



Joint Oireachtas Committee on Climate, Environment and Energy

General Scheme of the Strategic Gas Emergency Reserve Bill 2025

Friends of the Earth Submission to the Pre-Legislative Scrutiny

1. Executive Summary

Friends of the Earth Ireland does not believe that an LNG terminal, whether state-owned or commercial, is an appropriate, sustainable or effective solution to Ireland's energy security and climate objectives.

Energy security must be delivered in a way that ensures compliance with both environmental and climate law. However, the General Scheme of the Strategic Gas Emergency Reserve Bill 2025 (the "Scheme") in several instances seeks to remove, bypass, or fundamentally weaken environmental and climate safeguards, increasing the risk of legal challenge and undermining public trust.

The Scheme also relies on an increasingly narrow interpretation of gas security. It focuses on expanding gas supply while failing to address demand-side drivers of risk, particularly the unmanaged growth of high-demand industrial users such as data centres. This approach risks locking Ireland into long-term fossil gas dependence, increasing exposure to volatile global LNG markets, and imposing significant costs on households through new levies.

We urge the Committee to recommend that the Government pause this Bill and pursue a demand-first, climate-compliant approach to security of supply.

2. Key Recommendations for the Committee's PLS Report

Friends of the Earth Ireland recommends that the Committee calls on Government to:

1. Pause passage of the Bill and undertake an updated energy security assessment, reflecting the increased risk associated with LNG reliance and developments since the 2023 Energy Security Review. This should include a demand-first assessment to determine whether security of supply can be achieved by reducing or limiting industrial demand, especially data centres.
2. Reject Head 20 in its entirety within its Report, as it dismantles meaningful climate-law compliance and materially increases the risk of legal action.

3. Note in its Report a recommendation that the Government commission a full independent review of all associated costs, including consumer levy impacts, to prevent undue increases in household bills.

3. Minimum Requirements if Government Proceeds

If Government proceeds notwithstanding the risks identified, any Bill on foot of this Scheme (and not a later Bill) must, at an absolute minimum:

- Integrate the Government’s own conditions from the 2023 Energy Security Review, including:
 - a proposal that does not inadvertently increase gas demand by increasing market supply; and
 - a proposal that is compatible with the Climate Action and Low Carbon Development Act 2015 (as amended), not merely “deemed” compatible.
- Prevent the development of commercial LNG, including by closing any legislative route that allows commercial LNG to proceed under the guise of an emergency reserve.
- Limit operation strictly to a genuine “emergency”, as defined under EU security of supply law, to prevent routine use during price spikes or minor supply alerts.
- Establish a statutory “Demand-First” rule, requiring mandatory minimum consumption levels for large industrial users, including data centres above a defined threshold, before the facility can be operated or emergency gas released.
- Include clear statutory provisions on limited emergency use, eventual decommissioning, and non-expansion of gas use in line with climate law.

4. LNG Context: Why the Security Case Has Changed

The gas security context has fundamentally changed in recent years. Ireland’s gas is largely imported via Britain, which operates as a regional hub drawing on North Sea gas, Norwegian imports, global LNG, and continental supplies. Following the war in Ukraine and efforts to reduce reliance on Russian gas, the EU and UK have become more dependent on US LNG. Far from improving gas security, this has exposed Europe to new risks including supply disruption, geopolitical leverage and US domestic political volatility.¹

The government has focused primarily on risks to gas interconnectors. However, a floating LNG terminal is also vulnerable, and may be equally, if not more, exposed to sabotage or accidental damage.

NESC has also highlighted that LNG infrastructure can create additional exposure through investor protections under the Energy Charter Treaty, which includes a long sunset clause.²

¹ See NESC International Trade Dependencies and the Energy Transition, p11-12.

² See NESC International Trade Dependencies and the Energy Transition, p11-12.

The Government's 2023 Energy Security Review is also not up-to-date in terms of the security benefits of alternative measures such as increased electricity interconnection, expanded battery storage, backup oil storage at relevant power stations, and the potential future use of hydrogen.

The 2025 Advisory Opinion of the ICJ includes two important conclusions which are particularly relevant to this issue. It emphasizes that state obligations extend beyond climate law to human rights, environmental, and customary international law, with breaches potentially triggering liability for restitution, compensation, or ecosystem restoration. It is also clear that a state can be held accountable for failing to regulate or limit emissions from private actors under its jurisdiction, including through fossil fuel production, consumption, licensing, or subsidies.³

For these reasons, we call on the Government to pause this Bill and carry out an updated energy security assessment in light of these developments and the increased risks associated with LNG reliance.

5. Climate Obligations and Governance: Systemic Risks in the Scheme

Across the General Scheme, the Government introduces weaker planning and environmental procedures, removes safeguards, and risks pre-determining environmental outcomes. This creates procedural confusion and potential non-compliance with the Aarhus Convention and EU environmental requirements, which would only increase the risk of legal action.

We wish to focus in particular on Head 20, which we consider to be the most serious governance and legal defect in the Scheme.

6. Head 20: Reject in Full

We call on the Committee to strongly reject Head 20 in its entirety.

In our assessment, Head 20 fundamentally undermines the purpose and core elements of the Climate Act. It fails to align with repeated Parliamentary responses from the Minister indicating support for only a temporary, climate-law-compliant facility that does not increase gas demand. It also runs counter to the Programme for Government commitment to radically reduce reliance on polluting, expensive fossil fuels.

³ "Failure of a State to take appropriate action to protect the climate system from GHG emissions — including through fossil fuel production, fossil fuel consumption, the granting of fossil fuel exploration licences or the provision of fossil fuel subsidies — may constitute an internationally wrongful act which is attributable to that State.....Thus, a State may be responsible where, for example, it has failed to exercise due diligence by not taking the necessary regulatory and legislative measures to limit the quantity of emissions caused by private actors under its jurisdiction" (paras 427-428).
ICJ, Obligations of States in respect of Climate Change, 2025

It appears to disregard the Government's own Energy Security Review, which underlines the need not to increase gas demand and to ensure compliance with climate law.⁴ The Review is also clear that reducing gas consumption and dependency is fundamental to meeting Ireland's climate obligations.

Head 20 also creates a substantial risk of legal challenge and reputational damage, particularly as Ireland prepares to assume the EU Council Presidency and play a leading role in international climate negotiations during COP later this year.

It directly contradicts advice from the Climate Change Advisory Council warning that an LNG terminal risks long-term fossil fuel dependency and increased emissions, including through upstream methane leaks from fracked gas, and that climate neutrality requires a near-total phase-out of fossil fuels by 2039 across major sectors.⁵

6.1 Unprecedented Dilution of Climate Obligations

Head 20(1) constitutes an unprecedented dilution of existing legal obligations in the Climate Act.

- It elevates gas security as an overriding consideration without requiring the Minister to account for climate limits, household energy costs, public health, or safety for surrounding communities.
- It weakens the Climate Act's binding logic by referring only to "plans, strategy, framework and objectives" rather than legally binding carbon budgets, creating a real risk of long-term emissions lock-in even where better alternatives exist.
- It replaces an objective compatibility duty with a subjective test: compliance only "to the extent that they consider practicable." This gives excessive discretion to the Minister and An Coimisiún Pleanála divorced from other binding obligations.
- Applying these weaker obligations to An Coimisiún Pleanála fragments climate governance. Other public bodies remain bound by climate law while the Coimisiún can effectively disregard it. This risks incoherent and legally unsustainable decision-making.

6.2 "Deeming" Compliance

Head 20(2) which is the provision deeming the designated development compliant with the Climate Act is the most problematic proposal.

Compliance cannot be legislated into existence; it must arise from evidence-based assessment and follow-up measures. Deeming compliance in advance undermines environmental law, the Aarhus Convention and EU law, and may expose the State to infringement proceedings and litigation.

⁴ Government of Ireland, Energy Security Review - Appendix 2 Securing Ireland's Gas Supplies, 2023. P.9.

⁵ CCAC Electricity Annual Review, 2025.

While the Climate Act does not formally transpose EU climate law, it is the core framework through which Ireland gives effect to, and demonstrates compliance with, its binding EU emissions-reduction obligations. The Court of Justice has been clear that environmental assessments are required to be legally meaningful, not procedural formalities. The European Court of Human Rights in 2025 found that under Article 8 ECHR, proper procedures must be followed. Fossil-fuel projects must undergo a real, project-specific climate assessment before approval. Declaring compliance in legislation cannot replace that process or block court scrutiny, according to the Strasbourg Court.⁶

It also raises serious constitutional concerns regarding separation of powers and access to the courts. By pre-emptively deeming compliance, the Oireachtas risks encroaching on the roles of independent bodies and the judiciary, and undermining the right to effective legal challenge.

6.3 N-1 Does Not Displace Climate Law

The Explanatory Note suggests that national climate obligations cannot obstruct compliance with the N-1 standard. This is a flawed and misleading framing.

- Ireland's Climate Act does not override EU energy security law but EU energy security law does not remove EU climate obligations. The State must comply with both.
- N-1 is a safety standard, not a requirement to build LNG. A range of measures can achieve compliance and must do so in accordance with climate obligations.

7. Costs and Consumer Impacts

The government has stated that energy affordability is a key political priority. Yet the minimum estimated cost of a state-owned LNG terminal, approximately €900 million over ten years including capex, lease and operating costs, would likely require new charges on customers' bills through a levy.

Ireland's electricity prices remain among the highest in the EU due to reliance on gas. A terminal with weak or absent statutory guardrails risks not only emissions lock-in but also mission creep into routine use, with significant cost implications for households.

The General Scheme contains no clear definition of "emergency," no explicit non-market limitations, and no statutory provisions on decommissioning. The government may argue these will be addressed in a later Bill on operation, but it is inappropriate for the Oireachtas to be asked to expedite and authorise this framework without clarity on consumer costs and safeguards.

We therefore reiterate our recommendation that the Committee call for a full independent cost review prior to further passage of the Bill.

⁶ *Greenpeace Nordic and Others v. Norway* (2025) Application no. [34068/21](#).

8. N-1 Standard, Gas Demand and Data Centres: A Demand-Side Blind Spot

Friends of the Earth Ireland and other NGOs have long warned that Ireland's core energy security risk is reliance on gas itself.⁷

The Government repeatedly argues that N-1 compliance is essential and that a state-owned reserve is the only solution. Yet if the Government considered N-1 non-compliance to constitute an emergency, it would have acted to prevent the problem worsening, including by preventing further large-scale increases in gas demand. Instead, the Government has facilitated and accelerated data centre expansion, now the primary driver of rising industrial gas demand.

Renewables matching does not resolve this. Data centres continue to rely on gas-fired generation for balancing and typically install gas-fired backup generation, transferring security risks onto the gas network. Gas Network Ireland's projections confirm industrial demand, driven primarily by data centres, is the main driver of sustained gas reliance while domestic and small business gas use declines.

Without strict statutory guardrails, there is a substantial risk that an LNG facility funded by all consumers will operate as an insurance policy for high-demand industrial actors rather than a strategic emergency reserve.

We therefore recommend that the Committee call on the Government to assess whether gas security can be achieved by prioritising the reduction or limitation of industrial demand, especially data centres, before considering any LNG investment.

9. Conclusion

Friends of the Earth Ireland urges the Committee to recommend that the Government pause the current Bill and undertake an updated energy security assessment.

If the Government proceeds, the Committee should insist that meaningful dialogue take place with impacted local communities in the vicinity of the proposed site, before any further policy or legislative action is taken. If the Government proceeds, the Committee should insist that the Bill contains enforceable safeguards, including a strict emergency-only definition and operation, a demand-first rule, clear decommissioning provisions, and an explicit prohibition on commercial LNG.

⁷https://www.stopclimatechaos.ie/assets/files/pdf/is_natural_gas_essential_for_irelands_future_energy_security_scc_study_november_2018.pdf.