

An RHI for Ireland – An Informed Perspective



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With an RHI the Benefits are Clear

Enhancing the Environment

- Reduced fossil fuel use
- Reduced CO2 emissions
- Increased fuel security

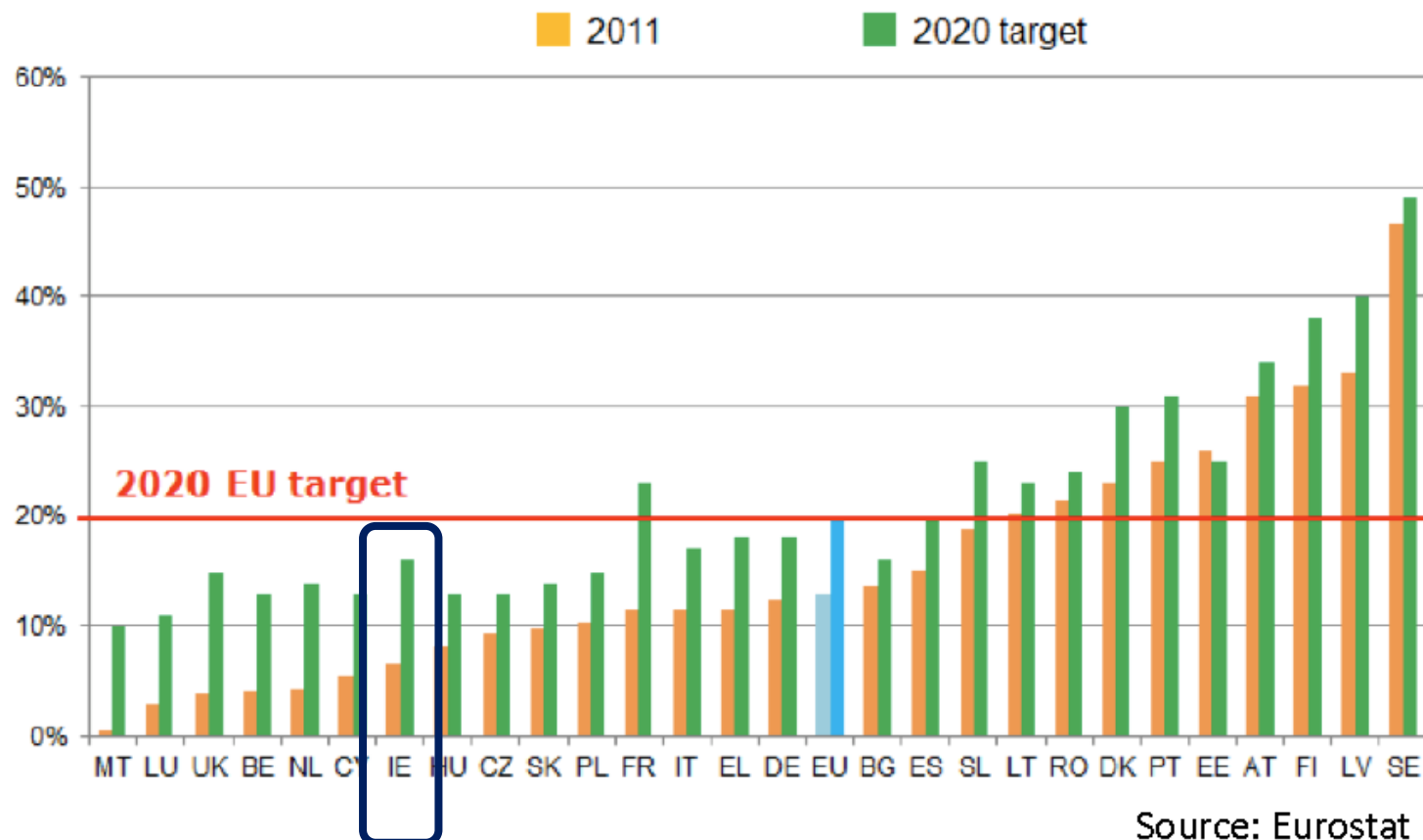
Creating an Indigenous Energy Sector

- New jobs
- New skills
- Rural based

Strengthening Irish Industry

- Reduced Costs
- Reduced price volatility
- Increased investment

EU Renewables – Are we making progress?



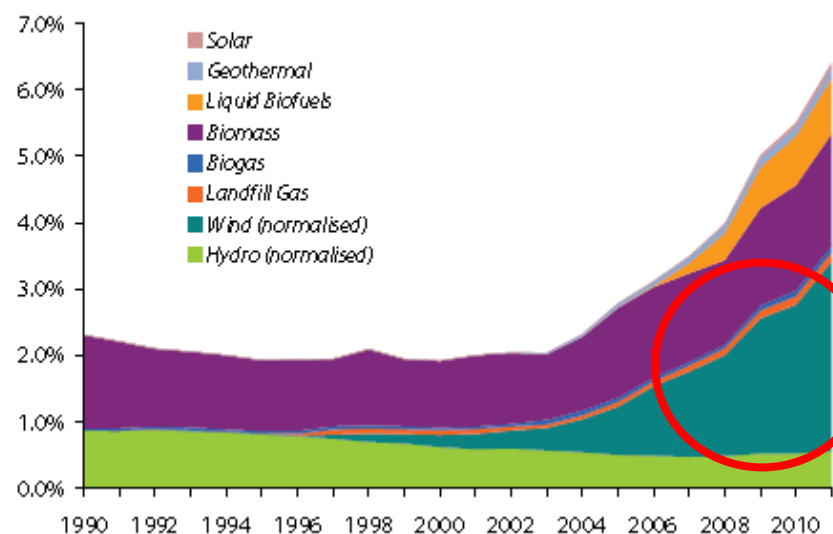
Projections suggest that the 2020 GHG emissions target will be reached by the EU as a whole, currently only 14 Member States are expected to reach their national target with existing measures

Ireland – Progress vs. Current Tariffs

Tariffs per MWh (€)	2015
REFIT 1	
Large Wind (> 5MW)	€69.72
Small Wind (≤ 5 MW)	€72.17
Hydro	€88.07
Biomass Landfill Gas	€85.62
Other Biomass	€88.07
REFIT 2	
Large Wind (> 5MW)	€69.72
Small Wind (≤ 5 MW)	€72.17
Hydro	€88.07
Biomass Landfill Gas	€85.62
REFIT 3	
Biomass Combustion (co-fire)	€89.31
Biomass Combustion (co-fire Energy Crops)	€99.82
Large Biomass CHP (> 1500 kW)	€126.09
Small Biomass CHP (≤ 1500 kW)	€147.11
Large AD Non CHP (> 500 kW)	€105.08
Small AD Non CHP (≤ 500 kW)	€115.58
Large AD CHP (> 500 kW)	€136.60
Small AD CHP (≤ 500 kW)	€157.61

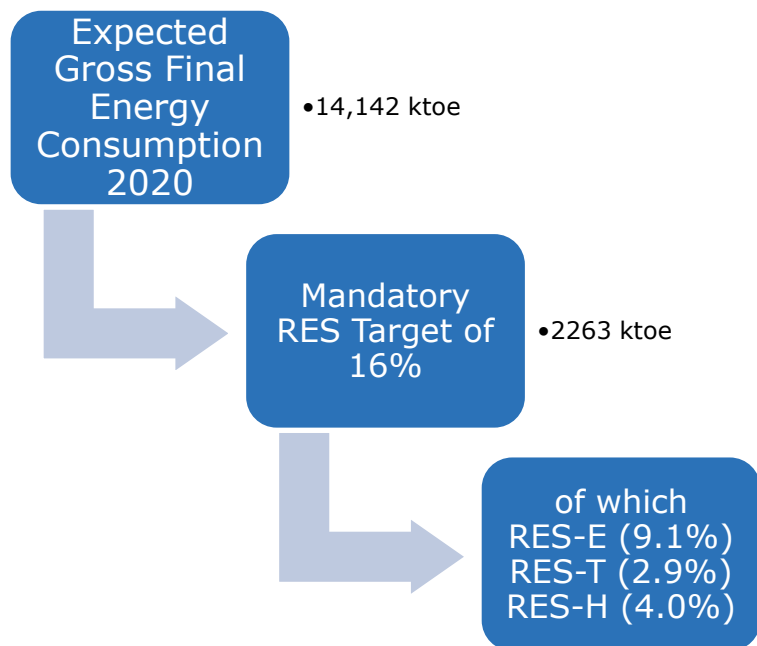


Renewable Energy Contribution to GFC 1990 – 2011



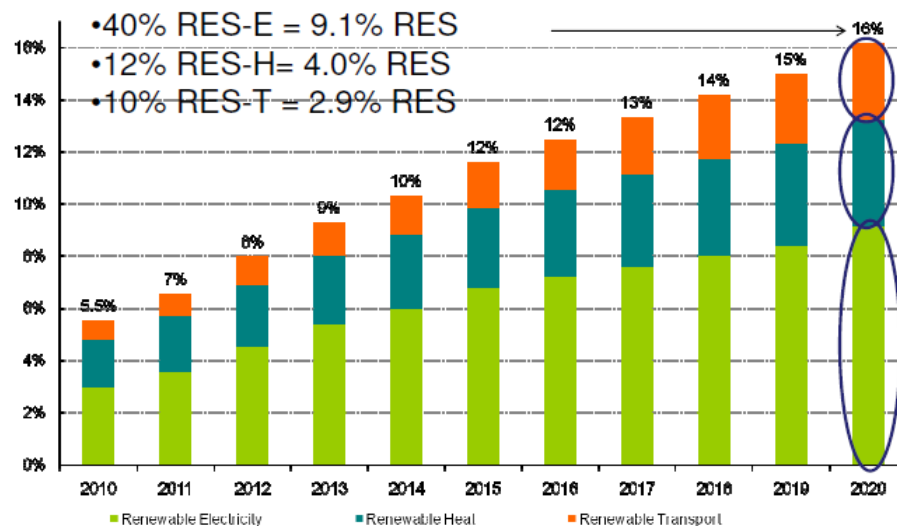
Growth in wind....due to Improved generation efficiency, strong investment in the sector, mature technology and a FIT FOR PURPOSE tariff structure

Ireland – Progress vrs Targets



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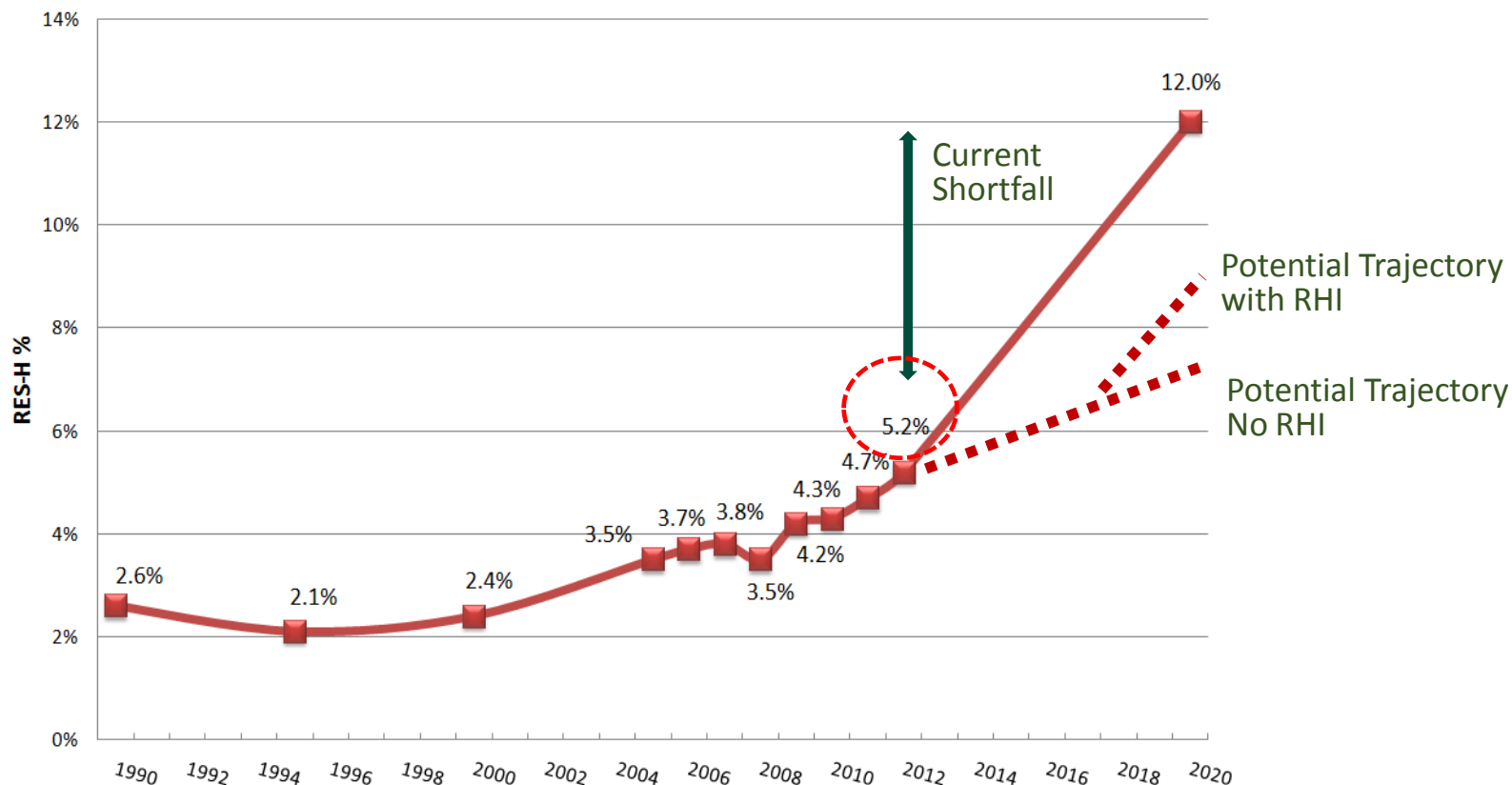
Renewable Energy (NEEAP/NREAP)



Renewable Energy – Projected Share of Targets 2020

Our 2020 RES-H Target of 12% is equivalent to 4% renewable energy share of Ireland's projected Total Final Energy Consumption

Ireland - RES-H Progress



Our current RES-H shortfall of 6% is equivalent to 2% of renewable energy share of Irelands projected Total Final Energy Consumption or approx. 283 ktoe

Ireland - RES-H Progress



Our RES-H shortfall equates to....



**200 Industrial heat users or
2,000 services sector buildings or
300,000 dwellings
or a combination**

We now must grow 7% p.a. to meet our 12% target



With a Renewable Heat Incentive
What could be achieved by 2020?

New Capital Investment





Limit EU Fines



THE IRISH TIMES

Friday, January 24, 2014

EU Commission refers Ireland to European Court of Justice over failure to meet renewable energy targets

State could face fines of €25,000 a day if ruling made in favour of the commission

Our Analysis

- NREAP, TFEC (2020) projected to be 14,142 ktoe
- Current RES-H shortfall is c. 283 ktoe



4 years to 2020, no RHI until mid 2016..... so what is the potential 2020 scenario

60 to 80 MW_{th} of installed capacity equating to;

- An RHI Cost of between €6.7M – €9M (based on 1.5c/kWh)
- Progress of 0.27 – 0.37% towards RES 16% of TREC
- Utilisation of 127,000 – 170,000 Tonnes of biomass
- €21 – €28M capital invested in Irish industry
- New jobs in supply chain, design and O&M
- Significant level of oil imports displaced
- Net Benefit to the Exchequer of €4.7 – €108M depending on the level of EU fines imposed
- The emergence of a vibrant bioenergy sector



BIOMASS



coillte

Delivering Sustainable Energy Solutions