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**An Comhchoiste um Chomhsaol &  
Ghníomhú ar son na hAeráide**  
Tuarascáil maidir leis an ngrinnscrúdú  
réamhreachtach ar an mBille Gáis (Leasú), 2023  
Iúil 2023

**Joint Committee on Environment and Climate Action**  
Report on the Pre-Legislative Scrutiny of the  
General Scheme of the Gas (Amendment) Bill 2023  
July 2023



## Membership of the Joint Committee on Environment and Climate Action



Richard Bruton TD  
*Fine Gael*



Cormac Devlin TD  
*Fianna Fáil*



Alan Farrell TD  
*Fine Gael*



Brian Leddin TD (Cathaoirleach)  
*Green Party*



Martin Kenny TD  
*Sinn Féin*



Darren O'Rourke TD  
*Sinn Féin*



Christopher O'Sullivan TD  
*Fianna Fáil*



Bríd Smith TD  
*Solidarity-People Before Profit*



Jennifer Whitmore TD  
*Social Democrats*



Senator Lynn Boylan  
*Sinn Féin*



Senator Timmy Dooley  
*Fianna Fáil*



Senator Alice-Mary Higgins  
*Independent*



Senator John McGahon  
*Fine Gael*



Senator Pauline O'Reilly  
*Green Party*

## Cathaoirleach's Foreword



The General Scheme of the Gas (Amendment) Bill 2023 was referred to the Committee for Pre-Legislative Scrutiny by the Minister for the Environment, Climate and Communications on 9<sup>th</sup> June 2023.

The Committee agreed to conduct very detailed Pre-Legislative Scrutiny of the General Scheme of the Bill on 13 June 2023.

I would like to express my appreciation to all the Official from the Department for their valuable contributions and to the members of the Committee for their dedicated work in this collaborative process.

A handwritten signature in black ink, appearing to read 'Brian Leddin'.

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**Brian Leddin T.D.**

**Chairman**

**Joint Committee on Environment and Climate Action**

**July 2023**

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## Introduction

In accordance with Standing Order 146A the General Scheme of the Gas (Amendment) Bill 2023 was referred to the Joint Committee on Environment and Climate Action on 09 June 2023. The Committee agreed at its meeting on 13 June 2023 to undertake pre-legislative scrutiny of the General Scheme.

## Stakeholder Engagements

The Committee conducted pre-legislative scrutiny of the General Scheme by way of one engagement with stakeholders on 04 July 2023, as detailed below.

### 04 July 2023

#### **Session 1: Department of the Environment, Climate Action and Communications**

- Noel Regan, Principal Officer
- Cristina Hurson, Assistant Principal Officer
- Eamonn O'Halloran, Administrative Officer

## Background and summary of the General Scheme

On 20 October 2020, the Government approved a Memorandum for Government from the Minister for Housing, Local Government and Heritage for the development and drafting of a General Scheme of a Bill to facilitate the integration of Ervia into Gas Networks Ireland (GNI) and to provide for the roles and functions of the reconstituted entity, GNI.

The proposals in the Gas (Amendment) Bill 2023 include amendments to the existing Gas Acts, mainly to the Gas Act 1976, to facilitate the integration of Ervia into GNI. The proposed legislative amendments will provide for:

- Establishing a transfer date for the integration of Ervia into GNI.
- The dissolution of Ervia.
- The allocation of Ministerial shareholding in GNI.
- Transfer of functions, assets, staff, and records from Ervia to GNI.
- Transfer from Ervia to GNI of land and other property, of rights and liabilities, as well as liability for loss occurring before the transfer date.
- The preparation of the final accounts and the final annual report of Ervia, as well as revised procedures for preparation of the future accounts and annual reports of GNI.
- Revisions to the corporate structure of Gas Networks Ireland.
- Consequential amendments to other Acts arising from the integration of Ervia into GNI.

Since the separation of Irish Water from Ervia on 1 January 2023, the remaining company structure consists of the holding company Ervia and its single subsidiary, GNI. This company is operating as a single entity from a structure, strategy and operational point of view. The effect of this legislation will be to modify the company structures to reflect the new single-business approach in line with the Government decision of October 2020.

## Committee scrutiny of the General Scheme

1. The Committee held one engagement in relation to the General Scheme of the Gas (Amendment) Bill 2023. The Department of Environment, Climate and Communications highlighted that “the establishment of two separate State companies to operate the gas network and develop water services provides the optimal solution to meet the future challenges of de-carbonising our energy supply and modernising our water services.”
2. The Water Services (Amendment) Act 2022 was signed into Law on the 07 December 2022, and on the date appointed in the Bill, 01 January 2023, Uisce Éireann was split from the Ervia group and became a standalone company. The Committee noted the Government decision that the most appropriate structure of the gas utility following the separation of Uisce Éireann from Ervia was the integration of Ervia into Gas Networks Ireland so as to become the single entity, Gas Networks Ireland.
3. The Committee noted that Ervia’s business is the operation maintenance and development of gas networks and interconnectors that are within its ownership and that Ervia and Gas Networks Ireland are currently operating as a single company from a structure, strategy and operational perspective.
4. The Committee noted the technical nature of the General Scheme and that the legislation will effectively dissolve Ervia with Gas Networks Ireland absorbing its functions and roles. Mr Regan emphasised that the General Scheme provides for no policy matters in regard to the future role of gas which will be provided for through the EU gas package following the conclusion of the trilogue process in the coming months.
5. The Committee noted that the Department of Environment, Climate and Communications engaged extensively with the Department of Housing, Local Government and Heritage to develop the General Scheme and ensure that the rights of staff effected are provided for under the legislation. Members noted that the legislation provides the Minister for Housing, Local Government and Heritage with 90% shareholder control with the remain 10% split equally

between the Minister for Environment, Climate and Communications and the Minister for Public Expenditure, NDP Delivery and Reform. The Committee noted that this is a typical approach and would provide that the Minister for Housing must consult on big decisions with the remaining two Ministers.

## Recommendations

1. The Committee notes the technical nature of the General Scheme of the Gas (Amendment) Bill and recommends the passage of the Bill through both Houses of the Oireachtas.

## Appendix 1 – Terms of Reference

### Functions of the Committee – derived from Standing Orders [DSO 95; SSO 71]

- (1) The Select Committee shall consider and, unless otherwise provided for in these Standing Orders or by order, to report to the Dáil on any matter relating to —
  - (a) legislation, policy, governance, expenditure and administration of—
    - (i) a Government Department, and
    - (ii) State bodies within the responsibility of such Department, and
  - (b) the performance of a non-State body in relation to an agreement for the provision of services that it has entered into with any such Government Department or State body.
- (2) The Select Committee appointed pursuant to this Standing Order shall also consider such other matters which—
  - (a) stand referred to the Committee by virtue of these Standing Orders or statute law, or
  - (b) shall be referred to the Committee by order of the Dáil.
- (3) The principal purpose of Committee consideration of matters of policy, governance, expenditure and administration under paragraph (1) shall be—
  - (a) for the accountability of the relevant Minister or Minister of State, and
  - (b) to assess the performance of the relevant Government Department or of a State body within the responsibility of the relevant Department, in delivering public services while achieving intended outcomes, including value for money.
- (4) The Select Committee appointed pursuant to this Standing Order shall not consider any matter relating to accounts audited by, or reports of, the Comptroller and Auditor General unless the Committee of Public Accounts—
  - (a) consents to such consideration, or
  - (b) has reported on such accounts or reports.
- (5) The Select Committee appointed pursuant to this Standing Order may be joined with a Select Committee appointed by Seanad Éireann to be and act as a Joint Committee for the purposes of paragraph (1) and such other purposes as may be specified in these Standing Orders or by order of the Dáil: provided that the Joint Committee shall not consider—

- (a) the Committee Stage of a Bill,
  - (b) Estimates for Public Services, or
  - (c) a proposal contained in a motion for the approval of an international agreement involving a charge upon public funds referred to the Committee by order of the Dáil.
- (6) Any report that the Joint Committee proposes to make shall, on adoption by the Joint Committee, be made to both Houses of the Oireachtas.
- (7) The Chairman of the Select Committee appointed pursuant to this Standing Order shall also be Chairman of the Joint Committee.
- (8) Where the Select Committee proposes to consider—
- (a) EU draft legislative acts standing referred to the Select Committee under Standing Order 133, including the compliance of such acts with the principle of subsidiarity,
  - (b) other proposals for EU legislation and related policy issues, including programmes and guidelines prepared by the European Commission as a basis of possible legislative action,
  - (c) non-legislative documents published by any EU institution in relation to EU policy matters, or
  - (d) matters listed for consideration on the agenda for meetings of the relevant Council (of Ministers) of the European Union and the outcome of such meetings,
- the following may be notified accordingly and shall have the right to attend and take part in such consideration without having a right to move motions or amendments or the right to vote:
- (i) members of the European Parliament elected from constituencies in Ireland,
  - (ii) members of the Irish delegation to the Parliamentary Assembly of the Council of Europe, and
  - (iii) at the invitation of the Committee, other members of the European Parliament.
- (9) The Select Committee appointed pursuant to this Standing Order may, in respect of any Ombudsman charged with oversight of public services within the policy remit of the relevant Department consider—
- (a) such motions relating to the appointment of an Ombudsman as may be referred to the Committee, and
  - (b) such Ombudsman reports laid before either or both Houses of the Oireachtas as the Committee may select: Provided that the provisions

of Standing Order 130 apply where the Select Committee has not considered the Ombudsman report, or a portion or portions thereof, within two months (excluding Christmas, Easter or summer recess periods) of the report being laid before either or both Houses of the Oireachtas.

**b. Scope and Context of Activities of Committees (as derived from Standing Orders) [DSO 94; SSO 70]**

- (1) It shall be an instruction to each Select Committee that—
- (a) it may only consider such matters, engage in such activities, exercise such powers and discharge such functions as are specifically authorised under its orders of reference and under Standing Orders;
  - (b) such matters, activities, powers and functions shall be relevant to, and shall arise only in the context of, the preparation of a report to the Dáil;
  - (c) it shall not consider any matter which is being considered, or of which notice has been given of a proposal to consider, by the Joint Committee on Public Petitions in the exercise of its functions under Standing Order 125(1)<sup>1</sup>; and
  - (d) it shall refrain from inquiring into in public session or publishing confidential information regarding any matter if so requested, for stated reasons given in writing, by—
    - (i) a member of the Government or a Minister of State, or
    - (ii) the principal office-holder of a State body within the responsibility of a Government Department or
    - (iii) the principal office-holder of a non-State body which is partly funded by the State,

Provided that the Committee may appeal any such request made to the Ceann Comhairle, whose decision shall be final.

- (2) It shall be an instruction to all Select Committees to which Bills are referred that they shall ensure that not more than two Select Committees shall meet to consider a Bill on any given day, unless the Dáil, after due notice to the Business Committee by a Chairman of one of the Select Committees concerned, waives this instruction.



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