



An Bille um Dhiomailt Fuinnimh a Chosc, 2026
Prevention of Energy Wastage Bill 2026

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Explanatory Memorandum



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Background

The purpose of the Prevention of Energy Wastage Bill 2026 is to amend the Climate Action and Low Carbon Development (Amendment) Act 2021 to provide a statutory basis for the utilisation of renewable electricity that would be otherwise wasted due to electricity system curtailment or constraint.

Curtailment is what happens when a wind or solar farm is told to reduce its output because the system cannot safely absorb all the power that is available. Constraint is when there is a localised network limitation, and the power lines cannot handle the load. In both of these cases, there is capacity to generate energy, and that opportunity is wasted.

The Bill seeks to ensure that this, otherwise wasted, electricity is made available to electricity customers at no cost, in furtherance of the national climate objective, carbon budgets and the principle of just transition, while also contributing to the reduction of energy poverty.

The frequency and cost of renewable electricity wastage is increasing and is projected to continue to rise over the next number of years, despite ongoing grid investment, due to the pace of renewable deployment relative to system capacity.

Meanwhile, instances of household electricity arrears and energy poverty are rising, and Irish consumers are paying the highest electricity prices in Europe. Large-scale demand-side solutions are unlikely to be available for several years, leaving a policy gap during which clean electricity is wasted while electricity prices continue to rise and households continue to struggle.

The issue of renewable electricity wastage and the potential to utilise surplus clean electricity for public benefit has been the subject of detailed analysis and publicly available policy proposals in Ireland. In particular, Energy Cloud has published work examining the scale of surplus electricity on the Irish grid and proposing mechanisms through which otherwise wasted renewable electricity could be redirected toward affordability, community use and reduction of electricity wastage, something that is included in the Programme for Government. Similar schemes are already in place in Germany and are being implemented in the United Kingdom.

There is currently no statutory mechanism linking renewable electricity surplus to energy affordability or energy poverty objectives, despite our climate obligations and just transition commitments. This Bill addresses

that gap by enabling the use of energy that would otherwise be wasted, prioritising vulnerable households and community-led projects, and ensuring that system inefficiencies are addressed through utilisation rather than compensation alone, while also remaining compliant with EU energy market and State aid rules.

The Bill is enabling and regulatory in nature and does not mandate price controls, market intervention or specific technologies. The Bill is to come into operation on the day of its passing.

Provisions of the Bill

Section 1 amends the Climate Action and Low Carbon Development (Amendment) Act 2021 by inserting a new section after section 15. The new section requires the Minister to make regulations to ensure that curtailed and constrained renewable electricity is made available for use by electricity customers available at no cost; requires the CRU to establish a Wasted Electricity Utilisation Scheme within 12 months; sets out prioritised eligibility categories, including vulnerable households and those at risk of energy poverty; and provides for related matters.

Section 2 provides for the short title of the Act and commencement. The Act comes into operation on the day of its passing.

Jennifer Whitmore, TD,
July, 2026.

