

Oireachtas Committee to discuss decarbonising transport - 20th June 2017

Opening Address

Denis O'Sullivan, Head of Commercial Gas Networks Ireland

Chair, Deputies, Senators, Ladies and Gentlemen,

Thank you very much for the opportunity to brief the Committee on the work that Gas Networks Ireland is doing to decarbonise Ireland's transport sector. Particularly in the area of commercial transport and public service vehicles.

Gas Networks Ireland is creating a new transport network in Ireland in the form of a 70 station network of refuelling stations, to meet the needs of Ireland's public and private commercial transport operators.

Natural Gas is, as many of you will know, the cleanest of fossil fuels. In the context of transport it produces 22% less CO₂, 70% less Nitrogen Oxide, 80% less Sulphur Dioxide and 99% less particulate matter and operates much quieter than the diesel equivalent.

Natural gas is used in over 2m, mainly commercial, vehicles around Europe. The fuel is used in the form of Compressed Natural Gas or CNG as it is more commonly known. While Ireland does not have an established history of using CNG, this technology is well established around the world.

In terms of transport targets, the main efforts to date have been in relation to bio-fuels and EVs. The bio-fuel obligation scheme has played the major role in the progress that has been made in terms of our 2020 targets. While progress on EVs has been slower than some would have hoped, I believe that the work that has been done by our colleagues in ESB will yield significant dividends in the decade ahead.

/.....



Co-financed by the European Union
Trans-European Transport Network (TEN-T)



Gas Networks Ireland is focusing its efforts on larger vehicles, Light and Heavy Goods Vehicles and Public Transport. These vehicles generally operate for long periods, carry heavy loads and have a high operating range, making them particularly suited to CNG.

While these larger vehicles make up just 3% of the total number of vehicles on the road, they account for 20% of emissions. By concentrating our efforts on changing the habits of this relatively small group of decision makers, we can have a very significant impact on our overall aim of decarbonising our transport sector.

As I mentioned at the outset, Gas Networks Ireland is currently developing a network of CNG filling stations across Ireland. This network of 70 stations will comprise both public and private filling stations. The first public station will open in Dublin Port this summer. With the backbone of the network rolling out in the next three years. The first private refuelling point has recently become operational at Clean Ireland Recycling, a waste management company in Shannon, Co Clare.

In addition to building the network infrastructure, Gas Networks Ireland, with support from the Innovation and Network Executive Agency, through the Connecting Europe Facility, has opened a funding initiative to fill the relatively small gap in cost that still exists between conventional and CNG vehicles. This initiative is proving extremely popular and the first CNG powered vehicles have arrived in Ireland and are operational.

I have already outlined the significant environmental savings that CNG delivers. These benefits will be further improved with the arrival of renewable gas.

Gas Networks Ireland is currently working with a number of partners to bring renewable gas onto the Irish network in early 2018. Renewable gas, which is generated from feedstocks such as food waste, agricultural waste and grass, is identical in composition to natural gas, but completely renewable and carbon neutral and requires no modification to the network or downstream equipment.



Gas Networks Ireland is targeting 20% renewable gas on the Irish system by 2030 a figure supported by a recent SEAI report which indicating a potential for 25% of gas on the Irish system to be renewable by 2030.

It is important, from a business perspective, to note that the benefits of CNG are not solely environmental ones. CNG offers a significant fuel cost saving over diesel. Based on today's diesel prices CNG offers a 40% reduction in fuel cost. In the highly competitive world in which our exporters operate, particularly in the current climate, reducing logistics costs is a very attractive proposition.

In terms of performance, leading manufacturers such as Iveco and Scania have invested heavily in creating a new generation of vehicles which offer even greater performance before. The CNG vehicle of today offers a direct competitive challenge to their diesel alternatives in cost, performance, range and maintenance.

We also welcome the recent publication by the Department of the 'National Policy Framework for Alternative Fuels Infrastructure for Transport in Ireland' which focuses on de-carbonising transport in Ireland. As they noted, CNG unlike other options considered, is a mature and proven technology for public transport. When taken with the imminent introduction of renewable gas, it is the logical and obvious choice for Ireland's bus networks.

CNG buses are commonplace in cities throughout the world. Gas Networks Ireland and Bus Éireann have already successfully trialled CNG buses in Cork and we look forward to engaging with the NTA and Transport for Ireland to deliver the next generation of Ireland's public transport fleet.

CNG is a technology which has been adopted across the world for many years. Ireland is, a little late in the uptake. However, in doing so we have the benefit of adopting a mature technology at competitive cost.



I would like to thank the Committee for their ongoing interest and efforts to drive forward the sustainability agenda in Ireland. I'm happy to take questions.

Ends/



Co-financed by the European Union
Trans-European Transport Network (TEN-T)

