/how-europe-can-cut-natural-gas-imports-from-russia-significantly-within-a-year>

the case in Ireland. 27% of our gas comes from the Corrib field off Mayo, with the remainder imported via the UK, mostly from the North Sea. Only 5% of British gas comes from Russia.<sup>2</sup> While physical gas supplies to Ireland are not therefore likely to be at risk, the EU phase out of Russian gas, and any sudden interruption to the gas supply to our European neighbours will continue to impact Irish households and communities via escalating energy costs.<sup>3</sup>

From a climate perspective, our obligations under the Paris Agreement and our legally-binding national climate targets clearly necessitate the rapid phase out of fossil fuels. The International Energy Agency and several other authorities have shown that further investment in fossil fuel supply will put our Paris Agreement objectives out of reach. However, some political leaders are suggesting we need a “climate change pass” as we tackle energy prices and supply, and that the answer is new supplies of oil and gas. We agree with the UN Secretary General, Antonio Guterres, that “investing in new fossil fuels infrastructure is moral and economic madness”<sup>4</sup> and support his warning that, as a result of the rush to replace Russian fossil fuels, “short-term measures might create long-term fossil fuel dependence and close the window to 1.5 degrees”.

The overall result is that Europe is facing a three-part energy crisis of affordability, pollution and supply, as a result of our fossil fuel addiction. The overall solution to these three problems, and the way to protect households and communities in Ireland, is the same: reduce our dependence on fossil fuels as fast as possible.

Over the next six months we need a concerted emergency response from the whole of Government to do five things:

1. **Help With Energy Bills:** Take immediate steps to help those in fuel poverty and those struggling to pay their energy bills.
2. **Drive Home Energy Savings:** Insulate 100,000 homes before next winter, prioritising those at risk of energy poverty.
3. **Reduce Our Car Dependence:** Make it possible, safe and convenient for every child to come to school without using a car.
4. **Prioritise Community Energy:** Drive public participation in renewable energy with a rooftop revolution.
5. **Say No to More Fossil Fuels:** Plan and invest to end our dependence on dirty, pricey, unreliable fossil fuels as fast as possible.

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<sup>2</sup> <https://www.thejournal.ie/explainer-energy-prices-russia-5698511-Mar2022/>

<sup>3</sup> See <https://www.irishexaminer.com/opinion/commentanalysis/arid-40841336.html> and <https://www.rte.ie/brainstorm/2022/0204/1277746-russia-gas-supply-costs-disruption-europe-ireland/>

<sup>4</sup> <https://www.un.org/press/en/2022/sqsm21228.doc.htm>

## Five-point plan and detailed recommendations

Here are the practical and positive steps the Government should take under each of those headings between now and next winter:

### 1. Help with Energy Bills: Take immediate steps to help those in fuel poverty and those struggling to pay their bills.

*At least 1 in 5 people in Ireland are at risk of energy poverty. Research by Saint Vincent de Paul in 2021 indicated that 19% of adults had cut back on heating or electricity due to cost since the start of the pandemic.<sup>5</sup> The energy poverty risk is heightened for tenants, those on a low income, those who are unemployed, those with ill health, as well as one-parent households<sup>6</sup>. This has long-term implications for health, wellbeing and financial security.<sup>7</sup> Many of those on fixed incomes, such as Job Seekers Allowance and the old-age pension, are not eligible for the Fuel Allowance. The Government's last energy poverty strategy expired in 2019 and, despite promises, has not yet been updated. Moreover, low energy users and low-income households are disadvantaged in current pricing systems, for example as a result of direct debit requirements, debt repayment requirements, standing charges and greater challenges changing supplier.*

We recommend the following steps.

On social supports:

- Target help with energy bills to those who need it most by benchmarking core social welfare payments, the Fuel Allowance, and the old-aged pension against the rising cost-of-living, and increase rates to close the gap.
- Expand the eligibility criteria for the Fuel Allowance by increasing the assessable income limit, and including those on the Working Family Payment. Remove the 12-15 month waiting time currently required for those on Job Seekers' Allowance.<sup>8</sup>

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<sup>5</sup> See <https://www.svp.ie/getattachment/2de2b8af-bc90-4c49-be38-d9a4ff6b53e8/Development-of-a-new-Solid-Fuel-Regulation-for-Ir.aspx>

<sup>6</sup> Tovar Reaños, M.A., (2021) "Fuel for poverty: A model for the relationship between income and fuel poverty. Evidence from Irish microdata.", Energy Policy <https://doi.org/10.1016/j.enpol.2021.112444> "According to the Government's most recent strategy to tackle energy poverty 'A Strategy to Combat Energy Poverty 2016-2019' up to 28% of households in Ireland are in or at risk of energy poverty (equivalent to 475,000 households in 2016). More recent research published by the Economic and Social Research Institute (ESRI) in October 2020 'Carbon Taxes, Poverty and Compensation Options' estimates a measure of 'core' energy poverty at 17.5% of households (approximately 297,500 households)" Oireachtas L&RS Note, March 2022. [https://data.oireachtas.ie/ie/oireachtas/libraryResearch/2022/2022-03-04\\_I-rs-note-energy-poverty-in-ireland\\_en.pdf](https://data.oireachtas.ie/ie/oireachtas/libraryResearch/2022/2022-03-04_I-rs-note-energy-poverty-in-ireland_en.pdf)

<sup>7</sup> See Age Action analysis on energy poverty: [https://www.ageaction.ie/sites/default/files/age\\_action\\_calls\\_for\\_new\\_energy\\_poverty\\_strategy\\_web.pdf](https://www.ageaction.ie/sites/default/files/age_action_calls_for_new_energy_poverty_strategy_web.pdf) and <https://www.ageaction.ie/news/2022/02/08/ireland-needs-new-energy-poverty-strategy-climate-justice>

<sup>8</sup> See page 16 and 19 of the Saint Vincent De Paul's Pre-Budget Submission 2022 <https://svp.ie/getattachment/3b713953-2f4a-4e50-b81e-6a9f85fb2b10/SVP-Pre-Budget-Submission-2022.aspx>

- Raise the Increases for Qualified Children (IQCs) payment, which is provided alongside social welfare rates, to those with dependent children.<sup>9</sup>

#### On energy bills:

- Require energy suppliers to automatically allocate existing customers to the lowest tariff rather than only new customers. Those at risk of fuel poverty are often those least likely to switch. The UK regulator, Ofgem, introduced this measure in February this year.<sup>10</sup>
- Extend the existing moratorium on disconnections during winter months (Dec to Jan) to a full ban on disconnections by all energy suppliers at least until Spring 2023.
- Examine profit levels among electricity and gas suppliers in the past 6 months, and implement a windfall tax on any excess profits.<sup>11</sup> Recycle this tax revenue to assist consumers offset higher energy bills.
- Reduce standing charges on energy bills and introduce a temporary ban on any further increases.
- Ensure the CRU reviews its pricing formula and network charges for both gas and electricity in order to delay/prevent excessive increases over the coming year.
- Introduce new regulations on energy suppliers to absorb customer debt, particularly where the customer is already suffering from fuel poverty, or where the customer is already seeking to respond to arrears.<sup>12</sup>
- Go beyond the existing commitment to remove prepayment meters for those customers in debt to actively preventing their installation for the duration of the energy price crisis.

#### On wider Government policy:

- The Government has committed to review and update several energy supply policies and measures as part of the [Energy Security Framework](#) announced in April. The Government and relevant agencies should sit down with environmental and anti-poverty groups immediately to ensure responses are tailored to those most in need and in line with our climate obligations.
- Update the Energy Poverty Strategy immediately including an up-to-date assessment of the most at risk households and communities. The strategy should be placed on a statutory footing and should set targets for eliminating fuel poverty.

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<sup>9</sup> According to the ESRI, regressive impacts of the carbon tax may be compensated for the lowest-income fifth of households through increasing maximum rates of the main social welfare payments or by raising IQCs paid alongside benefits. Doing so using one third of the €159 million carbon tax revenue would reduce the overall poverty rate by 0.2 percentage points and leave the lowest-income fifth of households on average better off. <https://www.esri.ie/publications/carbon-taxes-poverty-and-compensation-options>

<sup>10</sup> See Saint Vincent De Paul proposals to the CRU, March 2022 <https://www.svp.ie/getattachment/bfc1be36-2044-4f6e-8bfa-c954adf3cdbc/SVP-Proposals-for-the-CRU-March-2022.aspx>

<sup>11</sup> See also TASC 'The state we are in: Inequality in Ireland 2022', May 2022

<sup>12</sup> For example, In Catalonia the government reached an agreement with the energy company Endesa to write off customer debt for particular customers. [https://www.barcelona.cat/infobarcelona/en/tema/city-council/agreement-to-eradicate-energy-poverty\\_1054386.html](https://www.barcelona.cat/infobarcelona/en/tema/city-council/agreement-to-eradicate-energy-poverty_1054386.html)

- Up-to-date data to capture energy poverty in Ireland must be collected, including identifying who is living in energy poverty, energy expenditure, building efficiency, social and health impacts, and evaluation of the impacts of energy efficiency schemes.
- Zero interest loans specifically targeted at supporting families who are forced to leave their home for a period during a deep retrofit.

### Why these measures?

Russia's invasion of Ukraine has exposed our dependence on expensive fossil fuels and our vulnerability to the steep and continuing upwards trend in gas prices (600% increase in 2021).<sup>13</sup> These price hikes are now being pushed onto Irish households in the form of high electricity and heating bills and these are projected to rise. In 2021, Irish consumers paid the third -highest electricity prices in the EU<sup>14</sup>, rising to number one when taxes are stripped out.<sup>15</sup> In the second half of 2021, household electricity and gas prices had already increased by more than 10% on the previous year.<sup>16</sup> Low-income households, who traditionally spend a much higher proportion of their income on energy,<sup>17</sup> bear the brunt of these increases .

Consumer protection (e.g. disconnection protection) and financial aid are policy instruments commonly used across EU countries to shield low-income populations from energy and fuel poverty.<sup>18</sup> Italy, for example, has announced it will tax the extra profits made by energy companies as a result of surging energy prices to help families and businesses struggling with higher bills.<sup>19</sup> In Denmark, financial measures have targeted the households most affected by energy price increases.<sup>20</sup> The Irish government's €200 flat rate electricity credit<sup>21</sup> does not go far enough to target those most in need, and some of the most vulnerable cohorts, such as the Traveller Community, have been locked-out of this benefit.

Up to 28% of Irish households are living in or at risk of energy poverty.<sup>22</sup> Fuel poverty is a key determinant of health among low-income populations.<sup>23</sup> Research shows that children

<sup>13</sup> <https://www.independent.ie/business/personal-finance/warning-energy-bills-to-rise-again-in-new-year-as-gas-prices-soar-41169240.html> ; <https://www.independent.ie/business/personal-finance/household-gas-and-electricity-bills-could-rise-by-another-400-this-winter-41598828.html>

<sup>14</sup> <https://www.seai.ie/blog/energy-prices-2021/>

<sup>15</sup> [https://www.mononews.gr/wp-content/uploads/2022/03/220320134424\\_1.-Bruegel-Energy-Crisis-National-policies-Upd-8.2.2022-1.pdf](https://www.mononews.gr/wp-content/uploads/2022/03/220320134424_1.-Bruegel-Energy-Crisis-National-policies-Upd-8.2.2022-1.pdf)

<sup>16</sup> <https://www.seai.ie/blog/energy-prices-2021/>

<sup>17</sup> <https://www.centralbank.ie/docs/default-source/publications/economic-letters/household-characteristics-irish-inflation-and-the-cost-of-living.pdf?sfvrsn=7>

<sup>18</sup> <https://www.sciencedirect.com/science/article/pii/S0301421521003141>

<sup>19</sup> <https://www.thelocal.it/20220319/italy-to-tax-energy-profits-to-ease-price-burden-on-households/>

<sup>20</sup> <https://en.kriseinformation.dk/how-does-the-war-affect-you-and-denmark/energy-prices>

<sup>21</sup> <https://www.gov.ie/en/press-release/4323e-minister-ryan-has-welcomed-the-signing-of-the-legislation-needed-for-the-governments-electricity-costs-emergency-benefit-scheme/>

<sup>22</sup> [https://data.oireachtas.ie/ie/oireachtas/libraryResearch/2022/2022-03-04\\_I-rs-note-energy-poverty-in-ireland\\_en.pdf](https://data.oireachtas.ie/ie/oireachtas/libraryResearch/2022/2022-03-04_I-rs-note-energy-poverty-in-ireland_en.pdf)

<sup>23</sup> <https://www.tandfonline.com/doi/full/10.1080/02673037.2019.1577954?scroll=top&needAccess=true>

who grow up in cold, damp, and mouldy homes with insufficient ventilation have above average rates of respiratory infections and asthma, and are more likely to experience depression, anxiety and slower physical growth.<sup>24</sup>

The 2016-2019 Strategy to Combat Energy Poverty is now 3 years out of date. A review of the implementation of the previous Energy Poverty Strategy was committed to in Q1 of the 2022 Climate Action Plan, but this is yet to be published. It is crucial that policies to tackle energy and fuel poverty do not reinforce existing inequalities by offering a limited range of retrofit options and regressive support measures.<sup>25</sup>

The International Energy Agency has noted that the EU energy sector may generate excess profits of up to €200 billion in 2022 due to the energy crisis. They recommend as part of their 10-point plan that “tax receipts should then be redistributed to electricity consumers to partially offset higher energy bills. Measures to tax windfall profits have already been adopted in Italy and Romania in 2022.”<sup>26</sup> Italy has introduced a 25% windfall tax on energy companies supporting a €14 billion package to assist struggling consumers and companies.<sup>27</sup>

## **2. Drive Home Energy Savings: Insulate 100,000 homes before next winter, prioritising those at risk of energy poverty.**

*The Government must focus on supporting people to save energy as this will permanently enhance our national energy security, reduce polluting emissions and protect households from rising energy costs. Low-income households, groups and communities, those in social housing, as well as those in temporary accommodation or direct provision should be prioritised in the first instance. We need to reduce our energy consumption, turning dependency and vulnerability into power and resilience. However, current plans to support 27,000 energy upgrades including 9,000 deep retrofits this year do not go far enough in light of the energy crisis.*

We recommend the following steps:

- Mandate the SEAI to collaborate with organisations who work with those at risk of fuel poverty to coordinate promotion of the Warmer Homes Scheme and support uptake with wraparound services for participating households. Homeowners in receipt of the Fuel Allowance and certain social welfare payments are already eligible for a free home energy upgrade but there are too many barriers to uptake.
- Expand the Warmer Homes Scheme to include tenants on Housing Assistance Payment (HAP).

<sup>24</sup> <https://www.bmj.com/content/376/bmj.o606>

<sup>25</sup> <https://www.sciencedirect.com/science/article/pii/S0301421521003141#bib17>

<sup>26</sup> <https://www.iea.org/reports/a-10-point-plan-to-reduce-the-european-unions-reliance-on-russian-natural-gas>

<sup>27</sup> See [https://www.bloomberg.com/news/articles/2022-05-02/italy-passes-15-billion-aid-package-focused-on-energy-relief?utm\\_source=google&utm\\_medium=bd&cmpld=google](https://www.bloomberg.com/news/articles/2022-05-02/italy-passes-15-billion-aid-package-focused-on-energy-relief?utm_source=google&utm_medium=bd&cmpld=google)

- There should be no cap on the number of eligible homes that can receive the 100% and 80% grants for attic and wall cavity insulation grants this year.
- The National Retrofit Plan should prioritise worst-performing buildings and those occupied by low-income, vulnerable and energy poor households.
- The SEAI should deploy trusted Local Community Energy Advisors on the ground to increase awareness, to enable peer-to-peer learning, and to build trust in the retrofitting process.
- To promote uptake of energy-efficient renovations in the private rented sector, landlords should be liable for the carbon tax on heating their residential properties, rather than tenants, until they are retrofitted. This incentive scheme is currently being progressed in Germany.<sup>28</sup>
- There should be a ban on “renovictions” (where tenants are evicted by landlords to facilitate renovations).<sup>29</sup>
- Reduce or remove VAT on materials and labour for certain energy efficiency measures. This would provide a strong signal that the Government is serious about assisting households and businesses reduce gas demand and energy bills.<sup>30</sup>

Moreover:

- DECC and the SEAI must consult with those at risk of fuel poverty as part of the ongoing implementation of the National Retrofit Plan, as well as the roll-out of related initiatives, including One Stop Shops and retrofitting of social housing.
- New targets for social housing should be set to ensure all social housing is retrofitted to a B2 standard by 2030.<sup>31</sup> Retrofitting social housing first provides an opportunity to assess a grouped approach, to develop exemplary projects, and to collect data on health and social co-benefits.
- Measures must be put in place now to support the introduction of Minimum Energy Performance Standards in the private residential sector in 2025. This includes a communications strategy to inform landlords of their obligations, the introduction of specific financing options, tailored support for landlords and tenants through One Stop Shops, and clarity on protections for tenants while retrofitting work is being carried out.

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<sup>28</sup> The German federal ministries for economic affairs, housing and justice agreed to amend rules on payment of carbon tax carbon dioxide costs for heating in buildings. The carbon tax, introduced last year, was so far charged to property owners, but effectively passed on to their renters. The idea is to split costs fairly and promote energy efficiency measures and energy savings. The proposed tiered scheme, to be introduced at the beginning of next year, would apply to residential buildings and those of mixed use. A 50:50 split is envisaged for commercial and other non-residential structures until an appropriate scheme is devised <https://balkangreenenergynews.com/tenants-landlords-in-germany-to-share-co2-tax-for-heating/>  
<https://www.euractiv.com/section/energy/news/germany-splits-carbon-tax-for-heating-between-landlords-and-tenants/>

<sup>29</sup> For example, Nova Scotia previously banned renovictions (linked to the pandemic, and now removed). <https://globalnews.ca/news/8655070/n-s-community-groups-concern-end-ban-on-renovictions/>

<sup>30</sup> As noted in E3G The home energy security plan: demand-side measures to lower bills and get off gas March 2022 [www.e3g.org/publications/the-home-energy-security-plan-demand-side-measures-to-lower-bills-and-get-off-gas/](http://www.e3g.org/publications/the-home-energy-security-plan-demand-side-measures-to-lower-bills-and-get-off-gas/)

<sup>31</sup> [https://www.igbc.ie/wp-content/uploads/2021/01/IGBC\\_Submission\\_LTRS2020\\_final.pdf](https://www.igbc.ie/wp-content/uploads/2021/01/IGBC_Submission_LTRS2020_final.pdf)

## Why these measures?

The majority of our housing stock is energy inefficient – Irish homes use 7% more energy than the EU average and emit 60% more CO<sub>2</sub>e<sup>32</sup> There are about 1.5 million residential homes in Ireland that need retrofitting and only 0.4 to 1.2% of the stock has been renovated annually so far. Over 80% of our homes and other buildings have an energy performance rating of C or worse. .

The Government's new National Retrofitting Scheme launched in February 2022 is a major step in ridding Ireland's housing stock of polluting expensive fossil fuels. Increased grant support and the planned introduction of 'One Stop Shop' services are progressive measures. However, the proposed roll-out of the scheme does not reflect the urgency now required in light of the Russian invasion and significant obstacles remain in reaching those on lower incomes and at risk of fuel poverty.

The increased funding in the Warmer Home Scheme is welcome. However a waiting list of 7,000 households has already built up for the scheme during the pandemic.<sup>33</sup> We are concerned that the bulk of new investment may only address this backlog and not reach those now at risk of fuel poverty, including HAP recipients and renters.

The SEAI in its landmark 2022 Heat Study has already outlined that an unprecedented level of additional policy effort beyond the current Climate Action Plan is needed and recommended that the phase out of fossil fuel heating systems must speed up immediately.<sup>34</sup> They note that "a timeline and plan for fossil-fuel phase-out must urgently be put in place if we are to reach net zero by 2050".<sup>35</sup> The SEAI have also indicated that in the only scenario aligning with carbon targets, fossil gas use in the heat sector is cut by 50% by 2030, and almost entirely phased out by 2040.<sup>36</sup>

Analysis has shown that building renovation across the EU can cut gas imports by the equivalent of 25 LNG carriers every year.<sup>37</sup> The EU's new RePowerEU strategy is committed to reducing Russian gas imports by 2/3 by the end of the year. Analysis shows that these imports can be cut entirely 2025. Each unit of gas avoided immediately directly translates into cost savings for consumers<sup>38</sup> and bring significant health benefits<sup>39</sup>. UK

<sup>32</sup> [www.seai.ie/publications/Energy-in-the-Residential-Sector-2018-Final.pdf](http://www.seai.ie/publications/Energy-in-the-Residential-Sector-2018-Final.pdf)

<sup>33</sup> <https://www.oireachtas.ie/en/debates/debate/dail/2022-02-17/speech/242/>

<sup>34</sup> If the emissions cuts from heat energy are to stay within the proposed carbon budget limits, then the move from fossil fuel will need to begin before 2025. If heat-using sectors are to carry a larger share of the decarbonisation target beyond a pro rata share, then fossil fuel phase-out must speed up even more. <https://www.seai.ie/publications/National-Heat-Study-Summary-Report.pdf>

<sup>35</sup> [www.seai.ie/publications/National-Heat-Study-Summary-Report.pdf](http://www.seai.ie/publications/National-Heat-Study-Summary-Report.pdf)

<sup>36</sup> See Fig. 10 of National Heat Study summary report: <https://www.seai.ie/data-and-insights/national-heat-study/key-insights/>

<sup>37</sup> Cambridge Econometrics, The Renovation Wave can cut EU gas imports and reduce consumer bills. Oct 2021 [www.camecon.com/what/our-work/the-renovation-wave-can-cut-eu-gas-imports-and-reduce-consumer-bills/#](http://www.camecon.com/what/our-work/the-renovation-wave-can-cut-eu-gas-imports-and-reduce-consumer-bills/#)

<sup>38</sup> Regulatory Assistance Project (RAP), Ember, E3G & Bellona Europa. [network.bellona.org/content/uploads/sites/3/2022/03/EU-can-stop-Russian-gas-imports-by-2025-Final.pdf](http://network.bellona.org/content/uploads/sites/3/2022/03/EU-can-stop-Russian-gas-imports-by-2025-Final.pdf)

<sup>39</sup> <https://friendsoftheearth.eu/wp-content/uploads/2021/05/Towards-a-healthy-renovated-Europe.pdf>

analysts note that “the UK could reduce gas demand by the equivalent of its imports from Russia by as early as 2027 from increased retrofitting”.<sup>40</sup>

It should also be noted that REPowerEU seeks to increase deployment of renewables and energy efficiency, however the plans are undermined by support for new fossil gas terminals and pipelines and do not include sufficient measures to tackle worsening energy poverty.

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<sup>40</sup> <https://eciu.net/analysis/briefings/how-to-cut-the-uks-dependency-on-russian-gas-permanently>

### 3. Reduce our car dependence to reduce our oil dependence

*People affected by inequality and rising fuel costs will benefit from a focus on improved public and shared services, especially in transport. At its simplest, fossil fuel dependence and costs could be reduced by reducing the number of trips taken by car and by increasing the percentage of trips taken by public transport and active travel (cycling and walking). Given that most short trips are under 5km in length, a key target should be to increase the percentage of active modes in short trips. There are many successful examples across Europe of cities and countries where big shifts towards cycling and walking have been achieved in relatively short periods of time, while still progressing the development of public transport infrastructure. For example, in Ireland, [20%](#) of journeys are “companion journeys” which include driving children to school, so making it safer, easier and cheaper for children to get to school without needing a car would have a significant impact on household costs, oil imports and pollution.<sup>41</sup>*

We recommend the following initial steps:

- Provide free school buses for all children who live more than 1km away from school.
- Provide safe routes to school for cycling and walking within a 3km radius of every school.
- Close more school streets to cars and use one way systems to make arrival at school on bike and foot as safe as possible and ban engine idling near schools.
- Explore models to prohibit certain diesel and petrol vehicles from entering major urban city centres on different days, such as using car registration number plates as in Paris.
- Introduce a congestion charge in Dublin and per km tolling on the M50.
- Examine the benefits of reducing the speed limit on motorways to 100km and to 80km on national routes.

Moreover:

- Expand the bike-to-work scheme to €2,000 in order to accommodate and include eBikes and eScooters.
- Provide safe, secure and well-lit bicycle parking in towns and cities in particular at DART, train, bus stations and all park and ride facilities and in the premises of large companies.
- Grant local authorities’ greater enforcement powers to:
  - close roads or divert traffic, particularly near schools when air pollution limits are exceeded.
  - introduce Clean Air Zones and Low Emission Zones, particularly around schools and other sites where young people congregate.
  - reallocate or close road space for pedestrian and cycling lanes.

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<sup>41</sup> <https://www.cso.ie/en/releasesandpublications/ep/p-nts/nationaltravelsurvey2019/whywetravelled/>

## Why these measures?

In Ireland, private cars are used for 57% of journeys shorter than 2km.<sup>42</sup> Such journeys would take less than 5 minutes on a bicycle, and less than 20 minutes when walking. Improving walking and cycling infrastructure as well as public transportation would reduce our car dependence which offers climate, economic, and human health benefits. Several countries have promoted active travel by offering employees tax credits per km travelled by bike (e.g. The Netherlands and Belgium).<sup>43</sup> In Finland and Poland, cities are required by law to provide free public transport to school beyond a certain distance.<sup>44</sup> In the UK, all children qualify for free public transport if there is no safe walking route, they live more than 2 miles (<8 years old) or 3 miles away (>8 years old) or come from a low income household.<sup>45</sup>

Public transport can play a significant and important role in reducing both fossil fuel demand and carbon emissions. For a modal shift from car to public transport to be achieved, improvements in public transport infrastructure should be accompanied with disincentives for car use and unnecessary car ownership.<sup>46</sup>

Reducing car dependence would also cut NO<sub>x</sub> emissions. NO<sub>x</sub> is a pollutant that is emitted when petrol and diesel is burned in internal combustion engines. Breathing in air with a high concentration of NO<sub>x</sub> emissions has direct health impacts<sup>47</sup> and can cause breathing problems, headaches, eye irritation, and reduced lung function. Those most at risk include those with asthma, children, and the elderly. According to the EEA, over 50 premature deaths in Ireland in 2018 were directly linked to NO<sub>x</sub>.

Under the National Emissions reduction Commitments Directive, Ireland is obliged to reduce NO<sub>x</sub> emissions by at least 49% by 2029, and 60% from 2030 as compared to a 2005 baseline.<sup>48</sup> Most (38.6%) of NO<sub>x</sub> emissions come from the transport sector and are emitted from diesel engines.<sup>49</sup>

<sup>42</sup> <https://www.cso.ie/en/releasesandpublications/ep/p-nts/nationaltravelsurvey2019/howwetravelled/>

<sup>43</sup> <https://www.weforum.org/agenda/2019/02/the-netherlands-is-giving-tax-breaks-to-cycling-commuters-and-they-re-not-the-only-ones/#:~:text=The%20employer%20buys%20the%20bicycle,%25%20for%20basic%20rate%20taxpayers.>

<sup>44</sup> <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7731133/>

<sup>45</sup> <https://www.gov.uk/free-school-transport#:~:text=If%20you%20have%20a%20low%20family%20income,-if%20your%20child&text=Your%20child%20will%20get%20free,their%203%20nearest%20suitable%20schools>

<sup>46</sup> Recommendations from Climate Change Advisory Council Working Paper no. 8 <https://www.climatecouncil.ie/media/climatechangeadvisorycouncil/contentassets/publications/Working%20Paper%20No.%208.pdf>

<sup>47</sup> <https://phys.org/news/2015-09-nox-gases-diesel-car-fumes.html#:~:text=NOx%20has%20direct%20and%20indirect,land%20E2%80%94harming%20animals%20and%20plants.>

<sup>48</sup> <https://www.eea.europa.eu/themes/air/air-pollution-sources-1/national-emission-ceilings>

<sup>49</sup> [https://www.epa.ie/publications/monitoring--assessment/climate-change/air-emissions/EPA-Irelands-Air-Pollutant-Emissions-report\\_2021Final.pdf](https://www.epa.ie/publications/monitoring--assessment/climate-change/air-emissions/EPA-Irelands-Air-Pollutant-Emissions-report_2021Final.pdf)

Ireland's city centres have continued to suffer from high levels of NO<sub>x</sub> pollution, frequently breaching EU limits due to heavy traffic volumes, congestion (some of the worst in Europe) and the predominance of diesel engines.<sup>50</sup> This can be explained by Ireland's transport policy which has been marked by a car-centric approach, a lack of safe walking and cycling paths, and over-investment in motorways to the detriment of our public transportation system.

#### **4. Prioritise Community Energy: Drive public participation in renewable energy with a rooftop revolution**

*Ireland has extremely low rates of citizen and community ownership of renewable energy because the Government has failed to remove the barriers to participation. UCC's MaREI centre recommends a target of 250,000 rooftop solar installations.<sup>51</sup>*

We recommend the following steps:

- The Department of Housing must immediately remove the need for planning permission for solar panels on schools and other community buildings, promised since 2019.
- The Department of Education should adopt a target for making "every school a solar school".
- The Department of Housing should ramp up the installation of rooftop solar on local authority and social housing and prioritise retrofits for these households and increase targets in the immediate term.
- The Department of Environment and the CRU should ensure electricity supply companies immediately activate systems to make fair payments in line with equivalent EU Member States for electricity supplied to the grid from rooftop solar on homes, businesses, farms and schools.
- The Department of Environment should increase the 1% pot for community energy schemes under the Renewable Electricity Support Scheme. The significant challenges of grid connection and planning costs for smaller community energy projects should also be addressed.
- The Department of the Environment should also go beyond the SEAI's Community Enabling Framework and planned advice regarding RESS Community Benefit Funds. The Department should prioritise tools and supports to enable community participation immediately, and not only commence consideration in 2023, as noted in the Climate Action Plan.

#### **Why these measures?**

Demand and supply-side community energy initiatives have a crucial role to play in meeting our target of 80% of electricity from renewables by 2030. In addition to

<sup>50</sup> <https://www.irishtimes.com/news/environment/dublin-air-pollution-breaching-eu-limits-epa-warns-1.3950575>

<sup>51</sup> MaREI has recommended targeting 250,000 PV installations on homes as it would reduce fossil fuel use in electricity generation and avoid the equivalent of 600,000 barrels of oil. [www.marei.ie/10-actions-that-will-reduce-irelands-use-of-fossil-fuels/](http://www.marei.ie/10-actions-that-will-reduce-irelands-use-of-fossil-fuels/)

contributing to a more distributed energy system and increasing local support for renewables, it also offers benefits such as job creation, local economic development, and greater transparency and local ownership of energy planning and development.<sup>52</sup>

Currently, very little electricity is generated through solar PV in Ireland.<sup>53</sup> The potential for rolling out solar PV across Irish communities is significant. Priority should be given to local authority and social housing (170,000 homes) for energy renovations. This would boost clean energy production, increase energy efficiency, and overcome inequalities in access to renewables.<sup>54</sup>

Ireland's circa 4,000 schools, which account for 14% of total electricity consumption in public buildings, should be prioritised for solar projects as they play such a central role in our communities.<sup>55</sup> Currently, planning permission is needed to install even a single solar panel on a school, which greatly adds to both cost and time required. The Department of Housing has failed to progress a necessary updating of the planning regulations for solar panels (for schools, homes and businesses) for 3 years now. For the past 9 months, the Minister of State has said that the final step is a necessary public consultation on a Strategic Environmental Assessment. It was noted to the Taoiseach in the Dáil in February that it would take place within weeks. However, the Department has repeatedly failed to progress it and has issued the largely same message for months. This is far from the emergency wartime mentality we need.

## **5. Say No To More Fossil Fuels: Plan and invest to end our dependence on dirty, unreliable/insecure, pricey fossil fuels as fast as possible**

*While renewables supplied 13.5% of Ireland's total energy use (electricity, heating, transport) in 2020, fossil fuels accounted for 86%<sup>56</sup>, and 80% of those fossil fuels were imported<sup>57</sup>. We have to cut fossil fuel use by at least 50% by 2030, under the climate law, and to zero as fast as possible after that, as highlighted by the Climate Change Advisory Council.<sup>58</sup> As the International Energy Agency<sup>59</sup> and the UN Secretary General<sup>60</sup> have said, keeping to our Paris Agreement commitments means no investments in new fossil fuel infrastructure that would cement our dependence for decades to come. This means actively reducing gas demand and ensuring that homes and businesses do not continue to connect to the gas network and do not continue to install fossil fuel heating systems.*

<sup>52</sup> <https://www.sciencedirect.com/science/article/abs/pii/S1364032121008133>

<sup>53</sup> <https://www.sciencedirect.com/science/article/abs/pii/S1364032121001866>

<sup>54</sup> <https://www.sciencedirect.com/science/article/abs/pii/S0301421521003827>

<sup>55</sup> <https://www.seai.ie/publications/Public-Sector-Annual-Report-2021.pdf>

<sup>56</sup> [https://www.seai.ie/publications/Energy-in-Ireland-2021\\_Final.pdf](https://www.seai.ie/publications/Energy-in-Ireland-2021_Final.pdf)

<sup>57</sup> <https://www.seai.ie/publications/Energy-Security-in-Ireland-2020-.pdf>

<sup>58</sup> [www.climatecouncil.ie/media/climatechangeadvisorycouncil/Technical%20report%20on%20carbon%20budgets%2025.10.2021.pdf](http://www.climatecouncil.ie/media/climatechangeadvisorycouncil/Technical%20report%20on%20carbon%20budgets%2025.10.2021.pdf)

<sup>59</sup> <https://www.iea.org/reports/net-zero-by-2050>

<sup>60</sup> <https://www.un.org/press/en/2022/sqsm21228.doc.htm>

*In response to the energy crisis, it makes no sense for Ireland to simply replace one avenue for imported fossil fuels with another, such as Liquefied Natural Gas (LNG). More gas does not simply equate to more security. Our overreliance on fossil fuels, in particular gas, is itself a security risk. More fossil fuel infrastructure would only serve to increase our exposure to geopolitical disruptions and increasing gas prices, while exacerbating the climate crisis. An LNG terminal would take years to be operational and securing LNG shipments in Europe during a gas market crunch is not guaranteed. Our imported gas comes from the UK which already has LNG terminals. Opinion polling recently carried out by Ireland Thinks for Friends of the Earth shows that 81% of Irish people support boycotting Russian gas and three times as many people (61%) supported more renewables rather than building of LNG terminals as the necessary response.<sup>61</sup>*

We recommend the following steps:

- Introduce a moratorium on new data centres connecting to the electricity grid. A recent [analysis by the MarEi centre in UCC](#) of “10 actions that will reduce Ireland’s use of fossil fuels” identified a pause in the connection of new data centres as the most impactful single action the Government can take to reduce electricity demand. Data centres’ share of Irish electricity usage has tripled in the last six years to 14%, compared to a European average of 2.7%<sup>62</sup>, and projections by Eirgrid indicate that this will double again in the next six years to 29%<sup>63</sup>. This unsustainable: increased electricity demand from data centres is driving the need for more gas-fired power stations which is in turn driving significantly increased gas demand.
- Ban the installation of oil and gas boilers in new homes this year through legislation and no fossil fuel-based boilers should be installed in renovated buildings by 2025. Other EU member states, such as Denmark, Netherlands and Austria have already taken these steps through policy and legislation.<sup>64</sup>
- Legislate to end the further expansion of the gas network, particularly at distribution level, as has already been progressed in the Netherlands.<sup>65</sup> Gas Networks Ireland have stated that annual gas demand is expected to grow by 15% over the next 10 years. GNI has also suggested up to 50,000 new household connections to the gas network, despite this running counter to climate and decarbonisation objectives.<sup>66</sup>
- Turn the current Government moratorium on LNG and fracked gas importation into a permanent ban on LNG development through legislation. A private member’s Bill

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<sup>61</sup> <https://www.foe.ie/news/2022/03/08/overwhelming-majority-of-irish-people-think-eu-should-boycott-russian-gas/>

<sup>62</sup> <https://www.irishtimes.com/news/ireland/irish-news/data-centres-now-consuming-more-electricity-than-rural-homes-cso-1.4868221>

<sup>63</sup> <https://www.thejournal.ie/data-centres-2-5693974-Feb2022/>

<sup>64</sup> The Danish Government has committed to replacing gas heating in all homes, with around 50% to be reached by 2028 mainly through district heating. Other homes will be switched to electric heat pumps by 2030. <https://www.thelocal.dk/20220413/denmark-to-present-plan-that-could-end-use-of-russian-gas/> [https://www.oeko.de/fileadmin/oekodoc/Phase-out\\_fossil\\_heating.pdf](https://www.oeko.de/fileadmin/oekodoc/Phase-out_fossil_heating.pdf)

<sup>65</sup> See more information on the Netherlands in the following publications: [https://www.oeko.de/fileadmin/oekodoc/Phase-out\\_fossil\\_heating.pdf](https://www.oeko.de/fileadmin/oekodoc/Phase-out_fossil_heating.pdf) ; [https://cedelft.eu/wp-content/uploads/sites/2/2022/03/CE\\_Delft\\_210381\\_The\\_natural\\_gas\\_phase-out\\_in\\_the\\_Netherlands\\_DEF.pdf](https://cedelft.eu/wp-content/uploads/sites/2/2022/03/CE_Delft_210381_The_natural_gas_phase-out_in_the_Netherlands_DEF.pdf) ; [https://ec.europa.eu/energy/sites/ener/files/documents/01.b.02\\_mf31\\_presentation\\_nl-fuel\\_switch-vanthof.pdf](https://ec.europa.eu/energy/sites/ener/files/documents/01.b.02_mf31_presentation_nl-fuel_switch-vanthof.pdf)

<sup>66</sup> See <https://www.cru.ie/wp-content/uploads/2022/02/CRU202203-Gas-Networks-Ireland-Ten-Year-Network-Development-Plan-2021.pdf>

providing for this is already in the Oireachtas system, the Planning and Development (LNG) (Amendment) Bill<sup>67</sup>, and we recommend that all parties support a second stage vote in favour of this Bill.

- The Government's ongoing energy security review should reject any new sources of fossil fuels and continue to prioritise energy efficiency solutions as they will permanently enhance our national security, reduce emissions and protect households from rising energy costs.
- Revise the mandates of public bodies so that they align with climate obligations.<sup>68</sup> This must go hand in hand with increases in staffing and resources for relevant public bodies.

### Why these measures?

The Climate Action Act also introduces a climate neutrality target for 2050, as well a 51% emissions reduction target by 2030 to be achieved through carbon budgeting and sectoral emissions ceilings. Further fossil fuel exploration and infrastructure is not compatible with these targets. As part of the Climate Change Advisory Council's carbon budget analysis they underline that *'Across all scenarios modelled, it is clear that the short time-horizon to 2030 requires a faster energy system transition than the natural renewal of many technologies, so early retirement will be needed in some cases. Overall, use of fossil fuel falls from 90% of primary energy demand in 2018 to 49-54% in 2030'*. The Council note in their analysis of measures to 2030 that *'ambitious mitigation aiming towards net zero by 2050 entails a significant shift away from fossil fuels towards renewable energy. This brings significant reduction in fuel costs.'*<sup>69</sup>

A legislative ban on fracked gas was introduced in Ireland in 2017. In 2018 legislation was introduced to divest Ireland's Strategic Investment Fund from fossil fuels. The Government amended the Petroleum Act (1960) to prevent new licences for oil and gas exploration in Irish waters as part of the Climate Action and Low Carbon Development Act passed in July.

In May 2021, the Government produced a policy statement which introduces a moratorium on fracked gas imports and the development of polluting Liquefied Natural Gas terminals pending the completion of an energy security review (to be completed over the coming months). The statement notes that the *'Government will work with international partners to promote the phasing out of fracking at an international level within the wider context of the phasing out of fossil fuel extraction.'*

LNG supplies are periodic, are dependent on commercial decisions and market signals to prospective operators, and involve major competition with Asian markets which has previously resulted in less volumes being available in Europe.<sup>70</sup> Research has also shown that the long payback periods for LNG infrastructure, coupled with reducing EU gas demand in the coming decades, mean that LNG projects may never recover capital invested.<sup>71</sup>

<sup>67</sup> <https://www.oireachtas.ie/en/bills/bill/2022/25/>

<sup>68</sup> <https://www.foe.ie/blog/2020/09/07/>

<sup>69</sup> [www.climatecouncil.ie/media/climatechangeadvisorycouncil/Technical%20report%20on%20carbon%20budgets%2025.10.2021.pdf](http://www.climatecouncil.ie/media/climatechangeadvisorycouncil/Technical%20report%20on%20carbon%20budgets%2025.10.2021.pdf)

<sup>70</sup> [www.oxfordenergy.org/wpcms/wpcontent/uploads/2018/03/UK-Dependence-onImported-Hydrocarbons-Insight-32.pdf](http://www.oxfordenergy.org/wpcms/wpcontent/uploads/2018/03/UK-Dependence-onImported-Hydrocarbons-Insight-32.pdf) The Oxford Institute for Energy Studies, UK Dependence on Imported Hydrocarbons: How Important is Russia? March 2018

<sup>71</sup> <https://www.e3g.org/publications/future-of-eu-gas-demand/>

The Programme for Government highlights that *'the reliable supply of safe, secure and clean energy is essential in order to deliver a phase-out of fossil fuels'* and that electrification of heat and transport, combined with greater energy efficiency and renewables, are essential elements of this transition. It notes *'we are also conscious of the importance of Just Transition, as we end fossil-fuel dependence...'*. It also includes relevant commitments including *'...a clear pathway towards better practices and less reliance on fossil fuels across every sector.'* In June 2020, the Leo Varadkar, TD and Micheál Martin, TD produced a letter to their Green Party counterparts which noted *'Both of our parties accept that as we move towards carbon neutrality, it does not make sense to build new large scale fossil fuel infrastructure such as liquefied natural gas import terminals'*.

In December 2021 at COP26 Ireland became a member of the [Beyond Oil and Gas Alliance](#), a diplomatic initiative focused on keeping fossil fuels in the ground. As part of the initiative Ireland and other states are seeking to put in place a clear process to phase out oil and gas production for both developed and developing countries. The European Union and the United States announced in September the [Global Methane Pledge](#) to reduce global methane emissions by around a third by the end of the decade and will launch the initiative.

Research has shown that every single new extraction site fundamentally undermines the achievement of the Paris Agreement. The International Energy Agency in their 2021 [analysis of a pathway to net zero emissions](#) has concluded that *'beyond projects already committed as of 2021, there are no new oil and gas fields approved for development...Net zero means a huge decline in the use of fossil fuel'*. In 2019 the [European Investment Bank committed](#) to ending funding for fossil fuel infrastructure and to align all activity with the Paris Agreement. Wealthier countries like Ireland must phase out oil and gas production more rapidly than others. The [2018 IPCC Special Report on Global Warming of 1.5°C](#) finds that in order to have limiting global warming to 1.5°C would mean net CO2 emissions would need to fall by about 45 percent from 2010 levels by 2030, reaching 'net zero' by at least 2050.

Research also shows that a clear anti-fossil fuel focus is taking hold in climate policy-making given the extreme climate, environmental, economic and social risks associated with continued growth in fossil fuel demand.<sup>72</sup> UN Secretary General António Guterres has cautioned that, as a result of the rush to replace Russian fossil fuels, "short-term measures might create long-term fossil fuel dependence and close the window to 1.5 degrees". The Secretary General also warned that states must not "neglect...policies to cut fossil fuel use".<sup>73</sup> A rapid renewable transition is likely to be much cheaper (with trillions saved) as compared with continuing a fossil fuel based system. UK research notes that if solar PV, wind, batteries and green hydrogen continue their current increasing deployment trends over the next 10 years, net-zero can be reached by 2045.<sup>74</sup>

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<sup>72</sup> <https://www.tandfonline.com/doi/full/10.1080/14693062.2020.1804315>

<sup>73</sup> <https://news.un.org/en/story/2022/03/1114322>

<sup>74</sup> [https://www.inet.ox.ac.uk/files/energy\\_transition\\_paper-INET-working-paper.pdf](https://www.inet.ox.ac.uk/files/energy_transition_paper-INET-working-paper.pdf)