



An Bille um Rialáil Leictreachais (Leasú) (Uimh. 2), 2026
Electricity Regulation (Amendment) (No. 2) Bill 2026

Meabhrán Miniúcháin
Explanatory Memorandum



**AN BILLE UM RIALÁIL LEICTREACHAIS (LEASÚ)
(UIMH. 2), 2026
ELECTRICITY REGULATION (AMENDMENT) (NO. 2) BILL
2026**

EXPLANATORY MEMORANDUM

Purpose of the Bill

The purpose of the Electricity Regulation (Amendment) (No. 2) Bill 2026 is to modernise Ireland's direct lines framework by establishing a clear regulatory regime for the construction, operation and oversight of private electricity lines under the supervision of the Commission for Regulation of Utilities (CRU).

The Bill is designed to:

- reduce pressure on constrained parts of the National Grid,
- accelerate renewable energy deployment,
- support battery storage, flexibility and local energy infrastructure,
- reduce renewable curtailment,
- and improve energy resilience and infrastructure delivery.

The Bill maintains the National Grid as central to Ireland's electricity system while enabling regulated direct line arrangements where appropriate and in the public interest.

It also strengthens safety oversight by giving the CRU explicit regulatory authority over the technical and safety standards of direct lines.

Background

Ireland's current direct lines framework under section 37 of the Electricity Regulation Act 1999 has proven extremely restrictive in practice and has stopped all development of private wire infrastructure, despite provisions under EU electricity market legislation permitting such arrangements.

At the same time, Ireland faces growing energy infrastructure challenges, including:

- increasing electricity demand,
- renewable curtailment due to grid constraints,
- delays in grid connections,
- rising pressure on energy security,
- and continued exposure to volatile international fossil fuel markets.

The Climate Change Advisory Council has recently warned that Ireland remains exposed to global energy shocks and that renewable rollout, storage and grid reinforcement must accelerate to reduce costs and improve resilience.

The Bill addresses key concerns by:

- retaining strong CRU oversight,
- protecting security of supply,
- ensuring objective and non-discriminatory criteria,
- enabling technical and safety regulation,
- protecting the public grid,
- and allowing flexibility for future energy policy and infrastructure needs.

The overall objective is to create a practical, flexible and regulated framework that supports renewable integration, housing delivery, electrification and long-term energy affordability for the Irish public.

Provisions of the Bill

Section 1 is a standard form provision and defines “Act of 1999” as meaning the Electricity Regulation Act 1999 for the purpose of the Bill.

Section 2 amends section 2 of the Act of 1999. This amendment is consequential to the repeal of section 37 of the Act of 1999 by *section 5* of this Bill and the insertion of a new Part VA into that Act by *section 6* of this Bill to address direct lines.

Section 3 amends section 9 of the Act of 1999. This amendment makes it a function of the Commission for Regulation of Utilities to regulate activities relating to direct lines with respect to safety.

Section 4 amends section 34 of the Act of 1999. This amendment is consequential to the repeal of section 37 of the Act of 1999 by *section 5* of this Bill and the insertion of a new Part VA into that Act by *section 6* of this Bill to address direct lines.

Section 5 repeals section 37 of the Act of 1999. The section also makes certain transitional provisions in respect of permissions granted, and applications made, under section 37 of the Act of 1999 prior to the coming into operation of this proposed Act.

Section 6 inserts a new Part VA (sections 38A to 38I) into the Act of 1999. Part VA makes provision for the process for granting permissions to construct direct lines, makes certain provisions in respect of safety standards in relation to direct lines and provides for other related matters.

Section 38A is a standard form provision and defines the term “relevant person” for the purposes of the Part. For the purpose of that Part “relevant person” will include holders of license and authorisations under the Act of 1999 as well as retail customers and wholesale customers within the meaning of that Act.

Section 38B empowers the Commission for Regulation of Utilities to grant permissions to relevant persons to construct direct lines. Where a direct line is permitted under this section, it may be used for the supply of electricity.

Section 38C permits relevant persons to apply to the Commission for Regulation of Utilities for a permission under **section 38B**. The Commission must decide upon an application within 6 months and for that purpose may seek further information. The section further

specifies the grounds on which the Commission may refuse an application, including failure to satisfy criteria specified under **section 38D** and certain adverse effects on the electricity market.

Section 38D requires the Commission for Regulation of Utilities to specify by order certain criteria for the purpose of determining applications under **section 38C**. These criteria may relate to the information to be included in applications as well as technical, safety or other specifications that the application must meet.

Section 38E empowers the Commission for Regulation of Utilities to specify by order a class or classes of proposed direct line that is deemed to be permitted for the purpose of **section 38B**. The effect of such an order would be that such lines could be constructed without the need to make an application under **section 37C**. Where a person proposes to construct a direct line that is deemed to be permitted by virtue of this section, they must notify the Commission of the proposed direct line.

Section 38F empowers the Commission for Regulation of Utilities to make regulations relating to the safety of direct lines. Regulations under this section may specify certain procedures in relation to the installation, operation, maintenance and decommissioning of direct lines, specify safety standards in respect of such lines and may specify procedures for inspection of such line.

Section 38G empowers the Commission for Regulation of Utilities to appoint persons as electricity safety officers for the purpose of enforcing safety standards in relation to direct lines. The section further specifies the powers of an electricity safety officer for the purpose of performing this function.

Section 38H empowers the Commission for Regulation of Utilities to direct the transfer of ownership of a direct line to the owner of a transmission system or a distribution system where a connection is made to that system.

Section 38I requires the Commission for Regulation of Utilities to establish and maintain a register of all direct lines permitted under **section 38B**. This register will be made available to the public for inspection.

Section 7 amends section 48 of the Act of 1999. This amendment is consequential to the repeal of section 37 of the Act of 1999 by *section 5* of this Bill and the insertion of a new Part VA into that Act by *section 6* of this Bill to address direct lines.

Section 8 amends section 50 of the Act of 1999. This amendment is consequential to the repeal of section 37 of the Act of 1999 by *section 5* of this Bill and the insertion of a new Part VA into that Act by *section 6* of this Bill to address direct lines.

Section 9 amends section 51 of the Act of 1999. This amendment is consequential to the repeal of section 37 of the Act of 1999 by *section 5* of this Bill and the insertion of a new Part VA into that Act by *section 6* of this Bill to address direct lines.

Section 10 is a standard form provision and provides for the short title of the proposed Act, a collective citation, construction and a commencement provision.

*Barry Heneghan, TD,
Meitheamh, 2026.*

