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Sustainable Energy Authority of Ireland
Opening address to the Joint Committee on Enterprise, Trade, and Employment
Wednesday 8th November 2023

Chairperson and Joint Committee members, thank you for the invitation to attend the meeting today to discuss the skills and supports required for businesses to meet their decarbonisation targets. I am joined today by my colleague;

- Fergus Sharkey, Head of Business Supports and Transport

I would like to thank the Committee for affording me the opportunity to present my opening statement.

Introduction

The Sustainable Energy Authority of Ireland (SEAI) is at the heart of delivering Ireland's energy revolution. Our vision is to be a leading authority driving Ireland's sustainable energy transformation for the benefit of all of society. Ireland has ambitious energy and climate targets to achieve against the backdrop of post-pandemic supply chain impacts, inflation, and the energy crisis. We passionately believe in this transformation; we know it must happen and we are working tirelessly to achieve it. We do this by driving the reduction and replacement of fossil fuel usage.

We are a knowledge-led organisation, and we partner with citizens, communities, businesses, and Government. We are trusted collaborators, innovators, funders, and educators. SEAI is funded by the Government of Ireland, through the Department of Environment, Climate and Communications (DECC) and the Department of Transport. In 2023 our total budget allocation is €594 million. We also work with and support all other Government Departments and their Agencies including Department of Enterprise Trade and Employment.

SEAI is key to informing, supporting, implementing, and delivering Government energy policy and national Climate Action Plans. Our programmes have a major impact on the Irish economy through home and community energy upgrades, business supports, research and innovation funding.

SEAI's role and mandate is growing in response to increased climate change urgency. We are in a growth phase of our evolution, growing our core staff base to 235 employees this year, based in Dublin (headquarters), Dundalk, Cork, and Sligo. Our staff comprise a very broad range of skill sets including engineering, data analysis and modelling, economics, behavioural science, finance, marketing, legal and administration. This mix reflects the skills required to meet the needs of current and future energy systems. We are grateful for the support of our parent department, the Department of Transport, and the Department for Public Expenditure and Reform (DPER) as we scale up to enable the societal movement to an efficient energy system built on renewable energy sources.

Sustainable energy investment unlocks a multitude of benefits and addresses a broad range of Government priorities. Society benefits from reduced energy costs and emissions and increased national energy security. Homes and buildings are warmer with improved air quality. Health outcomes improve with reductions in national and private health costs. Business and industry are more competitive, with more people employed in

related supply chains. These benefits are far reaching and must be fully considered to properly contextualise the necessary investments.

The costs of failing to make the required leap are incalculable. We must recognise our responsibility to each other, and globally. As a wealthy nation, and due to our geographical location, Ireland has only started to experience the impacts of the changing climate and we have witnessed catastrophic events in parts of our planet where communities are less able to act.

The demands on Ireland's energy and environment require us to work at pace and to deliver ever greater results. That is what we in SEAI do. Not just because it is our mission but because it will provide a better life for individuals, businesses, and communities long into the future.

CO₂ Emissions in the Business Sector

The SEAI Energy in Ireland 2022 report shows that Ireland's business activities (industry and commercial/public services) accounted for 39.4% of the total energy demand. The emissions related to fossil fuel usage in the industry and commercial/public sectors is just over 12 million tonnes of CO₂. There are approximately 300,000 industry, business, and service organisations in Ireland; however, just 250 large industry organisations account for approximately 80% of the industry sector energy-related emissions. SEAI provides bespoke 1-1 decarbonisation support for these high emission organisations through our Large Industry Energy Network. SEAI also provide general decarbonisation support for all other business and service organisations which I will outline later.

Role of SEAI and Decarbonising the Business Sector

SEAI has worked with small and large businesses for decades, supporting companies to implement energy management systems, investing in energy efficiency and renewable energy, and transforming approaches to the design and operation of large energy consuming assets. SEAI's work in developing energy management systems through the Irish Energy Management Standard 393 has formed the basis for international energy management standards such as ISO 50001 and, through SEAI's work, Ireland is demonstrating leadership again with Irish Standard 399 the Energy Efficient Design standard. Irish companies are often at the vanguard of the implementation of these impactful standards and best practices providing a major competitive advantage to those companies.

Climate action and decarbonisation has risen up the corporate agenda significantly in recent years. Various businesses require assistance in building knowledge and capacity around energy and decarbonisation matters, identifying and planning solutions for addressing decarbonisation, and delivering targeted impactful investments in energy efficiency and renewable energy.

In recognition of the wide cohort of businesses, and the different stages they are at in their own decarbonisation journey, in recent years SEAI has enhanced the energy efficiency programmes into decarbonisation programmes. SEAI provides supports to both small and large business, broadly centred around two key themes; **Advisory and Training Supports** and **Funding Supports**.

- **Advisory and training supports** include online and in person training, energy networks, guides, workshops, events, and registers of professionals.
- **Funding supports** include audit supports, investment grants for solar PV, renewable heating, commercial building retrofit, and energy efficiency and a list of products that can avail of accelerated capital allowances.

From 2021 to end September 2023, SEAI has supported:

- Over 7,400 business users have enrolled in the SEAI Energy Academy
- Almost 800 small business have completed Introduction to Energy Management Training
- SEAI LIEN has held over 50 events, workshops, and site visits
- SEAI LIEN has established 7 Special Working Groups

- Thousands of businesses have attended SEAI Business Briefings, SEAI Energy Shows, and the SEAI Energy Awards.

In addition;

- In 2022, SEAI provided grant support to 2,798 businesses totalling €57.6 million.
- In 2023 (to end September), SEAI has provided grant support to 2,501 businesses totalling €31.4 million.

A full list of Advisory and Training Supports and Funding Supports is provided in the Appendix.

Sectoral Carbon Budgets / Climate Action Plan 2023

SEAI work closely with colleagues in DECC and the Department of Enterprise Trade and Employment (DETE), along with Enterprise Agencies, on supporting the achievement of emission reductions in both the Commercial Built Environment and the Industry sectors through the targets and actions in the Climate Action Plan.

Key areas of focus for the business sector will be:

- Supporting the commercial building retrofit targets, rolling out heat pump retrofits, biomass heating, district heating, and supporting key sectors such as hotels, hospitality, and offices.
- Supporting the industry emissions targets, via heat pumps retrofits, biomass retrofits, renewable gas, and energy efficiency.

SEAI is focussed on expanding and enhancing supports to business, with several recent steps in response to Climate Action Plan targets including:

- Introduction of an accessible audit support for SMEs
- Enhancements to the Support Scheme for Renewable Heat from March 2023 to expand eligibility and increase support levels for heat pump and building retrofit projects. Significant support for biomass projects within scheme.
- Enhancements to the EXEED Grant Scheme from March 2023 to expand maximum support and simplify scheme criteria.
- Enhancements to the Non-Domestic Microgeneration Scheme to expand support to 1,000 kWp (from 6kWp) from July 2023, increasing support levels up to €162,600.
- Development of a new, SME-focused, Retrofit grant – subject to final sanction and Climate Action Fund allocation. Modelled on the Microgeneration Scheme, the scheme supports a range of building retrofit measures with a rapid approval model based on commoditised grant amounts.

Conclusion

In conclusion, SEAI has been central to energy efficiency and renewable energy deployments in the business sector for many decades and through existing, enhanced, and new supports, has the tools to support ambitious businesses on their decarbonisation journey through a range of advisory, training, and funding supports which are included in the appendix to this note, along with the 2022 achievements of the Business, Public Sector and Transport Directorate.

- ENDS -

Appendix

Advisory and Training Supports for Business

SEAI Energy Academy: Free online learning management system for Businesses to increase knowledge in energy bills, energy management, staff engagement, and energy efficiency and renewable energy technologies. Learning is offered in short, structured modules with sectoral focussed courses of several modules available with a certificate

Introduction to Energy Management Training: Energy management training tailored for small businesses to implement a basic energy management system. Training on the tools and templates for businesses to understand and control energy use.

SEAI Guides: Broad range of detailed business-focussed guidance material covering a range of topics including Energy Management, SME Energy Efficiency Guide, Retail Energy Efficiency Guide, Solar PV, Electric Vehicle Fleets for Business, Biomass Heating, Heat Pumps etc.

SEAI Business Briefings: Routine online business briefings to outline new and existing SEAI grants and supports available to businesses.

Large Industry Energy Network (LIEN): Network of 200 large energy users focused on best practice sharing, ISO 50001 implementation, decarbonisation planning. Activities include best practice workshops, site visits, energy performance assessment, energy management maturity and special working groups.

ISO 50001 and EnPI Training: Ongoing training for large businesses in updates and maturity of ISO 50001 energy management systems and the implementation of robust Energy Performance Indicators (EnPIs)

Special Working Groups: Focus areas of the LIEN Network, special working groups facilitate a deep dive into specific topics of interest for LIEN members. Special working groups would include several facilitated workshops, external expertise, and the production of a report for members. Recent focus areas are sectoral decarbonisation roadmaps, digital data management, and future fuels.

SEAI Energy Show: Annual flagship business to business energy conference. Includes seminars, trade show and best practice demonstrations. The Energy Show is a vital forum for businesses to identify technologies and companies that will support their energy decarbonisation journey.

SEAI Energy Awards: Annual awards to recognise and reward leading actors in energy including small and large businesses.

Funding Supports Available for Business

Support Scheme for Energy Audits: €2,000 contribution towards a high-quality energy audit for SMEs outlining immediate and longer-term energy efficiency and renewable energy measures for the business. Support typically covers the full cost of the audit.

Non-Domestic Microgen Grant: The scheme provides support of up to €162,600 for Solar PV installations of up to 100kWp in all non-domestic locations (schools, farms, businesses etc.)

EXEED Grant Scheme: For organisations who are planning a major energy investment project, the Energy Efficient Design process can unlock large energy savings by challenging design conventions. Grant support is available for applying the EXEED process and capital support of up to €3 million is available for projects which meet the requirements of EXEED Certification.

Support Scheme for Renewable Heat: The scheme incentivises switching from fossil fuelled heating systems to renewable alternatives in commercial, industrial, agricultural, public, and other non-domestic sectors. The scheme includes grant aid of up to 40% / €1 million for heat pumps and associated energy measures and 15-year tariff payment support of up to €3.5 million for biomass and biomethane.

Community Energy Grants: The Communities Energy Grant supports the upgrading of a wide variety building stock and facilities to high standards of energy efficiency and renewable energy usage, thereby reducing fossil fuel usage, energy costs and greenhouse gas emissions. By supporting project structures that can be replicated, the Communities Energy Grant showcases retrofit project models that can be implemented without SEAI support in the future.

Energy Contracting Support Scheme: The Energy Contracting Support Scheme provides financial assistance of up to €50,000 to help businesses and public sector organisations to deliver energy efficiency and decarbonisation projects through Energy Performance Contracts, Local Energy Supply Contracts and Energy Performance Guarantees.

Electric Vehicle Grants: SEAI provides a grant, administered at the vehicle dealership, to businesses for demo passenger EVs and for small and large vans.

Accelerated Capital Allowance: This tax incentive from the Revenue Commissioners encourages investment in energy saving technology. Organisations can deduct the full cost of eligible energy efficient equipment from their profits in the year of purchase. SEAI maintains a register of eligible products.

BUSINESS, PUBLIC AND TRANSPORT – KEY 2022 ACHIEVEMENTS

- Grant aided the purchase of 10,894 battery electric vehicles and the installation of over 16,000 EV home chargers.
- Launched a commercial EV fleet trial which is providing 200 businesses with a trial EV and charger for a 3-month period.
- SEAI Public Sector Partnership scaled up support to 350 public bodies in their Climate Action Roadmap development, energy management and emissions reduction strategy.
- SEAI Pathfinder Programme: Supported deep decarbonisation of schools, higher education institutes, and OPW and HSE estate buildings, with direct savings of 65 GWh and 18 ktCO₂ in 2022.
- Market Surveillance Authority: more than 200 retailer and online advertising inspections for energy labelling and more than 200 product technical validations through audits and testing.
- Excellence in Energy Efficient Design (EXEED) programme offered support to 53 companies supporting representing savings of 15 GWh and over 3,200 tCO₂.
- Support Scheme for Renewable Heat has to-date offered 15-year contracts to 90 installations, amounting 90 GWh of renewable heat annually.
- Launched new solar PV grant for businesses.
- Grant aided 873 high quality SME energy audits and delivered online energy management training to over 180 SMEs.
- Provided energy efficient design training courses provided to over 80 supply chain professionals.
- More than 5,500 users now registered to SEAI Energy Academy and over 2,000 course certificates issued this year.
- Added ten new members to the Large Industry Energy Network, now totalling 207, availing of a dedicated energy and decarbonisation advice and expertise. Supported the network in delivering 479 GWh in energy savings.