

Commission for the Regulation of Utilities
Consultation on
Gas Networks Ireland Ten Year Development Plan
28 September 2020

Dear Regulator,

Many thanks for the opportunity to comment on the draft Gas Networks Ireland Ten Year Development Plan.

It is disappointing to see that Gas Networks Ireland have decided that the 10 Year Development Plan does not require a Strategic Environmental Assessment, by virtue of the fact that it does not provide a framework for future development consent. We disagree and maintain that this plan signals significant investment in fossil gas infrastructure and significant expansion of the gas network, and therefore a strategic look at the environmental impacts of this should be undertaken as a matter of urgency. The decision by GNI says that future development proposals will be further outlined in another plan, the Network Implementation Plan. By this reckoning it should follow that any investment proposals for expansion, upgrading and reinforcement of infrastructure should not be undertaken until such time as the Strategic Environmental Assessment of this Network Implementation Plan has been carried out.

On a wider note, following on from research conducted by Friends of the Earth ([link here](#)) [1], we have concerns that the mandate for Gas Networks Ireland does not allow it to align with Ireland's decarbonisation objectives, which includes demand side reductions and a transition to renewable energy.

A range of analysis has been produced in recent years which point to significant risks in fossil fuel investments based on decarbonisation scenarios and the falling costs of renewables and energy storage technologies. In the case of fossil gas investments, the think tank Oil Change International highlight that all eight scenarios developed by the European Commission for its new long-term strategy for decarbonisation predict a reduced role for gas in final energy demand in 2050 [2]. They also note that there is very limited potential for new gas infrastructure to be fully decarbonised through measures such conversion to renewable gas. A recent report by the think tank E3G examined the role of fossil gas in the EU's decarbonized future. They underline that 'none of the Paris-compliant scenarios with renewable or decarbonised gas show increasing gas demand, and most of them show a sharp decline in gas volumes compared to today. This suggests there is no justification for the expansion of the gas networks, in particular not for imports'.

It is evident that Gas Networks Ireland's current role and functions do not align with a fossil gas phase-out which is necessitated by Ireland's mitigation commitments under the Paris Agreement and do not take account of significant risks of carbon lock-in associated with gas investment.

In addition the Ten Year Development Plan should reflect the Government's current position on Liquefied Natural Gas (LNG) and importing fracked gas, as stated in the Programme for Government;

"As Ireland moves towards carbon neutrality, we do not believe that it makes sense to develop LNG gas import terminals importing fracked gas. Accordingly, we shall withdraw the Shannon LNG terminal from the EU Projects of Common Interest list in 2021. We do not support the importation of fracked gas and shall develop a policy statement to establish that approach".

In addition, we note:

- There is an inherent conflict in so far as GNI is responsible for both assessing gas system and supply, while at the same time promoting expansion of the gas network, as well as biogas and hydrogen development. GNI's continued gas network expansion, and new connections in particular, are based on projected gas demand scenarios which are also produced by GNI.
- GNI is continuing to seek connections of domestic customers to the gas network, particularly c.300,000 homes close to the gas network which currently use oil for heating. Notwithstanding a prioritisation of the heating sector by national and international authorities, GNI contends that 'full electrification of heat is expensive, disruptive and requires significant investment in the electricity network'. They reject deep retrofits as a viable and economic solution to heat decarbonisation and fail to take account of significant co-benefits such as reducing energy use.
- GNI's approach appears to run counter to the Government's Climate Action Plan commitment to ban the installation of gas boilers from 2025 in all new dwellings and the finding that 'The most cost-effective abatement measure for the built environment identified in the MACC is to retrofit existing dwellings that use oil boilers to a B2 equivalent BER. While gas may be the cheapest heating source over the period to 2030, opting for such carbon-intensive investments would result in 'carbon lock-in'. It is also unclear how the position of Ervia and GNI aligns with IEA recommendations for the Government 'develop a time-bound roadmap for decarbonising the heating sector through energy efficiency and fuel switching. The roadmap should establish clear scenarios and milestones for phasing out fossil fuels'.
- They also note that they expect to connect 125,000 new domestic customers to the network by 2040. But, GNI published plans to date do not appear to take account of wider energy system decarbonisation and longer-term reductions in gas supplies through electrification and demand-side measures.
- GNI modelling is also based on the IEA's New Policies Scenario which are not aligned with Paris Agreement objectives.

As a result it is our contention that the Ten Year Development Plan is not fit for purpose and should be re-drafted to include an orderly phase out of fossil gas in Ireland. It should also be noted that to date the public has not received comprehensive information on the need to move away from fossil gas heating. We recommend further consultation is undertaken with a wider group of civil society organisations, in particular organisations representing people affected by climate change and groups nationally and internationally impacted by fossil fuel extraction that is used in Ireland, and trade unions representing those employed in the gas industry in Ireland.

Many thanks,
Kate Ruddock, Friends of the Earth

References:

[1] The role of public bodies in driving Ireland's decarbonisation, commissioned by Friends of the Earth, 2020. Link here

https://www.foe.ie/assets/files/pdf/fixing_role_of_public_bodies_in_driving_irelands_decarbonization_report_10092020.pdf

[2] Oil Change International, Gas and The European Investment Bank, 2019