Rebalancing Ireland's Energy Policy

Opening Statement to the Joint Oireachtas Committee on Climate, Environment, and Energy

25th March 2026

Ireland has no indigenous energy resources that can adequately and reliably meet the country's needs:

- The great bulk of our energy is imported: 53% through ports (oil); 24% in undersea pipelines (natural gas); and 3% via undersea cables (electricity),
- only 8% comes from indigenous wind and solar, and
- there is no credible path to meet the objective of net-zero energy by 2050.

The policy focus on net-zero has come at the expense of considerations of the price of energy and energy security, and National Energy Policy is unbalanced in two important respects:

- Firstly, Irish energy prices are uncompetitively high by comparison with other countries and, in a wealthy country of 1.8 million households, 190,000 are in arrears for over 90 days on their electricity bills and 150,000 on their gas bills. The promise of renewables leading to low energy prices has not been met.
- Secondly, Ireland's energy security has diminished to a parlous extent. There are no stocks of natural gas under sovereign control and there is an overdependence on gas supplies from Britain.

Following the oil shocks of the 1970s, the need for energy security was recognised and, today, NORA maintains a strategic oil reserve with an energy content of 21 TWh to meet 90 days of demand from transport and heating. A similar level of energy security for imported natural gas (40 TWh) would require a storage capacity of 10 TWh, but the actual level is zero.

The National Risk Assessment of 2024 correctly identified that Ireland's lack of storage capacity for natural gas is a strategic risk for the country. Compared to Greece and Denmark, Ireland, today in 2026, should already have natural gas storage capacity of between 5 TWh (37 days) and 26 TWh (181 days).

EirGrid is required to operate the electricity system with 99.97% confidence that all demand can be met at all times. There is no conceivable version of the Irish electricity system in 2050 which does not require a large fleet of back-up generation plant to ensure that this standard can be maintained and, for the foreseeable future and likely beyond 2050, this will require fossil fuels, primarily natural gas but also oil.

The National Hydrogen Strategy envisages green hydrogen becoming an alternative to natural gas to fuel this essential back-up to renewables. However, there is so much uncertainty as to whether this can be achieved in the 24 years to 2050 (or ever) that it would be unsafe and imprudent for National Energy Policy to assume that the country can wait for a hydrogen solution and, in the meantime, depend on the objectively insufficient 1.2 TWh of energy security which the State-led LNG project in the Shannon Estuary would provide.

Unfortunately, the potential of renewables to meet Ireland's electricity and wider energy requirement has been consistently exaggerated and misrepresented, and policy needs to be rebalanced to reflect reality.

The Irish Academy of Engineering's November 2025 report - Rebalancing Ireland's Energy Policy – made 11 recommendations in three areas:

- Energy Prices
- Energy Security
- Project Delivery

On Project Delivery, we welcome the Accelerating Infrastructure Taskforce Report and Action Plan but caution that its recommendations, while necessary, are not sufficient to meet the challenges of the Energy Transition.

Long-term master planning of critical infrastructure for transmission and generation capacity to back-up renewables is also needed, and this will require unequivocal and explicit policy and political support for:

- the construction of hundreds of kilometres of new high voltage overhead transmission lines,
- a doubling in the capacity of conventional generation capacity, fuelled mainly by natural gas, and
- the maintenance of large stocks of natural gas in Ireland under sovereign control so that, in the worst circumstances, the country can have certainty that the electricity system is able to reliably meet demand for a reasonably long period measured in weeks.

The 11 recommendations in *Rebalancing Ireland's Energy Policy*

Energy Prices	
1	Require CRU to publish an annual analysis of the cost build up in the price of electricity and gas inclusive of the aggregate gross margins of energy retailers.
2	Require CRU to periodically publish an objective critique of the electricity and gas retail sectors to determine whether the aggregate cost of multiple energy retailers is delivering a price reduction benefit for consumers or not.
3	Protect consumers by preventing the development of an excessive level of renewables (such as the 54,000 MW targeted in existing policies) by a combination of increased reliance on private sector power purchase agreements (PPAs) to fund new developments and by finding an appropriate mechanism to put a limit on RESS and ORESS support in future auctions.
4	Create a path to this endpoint by requiring CRU to assess the impact on electricity prices of the results of RESS and ORESS auctions before State contracts are awarded.
5	Recognise the growing potential of interconnectors to reduce the requirement for renewables.
Energy Security	
6	Deliver a substantially larger and longer-lived LNG facility than is currently proposed to provide increased diversity of supply and gas storage capacity to 2050 and beyond.
7	Commence preparations for the introduction of nuclear power - in line with IAEA's milestone approach for countries to develop a nuclear generation capacity - to ensure that, if SMRs become widespread worldwide over the next decade or so, Ireland is ready to consider their introduction without the level of delays experienced with offshore wind over the past decade and more.
8	Continue to assess the potential of hydrogen, hydrogen derived fuels and other efuels to, again, be prepared to introduce them into Ireland's energy mix if it would be beneficial but recognising that they are not options that can be relied on to be available between now and 2050.
Project Delivery	
9	Develop a masterplan - with Strategic Environmental Assessment - for the delivery of transmission and back-up generation infrastructure over the next 25 years and integrate it into all levels of the national planning hierarchy - National Planning Framework; Regional Spatial and Economic Strategies; local authority development plans – to give increased certainty to projects at the planning stage, particularly in An Coimisiún Pleanála.
10	Give responsibility for the preparation of this masterplan to EirGrid / ESB Networks along with the accountability to deliver projects from it.
11	Review the four State-owned energy companies - EirGrid, ESB, GNI and NORA - to ensure that their respective roles and responsibilities - and how these have evolved in recent years - are appropriate for the challenges of the next 25 years.

Primary Energy in Ireland, 2024

	With GHG emissions	No GHG emissions	Totals	With GHG emissions	No GHG emissions	Totals
Through ports (oil)	85.1 TWh	3.7 TWh	88.8 TWh	50.7%	2.2%	52.9%
In undersea pipelines (gas)	39.5 TWh		39.5 TWh	23.5%		23.5%
Via undersea cables (electricity)		5.1 TWh	5.1 TWh		3.0%	3.0%
Indigenous	13.8 TWh	20.7 TWh	34.5 TWh	8.2%	12.3%	20.5%
Wind and solar		*12.9 TWh*	*12.9 TWh*		*7.7%*	*7.7%*
Fossil (mainly natural gas)	*11.7 TWh*		*11.7 TWh*	*7.0%*		*7.0%*
Other	*2.1 TWh*	*7.8 TWh*	*9.9 TWh*	*1.2%*	*4.6%*	*5.9%*
Totals	**138.4 TWh**	**29.4 TWh**	**167.9 TWh**	**82.5%**	**17.5%**	**100.0%**

Comparison of natural gas demand and storage capacity (geological plus LNG) in selected countries

	Demand 2023	Storage capacity	# days storage
Netherlands	283 TWh	154 TWh	199 days
Denmark	21 TWh	10 TWh	181 days
Portugal	47 TWh	9 TWh	71 days
Greece	53 TWh	5 TWh	37 days
UK	681 TWh	40 TWh	21 days
Ireland	53 TWh	0 TWh	0 days

Examples of actual, putative and proposed energy storage capacities

	Fossil fuels	Green hydrogen
NORA	21.0 TWh	
IAE report, The Energy Transition, Page 10, Table 5	13.2 TWh	
ESB report, For a clean, secure energy future, Page 7		6.0 - 10.0 TWh
Ballycotton geological store (indicatively)	10.0 TWh	3.0 TWh
Shannon LNG (consented 2008 project)	5.6 TWh	
Moneypoint (on coal 1987 to 2024)	5.0 TWh	
Shannon LNG (proposed 2023 project)	1.3 TWh	
Moneypoint (on oil to end of life in 2029)	1.2 TWh	
State-led LNG project proposed in 2025	1.2 TWh	