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Research, Dialogue, Advice

An Agenda for Policymakers: *Identifying and Addressing Policy Risks in Ireland's Energy Transition*

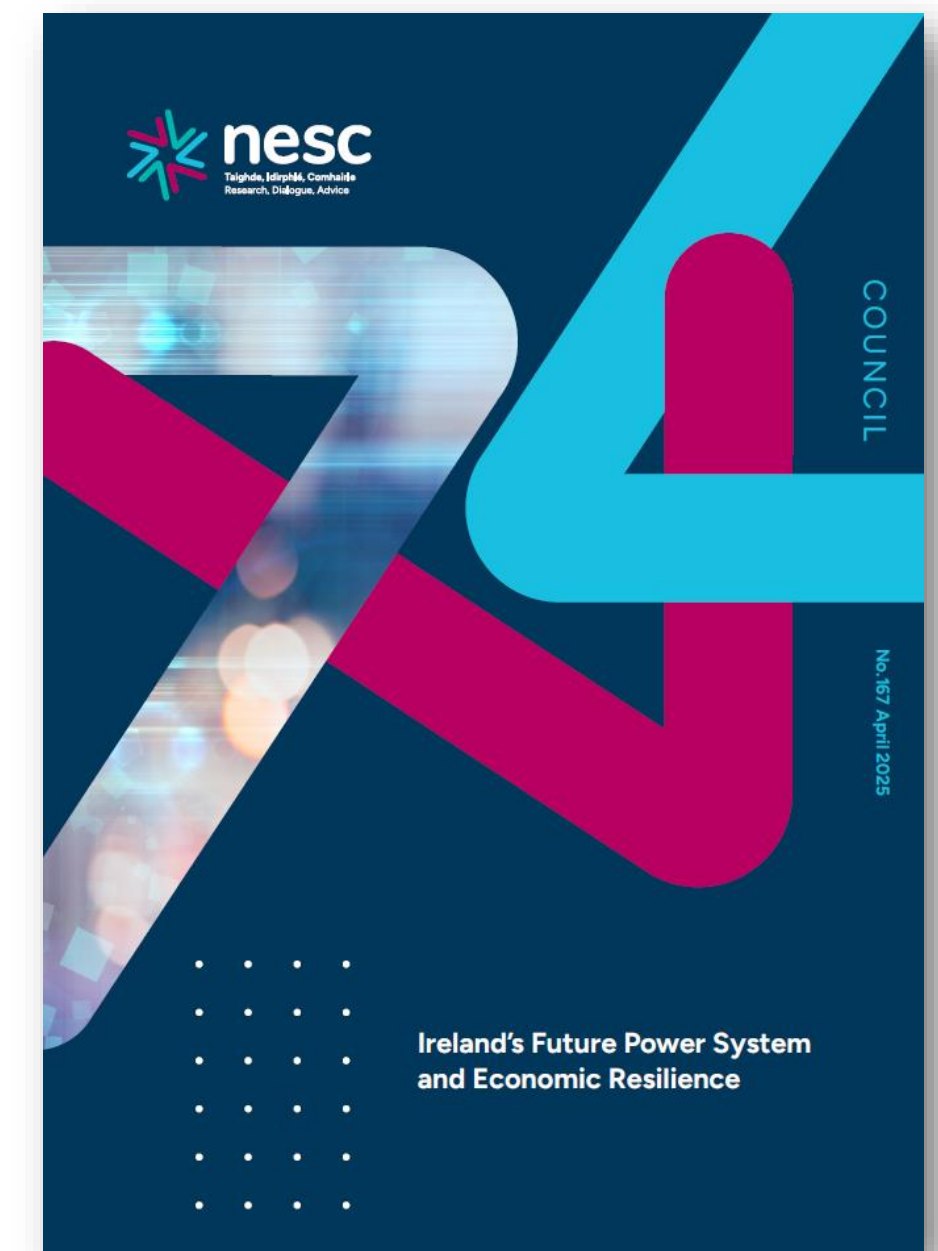
Dr Cathal FitzGerald, Senior Analyst

Energy Transition Summit 2025
Wednesday, October 15th, 2025

Introduction

- About the National Economic and Social Council
 - Research, dialogue, and advice; representative body; an agreed view
- Energy transition as a strategic national issue
- A clean, reliable, affordable power system that supports economic resilience
- *Ireland's Future Power System and Economic Resilience* (NESC, 2025)
 - Enterprise Opportunities; Reliability of Supply; Cost of Supply; Net Export of Energy
 - Wide-ranging research and consultation
- Identifying Risks
 - To policy and narrative
- Responding to Risks
 - An agenda of actions to be taken now, next, and later

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Risk 1: Policy Headed Into Fog

- **Enterprise Opportunities?**
 - Disparate and complex landscape of quantitative assessments
- **Reliability of Supply?**
 - May get worse if not addressed; no clear visibility of reliability beyond 2034
- **Cost of Supply?**

- Likely to be higher, not lower; challenge to policy and narrative

Net Export of Energy?

- Required model is currently incomplete; 'drive demand to drive supply' conundrum
- **Much of Ireland's policy for transition headed 'into fog'** - visibility and certainty are low
- Key actors not 'on the same page'
- Important questions about the transition remain unanswered

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THE IRISH TIMES

Climate Crisis

Urgent action needed to 'clear fog' and progress transition to clean energy

Nesc findings will be used to inform ongoing work of Government to deliver the transition, says Taoiseach

RTÉ
News

Rise in electricity costs amid move from fossil fuels, report suggests

Updated / Friday, 18 Apr 2025 15:44



Irish Independent

Government's green energy plans headed 'into fog' due to 'contradictory' policy, say advisers

'Urgent' need to address gaps found in National Economic and Social Council report,

Risk 2: Policy Off-Course

- **Missing near term targets...**
 - 80% renewable energy share in electricity generation by 2030
 - 22 GW of solar, onshore, and offshore wind by 2030
 - Power system reliability (3 hours loss of load) in 2030
 - Average 4 Mt power sector emissions per year 2026-2030
 - 51% reduction in total greenhouse gas emissions by 2030
- must not lead to discouragement, paralysis, delay, or head in the sand
- Leaves policy off-course and the narrative to others
- Must confront the trade-offs and resolve them



Risk 3: Narrative & What is at stake

Climate Change in the Irish Mind (Wave 2) Insight Report No. 2: Personal Economy

B&A

Summary of National Findings

In summary, key overall findings from CCIM Wave 2 (2023) in relation to climate change policy outlook, support for climate change policies, and trust in climate change messengers included:

- Most people in Ireland say climate change should be a priority for the Government of Ireland.
- Most people in Ireland say taking action to reduce climate change will improve Ireland's quality of life.
- A majority of people in Ireland think taking action to reduce climate change will improve economic growth and create jobs.
- Most people in Ireland support climate-friendly energy policies.
- Most people in Ireland support development of renewable energy infrastructure.
- Fewer support reducing the size of the national cattle herd.
- Most people in Ireland strongly trust scientists as a source of information about climate change.

The following analysis focusses on how recent personal history of economic ease or difficulty informs responses to the topics of policy outlook, support for climate change policies, and trust in climate change messengers.

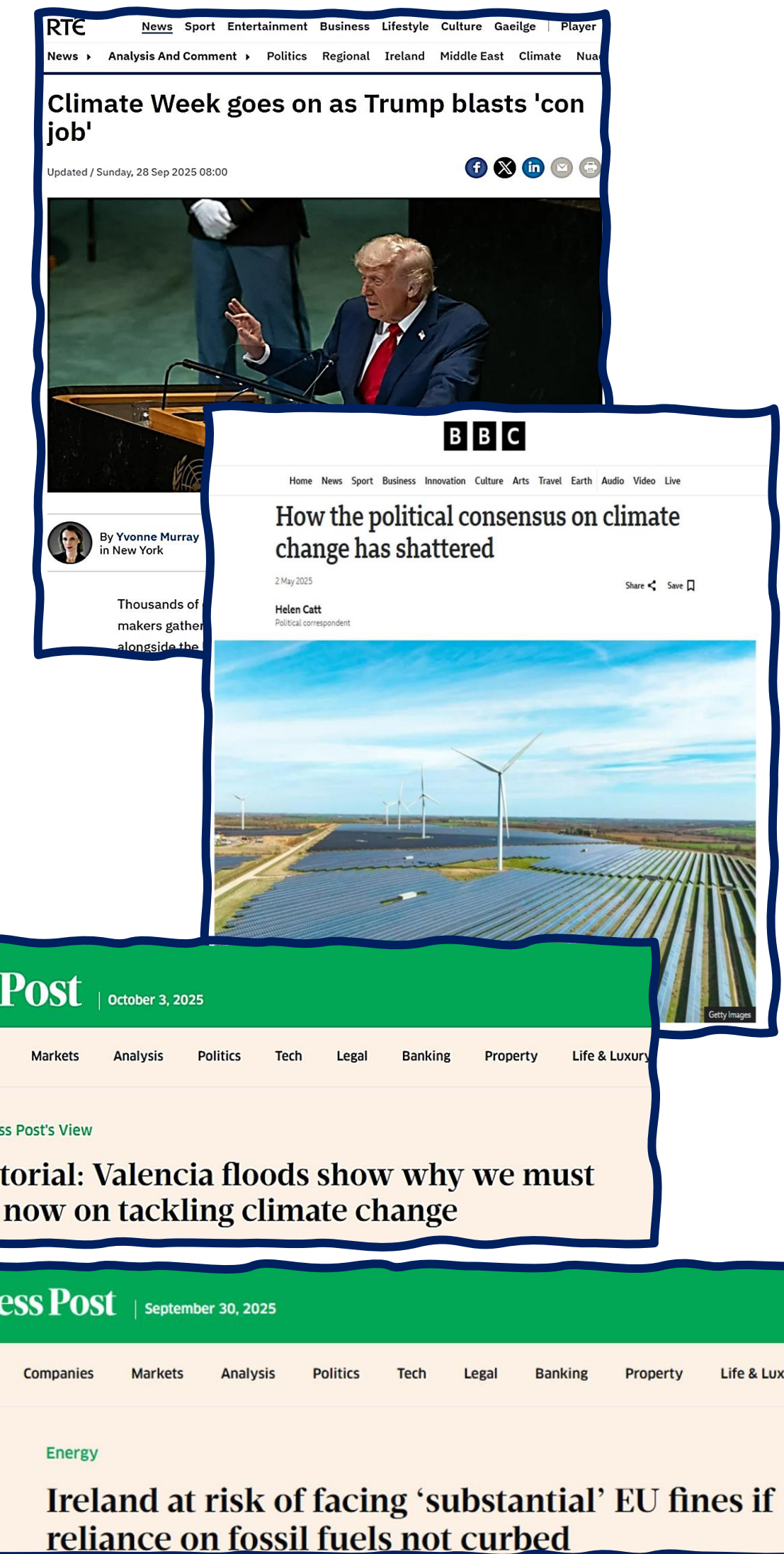
**Climate Change in Ireland EPA & YPCCC*



Rialtas na hÉireann
Government of Ireland

Risk 3: Narrative & Cautionary Tales

- Public perception is the major determinant of climate response
 - Decline in support for difficult actions globally
 - Narrative, policies, politics, and progress are intertwined
 - ‘Culture War’ discourse with real world impacts
 - US: Electricity bills are the new ‘price of eggs’; clean infrastructure stalled....
 - UK: Targets ‘impossible’; fast track oil and gas licences; ‘scrap’ the Climate Act...
 - Must act to head off narrative shift and/or political fracture
 - Ireland’s energy transition must be delivered despite the complexities
 - Costs of inaction dwarf costs of meaningful action
 - Work – not new policy, legislation, or targets – is needed and possible now
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Greatest Risk?

**UNCERTAINTY AND COMPLEXITY
CAUSE PARALYSIS AND DELAY**

Agenda: Actions to be taken now, next, and later

NOW: Deliver

Move Ireland from the *status quo* towards our near-term targets

Improve the framework conditions for clean energy infrastructure delivery (e.g. planning; grid; skills; finance; and ports, shipping and supply chains).

Install a new institutional arrangement to ensure the necessary engagement, coordination, and guidance.

NEXT: Design

Moving beyond our near-term targets, towards domestic net zero

Address the critical knowledge gaps identified in this NESC report.

Demonstrate sustainable demand for renewable power commensurate with national targets.

Ensure the expected economic ‘fruit’ of energy transition accrues domestically.

LATER: Develop

Moving to potential surplus/export

Produce competitively priced energy for international markets.

Develop a viable export method.

Successfully manage security concerns and domestic bias.

NATIONAL DECARBONISATION POTENTIAL

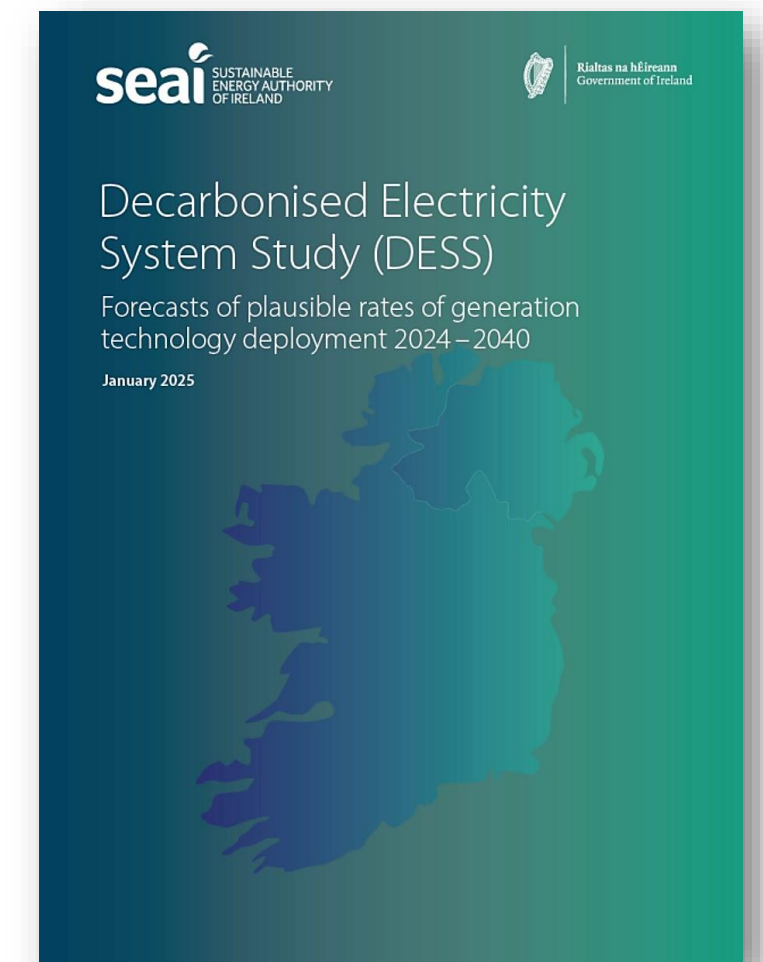
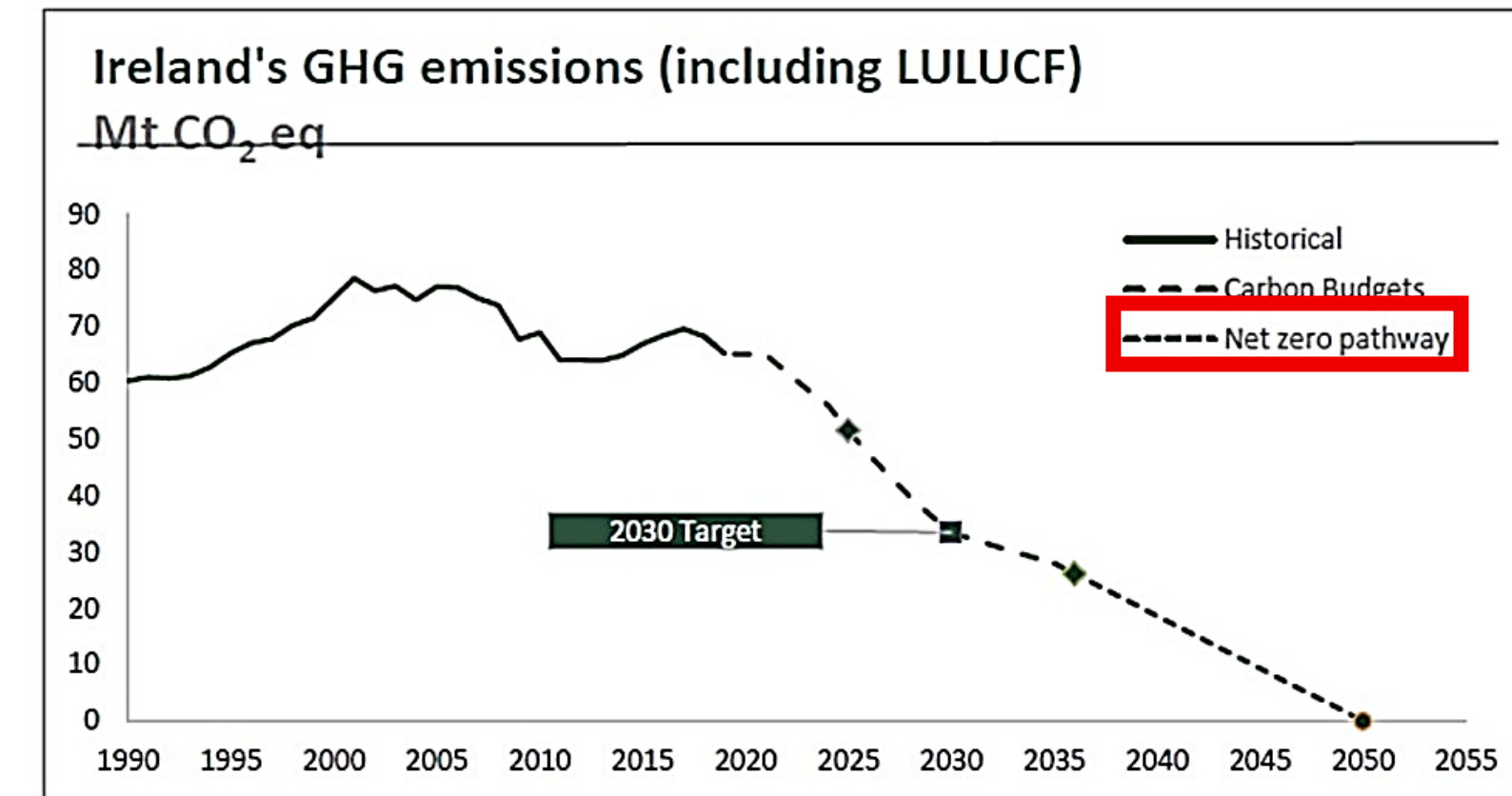
ABILITY TO MEET ALL, OR ALMOST ALL, POWER DEMAND FROM RENEWABLE ENERGY SOURCES

PROSPECT OF PRODUCING SURPLUS CLEAN ENERGY TO POWER ENTERPRISE AND SPUR NEW OPPORTUNITIES

POSSIBILITY OF EXPORTING SURPLUS CLEAN ENERGY, IF PROVEN PRACTICAL AND VIABLE

An Agreed Decarbonisation Pathway

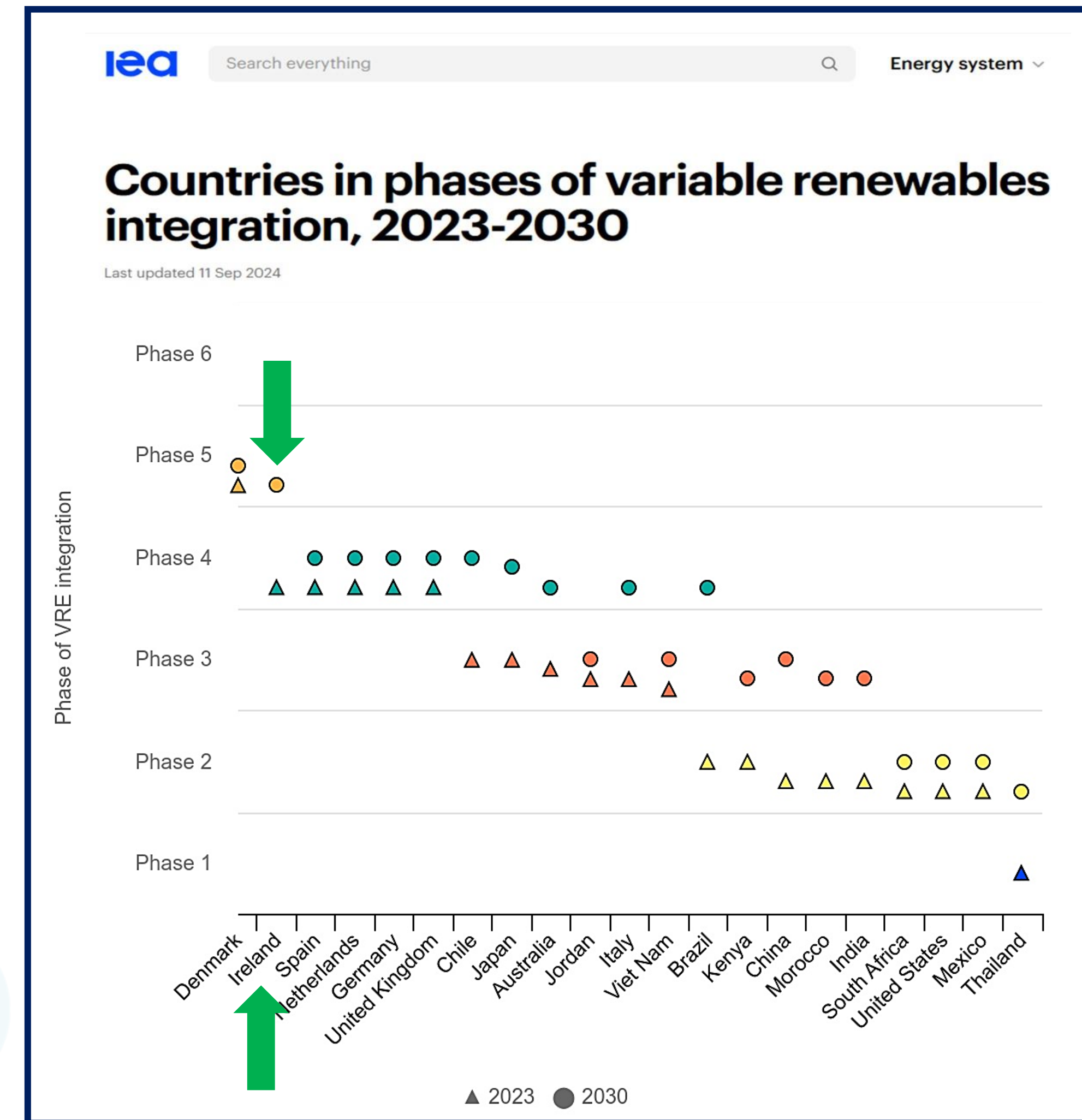
- Critical task (among many) to address the policy and narrative risks
- A law, a target, a sectoral ceiling, or a dashed line that joins two dots is not a pathway
- A pathway must be traversable. ‘Feasibility’ of the energy transition:
 - Must be more than the technical readiness of technologies and the availability of measures
 - Must address 25+ year impact for the distribution effects, macroeconomy, investment, energy bills, energy security...
 - Must be do-able under realistic assumptions
- Otherwise, arguments of ‘implementation deficit disorder’ or ‘lack of political will/urgency’ etc. are futile
- Pathway must align national environmental, social, and economic objectives
- Otherwise, risks of delay, delivery deficits, inefficient investment, and rising tensions between these goals
- IPCC feasibility dimensions (2023)
 - Environmental AND economic, technological, institutional, social, and geophysical
- SEAI’s *Decarbonised Electricity System Study* (DESS) focus on ‘plausibility’ and trade-offs is a good start



Closing Remarks

- Not about ‘whether to’... Not about ‘how much’... It is about ‘how to’...
- Uncertainty inevitable; more clarity and realism is conceivable
- Pathway of ‘the possible’, not ‘less’
- Mind the capability-expectation gap
- Make electricity clean. Make electricity cheap. Electrify everything.
- Beware of the *delay* wolf in *pragmatic* sheep’s clothing
- Ireland is at the frontier; much to teach others, but also much to do
- NESC’s report provides a do-able agenda
- More than a modelling challenge; on the ground interventions
- ***A story of energy transition that isn’t told looking 30,000 feet away***
- Action now, next, and later to reach our decarbonisation potential.

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