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### Onshore wind an Irish jobs generator

The Irish onshore wind sector can become a major driver of national economic growth while delivering the 4GW of new capacity needed to hit the country's 2030 green electricity target, according to a new report from KPMG. **p2**

### SSE warns on costs of UK offshore wind leasing

SSE Renewables has urged the Irish government to pursue a ScotWind-like regime for offshore wind leasing instead of a UK Round 4-style shoot-out. **p4**

### 20GW onshore pipeline a 'must to hit 2030 target'

Ireland needs to have at least 20GW of onshore wind in the pipeline now if it is to deliver the additional 4GW of capacity required to meet the country's 8.2GW target in 2030. **p5**

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### PPAs on pause

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# Shock award delay for RESS-2 auction

Ireland's next renewables auction, RESS-2, has been delayed and will not wrap up until next year.

Energy Minister Eamon Ryan told WEI 2021 on Wednesday the onshore wind and solar round, which was expected to run in 2021, will be held "early next year".

Industry sources were shocked by the comment as developers have been planning for a shoot-out this year.

The current programme for government commits to annual auctions after the first one was successfully concluded in 2020.

A spokesman for energy department DECC later confirmed to reNEWS that "results from the (RESS-2) auction will be available in 2022".

"Detailed work is underway in the department on the planning and design of the second RESS onshore auction, which will support the ambition set out in the programme for government of at least 70% renewable electricity by 2030," he added.

"A timetable will be published in the coming



**BLOW: Irish Energy Minister Eamon Ryan**  
Photo: Green Party

months that will set out the key milestones in the competition including consultation on the terms and conditions, the qualification process and the auction bidding window."

WEI's Justin Moran said annual RESS auctions are "essential to deliver the

renewable energy we need to decarbonise the energy system".

"The success of last year's auction was critical to starting us on the journey to our 2030 targets and to clearing the way for a new generation of wind farms."

Earlier in his address, Ryan told delegates a planned inaugural offshore wind auction will be held early next year, again later than the 2021 target set out in the programme for government.

However, the sector has been expecting a delay to this round for some time.

Ryan said the offshore auction will deliver around 2GW to 3GW of operational capacity by the middle of the decade and will be the first of "several" that will provide certainty to the nascent Irish industry.

Offshore wind will provide not just power to the grid but can serve as a source to run electrolyzers for green hydrogen production and for other storage to balance the system.

"I'm confident we can and will be good at this," the minister added.

### TRENDING ON reNEWS.BIZ

#### RWE unleashes Irish battery charge

RWE Renewables' first European-based battery storage project has entered full operations in Ireland. The 8.5MWh facility in County Dublin can deliver electricity into the grid rapidly to balance fluctuations resulting from the growing proportion of renewables.

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#### Ex-Mainstream boss to lead new renewables outfit

Irishman and ex-Mainstream boss Andy Kinsella has partnered with an affiliate of 547 Energy to set up new renewables outfit Aer Soléir. The Dublin-based company aims to develop, construct, own and operate a multi-gigawatt platform of onshore wind, solar and energy storage projects.

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#### Ireland makes PPA index debut

Ireland has appeared on the LevelTen Energy PPA Price Index for Europe for the first time with off-take tariffs averaging €66 per megawatt-hour in the country in the first quarter.

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#### GDG outlines data needs of Irish offshore renewables

Gavin & Doherty Geosolutions has published a review of seabed data requirements for achieving 30GW of installed offshore wind capacity in Ireland. Hitting the target will require "key enabling process changes and bespoke data collection projects".

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# Onshore wind an Irish jobs generator

The Irish onshore wind sector can become a major driver of national economic growth while delivering the 4GW of new capacity needed to hit the country's 2030 green electricity target.

The build-out will require capital spending of almost €2.7bn, according to new research authored by KPMG (pictured) and released on the final day of Wind Energy Ireland 2021.

The study shows around 2000 additional jobs could be created in the sector in the next 10 years as developers aim for the 8.2GW generation goal, up from 4.2GW today. The current payroll is put at 5130.

Increases in tax spending and annual investment would all be part of the upside if the industry can stay the course in the coming years, according to the *Economic impact of onshore wind in Ireland* report.

Russell Smyth, corporate finance partner at KPMG Ireland, told delegates on

Thursday the data reveals a sector that can deliver economic growth all across the country, including in rural areas.

"This is no longer a niche sector. Onshore wind is one of the major economic drivers in the country," he added.

The study also concludes that the capital expenditure should not be seen as a

one-off event. Building the required average of 400MW a year will have other positive knock-on impacts.

"The number of cumulative construction job years for capex could grow from 800 in 2020 to 8800 by 2030.

"This is likely a conservative figure as it does not include a share of jobs in grid development, the systems



operators, or regulators," the authors note.

In addition, there will be further capex as some

existing operational assets are repowered or have their lives extended, added the report.

"As the Irish economy recovers from the economic impact of the pandemic in the early 2020s, the onshore wind sector will provide stable employment to a growing number of workers in communities across Ireland," the study adds.

## 2030 target a challenge but well within reach, says minister

Ireland's renewables industry can go beyond the 70% target for green electricity by 2030 after the latest figures showed it smashed the 2020 goal, WEI 2021 has heard.

Energy Minister Eamon Ryan said the country is facing a "huge challenge" to deliver lofty emissions reduction and climate ambitions but renewables generation hitting 43% in 2020, up 3% on the target, shows the end-decade clean power objective is within reach.

"I think we might be able

to break through (the 2030 target) just as we have done on the 2020 target... and go further, faster and bigger.

"This will be good for our country and for our people," Ryan told delegates on day two of the WEI 2021 conference.

The power generation sector will be the one "leading out" Ireland's decarbonisation strategy in the first phase of a "three-decade challenge" to deliver net zero emissions by 2050.

"It is not a hardship to switch (to renewables), it is

the economically smart thing to do."

The Green Party leader said the development of offshore wind "at scale and at speed" is a key part of the state's policy with the first batch of so-called relevant projects connecting directly into the grid on the east coast.

Offshore wind growth will eventually see projects, including floating wind farms, being built off the south and west coasts, he said.

Green Party colleague Brian Leddin, the party's

spokesman on climate action, backed Ryan's comments on the final day of WEI 2021 on Thursday.

He said an "awful lot of work" will be required to go beyond 70% but added he is working to ensure the political system can help in any way possible.

Leddin added there is strong cross-party support for the upcoming Climate Bill, which will ensure the legislation will be for the long-term and will provide certainty to the electricity generation sector.

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# SSE warns on costs of Round 4-style leasing

SSE Renewables has urged the Irish government to pursue a ScotWind-like regime for offshore wind leasing.

Market development director Maria Ryan told WEI 2021 the "holistic" nature of the process in Scotland would be a better approach for the nascent Irish sector than a UK Round 4-style shoot-out.

Dublin, which is reviewing its leasing regime following the UK's bidding round in February, should consider more than just price, including supply chain commitments and the ability to deliver projects, said Ryan.

The outcome of Round 4, with developers pledging almost £900m in annual option fees for sites, is "tempting" for governments but SSE Renewables has "really serious reservations" about the knock-on impact on the ability to deliver and value

for money, she told delegates. There is "no doubt" that high seabed prices will have to be recovered somewhere by developers.

Ryan welcomed Dublin's plans to establish the new Marine Area Regulatory Authority as its leasing body

## IN BRIEF

■ Eirgrid head of future networks Robbie Aherne said the system operator's long-term strategy will be completed in the autumn and will likely feature parts of the generation-led, developer-led, technology-led and demand-led models published last month.

■ Grid is the limiting factor for delivering 4GW of additional onshore wind by 2030. Coillte grid connection manager Ciaran McNamara said some 2GW to 2.5GW of capacity is estimated to be available currently.

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but said Ireland is at a "critical juncture" in policy formation and must ensure consumers do not pay over odds for offshore electricity.

Meanwhile, SSE will submit a planning application in the coming weeks for onshore infrastructure for its 520MW Arklow Bank 2 project off the coast of County Wicklow.

Ryan said the paperwork, to be filed to An Bord Pleanála, will be the first time a developer has sought a permit for onshore elements for a large-scale Irish offshore wind farm.

The company is also planning to finalise the design of an operations and maintenance base for the wind farm at the town of Arklow during the summer.

SSE is aiming to complete the wind farm by 2025 as a first step towards bringing a total of 2GW of Irish offshore wind online by 2030.

# Dubin shooting for joined-up approach to marine planning

The Irish government is working to transform its offshore wind planning regime, which is currently not fit for purpose, WEI 2021 has heard.

Department of the Environment, Climate and Communications offshore energy assistant principal officer Anne-Marie Clancy (pictured) said officials in Dublin are in the process of setting up the Marine Area Regulatory Authority, which will be responsible for all offshore licensing activities that do not require an environmental impact assessment.

She could not give a timeline for when MARA will open its doors but said the aim is for the agency to become operational as soon as possible.

A National Marine Planning Framework is also expected to be formally adopted in the coming weeks, Clancy said.

The NMPF will be the primary decision-making tool

on development applications for all marine activities.

"So policy and planners will have to meet the objectives of the framework," she said.

"This is going to create a joined-up approach to policies that up to now have



very much been developed in a linear fashion."

The NMPF, together with

the upcoming Maritime Area Planning and Maritime Jurisdiction Bills, will be the key enablers for the achievement of the country's climate goals, Clancy said.

The Bills are expected to be approved in the coming weeks, she added.

"Essentially we are looking to move to a regime where we can hold consenting rounds (with bidders competing) to develop in a zone or a specific site."

Screengrab: reNEWS



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# 20GW onshore pipeline a 'must to hit 2030 target'

Ireland needs to have at least 20GW of onshore wind in the pipeline now if it is to deliver the additional 4GW of capacity required to meet the



country's 8.2GW target in 2030, WEI 2021 has heard. Brian Keville (left),

environmental director at consultancy MKO, said even taking an optimistic view only 2GW will make it through the planning process for every 10GW proposed.

"That means 20GW of area, space or land suitable that have the necessary favourable planning supports required to deliver the 4GW."

Keville said a gap needs to be bridged between energy

and planning policies to meet Ireland's onshore renewables goals.

Currently there is one set of national energy policies that are being translated across 31 local authority planning areas.

"It's just not working because it would be a miracle to get a consistent translation across 31 areas," he added.

Keville said the country's Renewable Electricity Policy

& Development Framework should incorporate the three regions of Ireland — Northern & Western, Southern, and Eastern & Midland — that are already working on renewable energy strategies.

"They will allow you to adopt a standardised approach across just three regions instead of having to roll it out over 31," he said.

Screengrab: reNEWS

## CPPA players need clarity on grid risks

A market for corporate power purchase agreements could develop in Ireland but companies need to be aware of the grid risks, WEI 2021 has heard.

"If people want to do it they will do it and I think the environment is there for making those investments by large corporate entities," said Eirgrid head of future markets Jonathan O'Sullivan.

However, some of the risks of investing in CPPAs in Ireland need to be clarified, with two in particular out of their control, he said.

The first relates to whether the power system will be operated in real time up to 100% renewables and, second, what network access will the CPPA investor actually have.

"To drive investment you don't have to mitigate all the risk... but you have to identify when the risk will be cleared," O'Sullivan said.

## Planning efficiency essential for the North

Time is of the essence if Northern Ireland is to deliver the onshore wind projects needed to meet the province's 2030 renewables goals, according to ABO Wind NI director Tamasin Fraser.

She told delegates the company is not looking for wholesale transformation of the planning system.

"We need simple but effective changes that focus

on key areas of policymaking and development management that can support and accelerate the clean energy transition

"Collaboration is the key, not only between executive departments but between central and local government," she added.

Fraser said the North could have the most ambitious clean energy target in the world but without aligning

strategic energy ambitions with the planning policy needed to make it happen, the targets will not be met.

She also said that policy needs to be applied consistently with an efficient, streamlined decision-making process.

Currently, projects can take from two to sometimes 10 years to get through the planning process, she added.

### IN BRIEF

■ The electricity market is likely to need fundamental change as ever higher levels of renewables come online, ESRI senior research officer Muireann Lynch told WEI 2021.

■ Constraints and curtailment are some of the biggest challenges and risks facing developers, said TNEI Ireland director Dearbhla O'Brien.

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# THE INTERVIEW reNEWS



Setting the scene for WEI2021, senior industry figures talk to reNEWS about the vital issues shaping the sector. Today it's the turn of **John Reilly**, head of renewable energy at Bord na Mona Energy (left)

## Q What is your reaction to onshore wind delivering the 40% RES-E target for 2020?

**A** As we had hit around 38% in 2019 and 2020 was a very good wind year, with average wind speeds significantly higher than for the previous 10 years, we were always going to get close. But the reduction in demand driven by Covid, particularly during the spring time, allowed us to push over the line in percentage terms. Of course, the target is a normalised figure so it will be interesting to see where that formal reported figure bounces out but with the actual number in percentage terms 43%, I think the industry and policymakers can take a bow; a wonderful achievement and it just shows what can be achieved with the right policy backdrop and everyone working together.

## Q What are the lessons the onshore wind industry should take from the last decade as it looks to 2030?

**A** One of the stand-out figures from 2020 is the level of dispatch down, which strayed into double digits. This is clean energy that is simply lost to the system and though you would expect levels to be up in a very windy year, particularly at times of lower demand, this is a key figure we need to tackle.

It speaks to our biggest lesson from the last decade. Grid is the "long-pole" in this tent. The focus through the DS3 programme on enhancing grid flexibility has been a great success and has allowed the optimum use of the physical infrastructure we have, but the physical infrastructure must be delivered faster and that remains the industry's single biggest challenge.

## Q When you look ahead, what is the number-one challenge facing the onshore sector in delivering the 4GW-plus needed for 2030 and how can it be overcome?

**A** As above, for me it is all about grid infrastructure delivery. Of course, coming a close second is the ongoing challenges around the planning regime. It is still taking us up to eight years from concept to operations and that is simply too long, adds to cost and will mean that some investors will turn away from the Irish market. Though grid access plays a role, it is the time it takes to get clear of the planning hurdle that mainly drives this timeline. Not an easy one to crack at all but we need to look at some form of streamlining and providing additional resources to the planning authorities.

## Q On grid, which of the four scenarios outlined in Eirgrid's recent consultation

## do you support and why, and have you any concerns about onshore's apparently limited role outlined in some of the scenarios?

**A** We are still debating the merits internally so haven't as yet landed on our preferred option, but from a personal point of view it is a concern that in some of the scenarios outlined there is a sense that we will turn our backs on the onshore sector, which would be a major mistake given the capacity to deliver in excess of 8GW by 2030. The sector is mature, the ability to deliver is proven and if we put all our eggs in the offshore basket I think it is inevitable we will fail to reach 70% RES-E by 2030.

## Q Is government moving quickly enough to implement key policy (quicker planning, firm RESS timelines, etc) to support the onshore sector on its 2030 journey?

**A** I remain concerned that our resource base at a policymaking and regulatory level is simply not sufficient to drive the change necessary to get us on track for 2030 and beyond to net zero. I still think there is time to get things moving over the next 12 to 18 months but if we don't see the required changes emerging in that period it will be very difficult to deliver the capacity required by 2030.

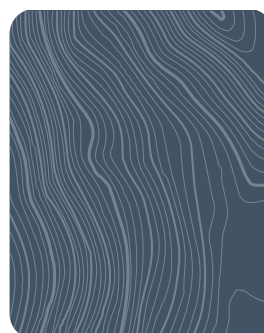
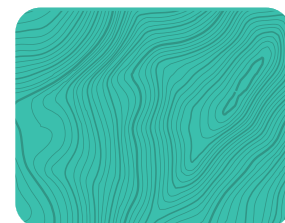


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Developers are currently focusing on the RESS-2 route to market while potential corporate customers are pushing for Scandinavian-level power prices, writes **Ellie Robinson**

There has been a slowdown in new power purchase agreements being struck for output from Irish wind farms despite a flurry of off-take deals last year.

PPAs, which Dublin wants to underpin 15% of renewables capacity by 2030, have gone off the boil due to a combination of aggressive pricing and developers focusing on the upcoming RESS-2 support auction, industry experts said.

So far, Amazon and Facebook have led the charge by signing up for 250MW of capacity.

Gavin Blake, head of energy and natural resources at Dublin law firm ByrneWallace, said: "I am hearing a lot of talk about PPAs but I am not seeing enough movement to hit that 15% target. Offshore wind may play a part but it is moving too slowly."

Blake pointed to pricing as one of the reasons. "Facebook and Amazon like to source green electricity but there is a difference between what the corporate is willing to pay and what developers need. Those corporates are a bit taken aback by how much it costs."

A lack of renewables projects is another issue, he added. "The process is too drawn out when it comes to getting planning permission. We need to get more projects coming through on this."

Ionic Consulting provided engineering services to Amazon on a recent deal and its managing director Ken Boyne agreed that pricing is holding up the market. "Some of the corporates are pricing quite aggressively," he said.

Companies are looking to



**TRAILBLAZER:** The 23MW Esk wind farm in Cork is the first of three Irish projects that will supply power to online retail behemoth Amazon

Photo: Amazon

secure deals on similar terms to those agreed with large-scale projects in Scandinavia rather than looking at the local market. "They are competing with bigger international projects", Boyne added.

However, many point to the growth of data centres as an opportunity for developers to pursue. System operator Eirgrid said the sector could account for 27% of power consumption in Ireland by 2029.

Big cloud providers being able to source power locally could partly offset the downward pressure on prices. Boyne said: "It would be hugely preferable to do something in Ireland."

In addition, talk among developers is about RESS-2 but they are keeping the PPA route-to-market option open. "For the moment

option A is RESS-2," he added. Furthermore, a Sustainable Energy Authority of Ireland consultation, which was based on research produced by Baringa, concluded that corporate PPA regulatory reforms are needed "to unlock the broader large energy user base" and "to leverage the full corporate demand for green energy".

Boyne expects to see PPAs taking off in coming years when major developers such as ESB and Statkraft secure their first off-take deals and there is interest from secondary level businesses, for example Irish supermarket chains.

He said: "In 18 months to two years' time we will look back and see that fit. Subject to the numbers being right, I think you would see more of this naturally happen."

For now, Amazon has been

in the vanguard in signing up to get its power from renewable sources, adding a third 115MW wind project in Galway last year.

This is on top of the Esk wind farm in Cork, which came online in February, and another project in Donegal.

Amazon Web Services' head of energy in the region Kenneth Matthews said: "Our three Amazon PPAs total 229MW and will help Irish energy consumers avoid tens of millions of Public Service Obligation subsidy costs on their energy bills."

"Once all of these projects are operational, we will be the largest single corporate buyer of renewable energy in the country."

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