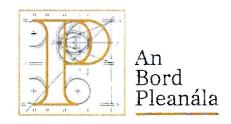
Our Case Number: ABP-319566-24



Friends of the Earth 9 Mount Street Upper Dublin 2 D02 K659

Date: 19 June 2024

Re: The proposed development will comprise of a 600MW Powerplant, 120MW Battery Energy Storage

System, Above Ground Installation and associated ancillary works.

Located within the townlands Kilcolgan Lower and Ralappane between Tarbert and Ballylongford

Co.Kerry. (www.steppowerplant.com)

Dear Sir / Madam.

An Bord Pleanála has received your recent submission in relation to the above mentioned proposed development and will take it into consideration in its determination of the matter. Please accept this letter as a receipt for the fee of €50 that you have paid.

The Board will revert to you in due course with regard to the matter.

Please be advised that copies of all submissions / observations received in relation to the application will be made available for public inspection at the offices of the local authority and at the offices of An Bord Pleanála when they have been processed by the Board.

More detailed information in relation to strategic infrastructure development can be viewed on the Board's website: www.pleanala.ie.

If you have any queries in the meantime please contact the undersigned officer of the Board. Please quote the above mentioned An Bord Pleanála reference number in any correspondence or telephone contact with the Board.

Yours faithfully,

Ellen Moss

**Executive Officer** 

Direct Line: 01-8737285

**PA04** 



[Submitted via ABP online portal] An Bord Pleanála, 64 Marlborough Street, Ireland Dublin 1

Jerry Mac Evilly Friends of the Earth 9 Mount Street Upper Dublin 2 D02 K659

14 June 2024

RE Friends of the Earth Observations on Case PA08.319566 600MW - Powerplant, 120MW Battery Energy Storage System, Above Ground Installation and associated ancillary works

Dear Sir/Madam,

Friends of the Earth wishes to make the observations on case reference 319566. Friends of the Earth's comments and objections are set out in the sections below.

# 1) Climate Act and Carbon Budgets

- The Government's 2021 Climate Act<sup>1</sup> introduced a climate neutrality target for 2050, as well a 51% emissions reduction target by 2030. The applicant does not make clear how the additional increasing emissions associated with <u>long-term</u> supply and usage of fossil gas for electricity generation is compatible with the state's legal commitments.
- In order to ensure alignment with these obligations, it is essential that the Board assesses
  how any polluting emissions associated with the proposed development will be
  prevented, reduced or not locked-in. We are of the view that the applicant has failed to
  demonstrate the necessary prevention or mitigation of emissions and we therefore urge
  that the application is rejected.
- The central issue is that developments must not lock-in long-term emissions and must be in accordance with carbon budgets and state's electricity sectoral emissions ceiling<sup>2</sup>. The applicant fails address how the long-term lock-in of emissions associated with the ongoing operation of the plant will be prevented or abated. It is therefore entirely inappropriate to suggest that its impact is minimal. We therefore urge that the application is rejected.
- It is essential that the Board addresses Annex 2 'Securing Ireland's Gas Supplies' of the Government's Nov 2023 Energy Security Package Review which takes account of carbon budget obligations. Section 3.10 is clear on the reduced role of gas from 2030s (see below).
  - "3.10 Looking beyond 2030, MaREI Centre of University College Cork (UCC) have examined the role of natural gas in the energy transition consistent with Ireland's carbon budgets up to the period to 2050 across a number of scenarios. While uncertainties remain when forecasting trends, particularly beyond 2030 given the many variables that exist. Figure 3.1 below presents data for two scenarios from this study. The first scenario 'High demand' refers to strong growth in electricity demand and second scenario 'Lower demand', refers to high renewable electricity capacity and lower electricity demand growth. While it illustrates there may be varying level of natural gas demand in the early 2030s, a similar pattern is observed in terms of level of gas demand consumed in 2040 and 2050 period. Natural gas demand sees a significant reduction of between 68-78% from 2030 to 2040, depending on the scenario considered. This demonstrates the significant reduction of natural gas use anticipated,

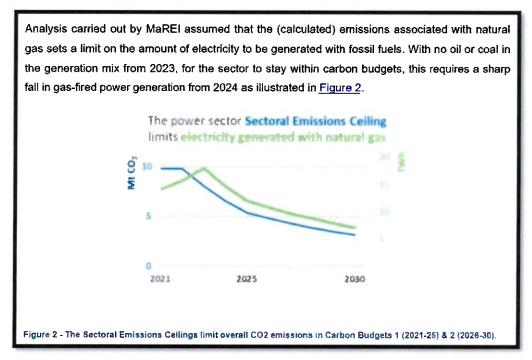
<sup>&</sup>lt;sup>1</sup> See Climate Action and Low Carbon Development (Amendment) Act 2021.

<sup>&</sup>lt;sup>2</sup> https://www.gov.ie/en/publication/76864-sectoral-emissions-ceilings/



reducing the reliance on imports during this period and its limited role in our energy system as we reach 2040."

• The Board should also take account of information provided by the CRU in its Energy Demand Strategy Consultation regarding dynamics affecting the gas network, including need to review depreciation, decommissioning and the future use of the gas network. We are concerned that analysis regarding electricity demand and alignment with the electricity SEC carried out by UCC MaREI for the CRU's Energy Demand Strategy consultation (and review of LEU connections) have been ignored by the applicant. This indicates reductions in gas-fired generation such that it halves over the next 10 years



See page 6 Annex I of CRU National Energy Demand Strategy Consultation Paper – Annex (CRU2023148a)<sup>3</sup>

- We also call on the Board to examine UCC MaREI analysis on Irish electricity and gas demand to 2050 in the context of climate commitments for this energy security consultation.<sup>4</sup> This UCC research examines the requirement for new gas-fired power generation capacity and future gas demand in the context of these challenges. The research report also compares a carbon budget-consistent energy system with projections and forecasts of electricity and natural gas demand from network operators, EirGrid and Gas Networks Ireland. The analysis is based on the TIMES Ireland Model (TIM). A summary of some of the main conclusions from this independent research is provided below:
- Meeting the carbon budget programme means that, compared with 2020, <u>natural gas</u> <u>demand in 2040 is reduced by 93% in the power sector</u>, 85% in the residential sector and 67% in enterprise.
- To adequately plan for the rapidly energy transition required to meet the national climate objective, and to avoid a lock-in to fossil fuel infrastructure, state agencies <u>must make</u> <u>carbon budget planning explicit</u> within energy projections and forecasting.

<sup>&</sup>lt;sup>3</sup> https://cruie-live-96ca64acab2247eca8a850a7e54b-5b34f62.divio-media.com/documents/NEDS Consultation Paper Annex v8.0.pdf

<sup>&</sup>lt;sup>4</sup> See <a href="https://www.marei.ie/wp-content/uploads/2022/12/Friends-of-the-Earth-Research-Report.pdf">https://www.marei.ie/wp-content/uploads/2022/12/Friends-of-the-Earth-Research-Report.pdf</a>



- New natural gas-fired power capacity is urgently necessary to meet climate
  commitments to replace older, more carbon-intensive generation capacity, but to meet
  carbon budgets, the annual power generation from natural gas plants (i.e. the actual
  operation of these plants annually) must fall by more than half by 2030
- While additional natural gas-fired power capacity is necessary in all scenarios, the share of time that natural gas capacity is used <u>must be more than halved this decade</u> <u>for natural gas usage and CO2 emissions to reduce in line with the Sectoral Emissions</u> <u>Ceiling.</u> This cannot be achieved without a very rapid acceleration in renewable electricity capacity deployment – around 15 GW of new wind and solar capacity this decade – and this challenge is amplified with higher demand growth from data centres.
- This modelling analysis shows that around 2.4 GW of additional gas-fired power generation capacity is necessary to deliver security of electricity supply while displacing older, more carbon-intensive thermal generation capacity. However, the power sector can only remain within its Sectoral Emissions Ceiling if the operation of gas plants rapidly reduces, particularly from 2025 onwards. This cannot be achieved without a broad set of mitigation measures, including rapid deployment of onshore and offshore wind and solar PV at unprecedented rates in Ireland. Concurrently, reducing electricity demand growth from data centres and large energy users will reduce reliance on gas plants while enabling zero carbon electricity to be directed at displacing fossil fuels in industry, heat and transport.
- It is necessary to shift focus from examining and addressing technology deployment only in terms of long-term targets to immediately reducing fossil fuel use in line with carbon budgets to 2025 and 2030. Delays in emissions cuts are likely to make the carbon budget programme infeasible.
- To adequately plan for the rapidly energy transition required to meet the national climate objective, and to avoid a lock-in to fossil fuel infrastructure, state agencies must make carbon budget planning explicit within energy projections and forecasting.
- It is necessary to shift focus from examining and addressing technology deployment only in terms of long-term targets to immediately reducing fossil fuel use in line with carbon budgets to 2025 and 2030.
- We support the conclusion in Chapter 15 of the applicant's EIAR that 'GHG emission impacts could compromise Ireland's ability to reduce its GHG emissions, in line with international and national future carbon targets.' (P15-13). However, we strongly reject the assertion that 'it is not possible to define a study area for the assessment of cumulative effects of GHG emissions, nor to undertake a cumulative effects assessment, due to the geographically unconstrained nature of GHG emissions. Consequently, effects of GHG emissions from specific cumulative projects should not be assessed as there is no basis for selecting any particular cumulative project over any other' (emphasis added). The upshot of the applicant's conclusion on a specific project would be that no project, in any instance, no matter how polluting and no matter the extent of their associated GHG emissions, can be assessed. We would underline that such a conclusion is not in accordance with the state's climate law and is not supported by Government policy.
- In May 2024, the EPA released its annual assessment and projections of Ireland's GHG emissions<sup>5</sup>. It highlights that Ireland will reduce GHG emissions by only 29% 2030, far below the legally-binding target of 51% that is central to the Government's

<sup>&</sup>lt;sup>5</sup> https://www.epa.ie/news-releases/news-releases-2024/ireland-is-projected-to-exceed-its-national-and-eu-climate-targets.php



climate policy. It notes that 'Almost all sectors are on a trajectory to exceed their national sectoral emissions ceilings for 2025 and 2030, including Agriculture, Electricity and Transport.' It further notes that 'The first two carbon budgets (2021-2030), which aim to support achievement of the 51 per cent emissions reduction goal, are projected to be exceeded by a significant margin of between 17 and 27 per cent.' The EPA highlighted some progress in the energy sector, including that 'In combination with planned increases in renewable energy generation from wind and solar, energy sector emissions are projected to reduce by 62 per cent and achieve over 80 per cent renewable electricity generation by 2030.' However, this should not be confused with the EPA's assessment that Ireland is not on track to meet carbon budgets including the electricity sectoral emissions ceilings<sup>6</sup>.

### 2) Gas Generation and Decarbonisation

- The applicant repeatedly notes that Government has indicated the need for new gasfired generation given near-term electricity capacity challenges and increasing electricity.<sup>7</sup> It is essential the Board recognises that this does not amount to a simple justification of all gas-fired generation proposals.
- The Government's statement on security of electricity supply is clear that 'As more wind, solar, storage and interconnection is added to the system, conventional generation is expected to operate less... This conventional generation will spend much of its time in reserve for when needed...'8 The applicant has not clarified its suitability, efficacy or necessity in the context minimal and progressively reduced operation, as more wind, solar and battery storage are progressively introduced onto the system.
- Regarding the applicant's references to reliance on gas and impact of losing UK supply (see Screening Statement Vol 1), we would underline that such comments on gas security of supply rather indicate that such gas dependency is itself a form of major insecurity and measures to prevent the even greater reliance of electricity generation on gas must be prioritised. <sup>9</sup> In essence, greater interdependence of the gas and electricity systems constitutes a security risk for the very reason's outlined by the applicant.
- Regarding connections to the gas network, the applicant has not demonstrated with any degree of certainty that the plant will be connected to the network in safe or secure manner.
- The applicant also refers to a 2021 comment by the Commission for Regulation of Utilities to the Joint Oireachtas Committee on Climate that new gas-fired plant will be needed. We regard such limited cherry-picking of old CRU statements unhelpful and highly misleading. Given carbon budget obligations, the CRU is currently leading a major consultation on electricity demand and electricity connections<sup>10</sup>, particularly with regard to major electricity users such as data centres. In 2023, the chairperson noted to the same Oireachtas Committee<sup>11</sup>:

"We rely on the analysis done by others with regard to the carbon budgets. I refer to the likes of MaREI at University College Cork and others who are experts in this field. What we can see is that, in order to meet our sectoral carbon emissions ceilings in addition to achieving the

<sup>&</sup>lt;sup>6</sup> See https://assets.gov.ie/234926/2ebb2431-d558-4a54-a15c-605817c37b2f.pdf

<sup>&</sup>lt;sup>7</sup> It should be noted that Government itself has yet to clearly demonstrate how even caveated support for limited gas-fired generation aligns with long-term climate and energy security objectives.

<sup>8</sup> https://www.gov.ie/en/publication/a4757-policy-statement-on-security-of-electricity-supply/

Shannon Technology and Energy Park (STEP) Power Plant Screening Statement for Appropriate Assessment and Natura Impact Statement Volume 1 – Main Report

<sup>&</sup>lt;sup>10</sup> See <a href="https://www.cru.ie/about-us/news/cru-opens-consultation-on-large-energy-user-connections-policy/">https://www.cru.ie/about-us/news/cru-opens-consultation-on-large-energy-user-connections-policy/</a>

<sup>11</sup> See



renewables targets set out in the Climate Action Plan 2023, we need to also ensure that demand growth remains at the lower end of the EirGrid projections to 2030 set out in the latest generation capacity statement, GCS. That is key. We also need to build in what Mr. Gannon just mentioned with regard to demand flexibility so that we are optimising the use of renewable energy when it is available and minimising the times at which we have to bring on higher-emitting fossil fuel generation to bridge gaps. It is the coming together of both of those strategies that will enable us to meet our carbon sectoral budgets..."

- We reject the assertion that 'without the supply of dispatchable energy from gas fired power stations to support the wider decarbonisation of the economy, these reduction targets may not be met.' We similarly reject the suggestion that 'while the Proposed Development will result in direct emissions from the combustion of fossil fuel, this is seen as necessary if the overall impact of electricity generation on the climate is to be reduced through the introduction of higher renewable generation capacity.' It is important to note that the obligation on the state relates to adherence with the national carbon budget programme and not only renewables targets, i.e. the state must ensure decreases emissions in accordance with such carbon budgets. Expanding gas generation without having regard to the potential risk of such development 'locking-in' gas use risks undermining the achievement of carbon budgets. The Board will be well aware that a central element of the Government's decarbonisation is to facilitate offshore wind, solar, storage and interconnection, all of which may serve to progressively decrease fossil fuel use, including gas, particularly from the 2030s. provided such zero-carbon generation is not 'crowded out' by gas-fired generation. While Government has noted certain gas-fired developments are necessary from an electricity security perspective, this gas fired generation must (i) run less and (ii) must not increase gas demand (as detailed in section 1 above), in order to ensure alignment with carbon budget obligations. The latter implies conversion to renewables gases, as well as eventual decommissioning.
- The applicant has not supplied sufficient information in support of such conditions. The applicant notes a design life of 25 years and that it "may be transitioned from a natural gas to a hydrogen-powered facility". The applicant must demonstrate how the proposed development itself will not impose new, additional and long-term pressures on carbon budgets. As noted above, UCC MaREI have outlined that annual power generation from gas plants (i.e. the actual operation of these plants annually) must fall by more than half by 2030 and that the power sector can only remain within its Sectoral Emissions Ceiling if the operation of gas plants rapidly reduces. We are concerned that the applicant's 25-year operational period and continued use of fossil gas over this period may undermine the state's carbon budget programme. The applicant has not provided clear information on how its burning of gas will be limited and ultimately phased out in accordance with carbon budgets.
- It is also important to note that at the current time while the state has a National Hydrogen Strategy in place, it is not clear how, when and whether green hydrogen would be in place for use at the facility. Our understanding is also that the gas plant is only designed to operate at a 50% blend of hydrogen. This entails that the other 50% would remain from standard gas supply which is not in accordance with the significant reductions and ultimate phase out of gas supply as noted in previous sections.
- In addition to the above, we call on the Board to interrogate the applicant's content that it will support the state's commitment to achieve 80% renewable generation by 2030. It is noted that a "start date of January 2026 is taken as a construction start date. The construction programme is anticipated to take 32 months. An additional period of up to six months will be required for commissioning prior to operation." The operation of the development therefore appears to be primarily relevant to the post-2030 when fossil gas use is projected to decrease significantly in accordance with the state's climate



commitments.

## 3) Gas pipeline connection and planning

The applicant repeatedly references the presence of planning permission (PL08.GA0003) from 2009 for the development of a 26 km natural gas pipeline to the GNI transmission network. Several issues arise in this instance:

- a) We request that the Board interrogates whether this 2009 planning permission remains in place and/or valid and whether it is legally appropriate for the Board's approval to remain in place given that a) the pipeline was associated with the development of an LNG terminal and b) planning permission for such a LNG terminal is not in place.
- b) The range of operational, technical, safety and environmental assessments, as well as oral hearings and inputs from the CRU and HSE are now 15 years out of date. Friends of the Earth would have legal concerns regarding an acceptance by the Board of this pipeline development and operation, which would be fundamentally related to any development of the gas plant in guestion.
- c) Friends of the Earth has not been in a position to undertaken a significant analysis of the 2009 planning decision (PL08.GA0003). It is our current assumption that the pipeline proposal at that time related to the development of the connection in order to allow for a future LNG import terminal and associated flow into the Irish network. The applicant in this proposed development now contends that the pipeline will be associated with supply from (instead of to) the gas transmission network. In this instance we would question whether there has been a material change to the project approved in the 2009 planning decision and whether the EIA and other analysis by the CRU and other bodies would need to be carried out again to reflect this fundamental difference.
- d) We have significant concerns that the proposed development while, purportedly relating to the individual gas plant, is rather focused on facilitating demand for a future LNG terminal previously rejected by the Board. See section 5 below. In short, we have legal concerns regarding a site which has been expressly rejected planning for gas infrastructure being ultimately used to facilitate, expedite and/or create the case for said gas infrastructure. We request the Board's interrogation of this issue.
- e) The applicant states that 'A data centre complex is to be constructed to the west of the Proposed Development.' Given the extreme pressure on the electricity system, as well as legally binding carbon budgets, and that such demand for new electricity would be drawn from the Irish electricity system (as opposed to an individual gas plant), we would significant concerns regarding any data centre development. We would note that if this proposed development is considered to be dependent on/linked to a Strategic Gas Reserve Facility and Data Centre Campus this may require a cumulative full lifecycle emissions impact along with the proposed 600 MW Power Plant.

#### 4) Proposed LNG Terminal

- We note the applicant raises their proposed interest in developing a floating storage regasification unit (FSRU) at the site.
- The Board will be aware that in 2023, it issued its <u>decision</u> (311233) to reject planning permission for a proposed LNG development at the site and that this decision was made in light the <u>Government's Policy Statement 2021</u> which noted that it would not be appropriate to permit the development of any LNG terminals in Ireland pending the completion of the Government's energy security review. The Board also noted the independent technical analysis released as part of the Government's public consultation on energy security 2022. This <u>independent expert analysis</u> was significant in that it rejected a commercial operated LNG facility as an energy security option given it would "likely result in the importation of fracked gas to Ireland...embedded emissions in LNG



can exceed that of natural gas....no guarantee that stored gas volumes would be sufficient to cover a security of supply shock...". The Board ultimately concluded that the proposed Shannon LNG development is contrary to public policy, proper planning and sustainable development. The Board also rejected arguments regarding other potential developments at the site given the "clear focus on the use of LNG".

- A standalone power station by Shannon LNG on the same site was <u>refused</u> development consent by An Bord Pleanála in 2023 as part of this same decision (reference <u>311233</u>)
- We are aware that as a result of the Government's 2023 Energy Security Review Package<sup>12</sup>, the Government is considering the development of a strategic gas reserve and one option for Government to address such a reserve is a potential state-led temporary FSRU for emergency use. It is important to be clear that the Government has neither stated nor suggested that an FSRU in the Shannon Estuary is favoured or that it would satisfy energy security and climate conditions noted in the Energy Security Review Package.
- In the first instance, Friends of the Earth wishes to underline that we do not believe a floating LNG terminal constitutes an appropriate means to establish an emergency reserve that is in line with climate, public safety and national security risks. We remain extremely concerned that the existence of any LNG import facility, even a state-controlled one, may undermine necessary gas phase out in accordance with legally binding climate obligations.
- However, we also wish to note that the applicant fails to address a range of significant commitments and conditions set out by Government in the Energy Security Review Package regarding a Strategic Gas Emergency Reserve. It is essential that the Board takes account of and respects these conditions and commitments in its analysis. Action 17 of the Energy Security Review Package indicates that Government intends to create a Strategic Gas Emergency Reserve and that this would be limited to:
- 1. Emergency use, for the sole purpose of "protecting Ireland in the event of gas supply disruption", namely IC1 or 2 from Moffat, "for use in the event of a disruption to gas supplies."

  2. A non-market/non-commercial measure preventing gas lock-in: "A proposal which does not inadvertently increase gas demand by increasing the supply available on the market"
- 3. Time-bound "as Ireland makes a secure transition to majority renewable energy...only as a transitional measure", recognising that "reducing gas demand and increasing renewable gas production will reduce Ireland's risk significantly". Annex II also notes a potential leasing by the state "for a number of years then easily removed in the future...without committing to a long-term dependence on natural gas while also reducing the risk of stranded assets"
- 4. Operations in accordance with climate obligations and providing future decommissioning: "A proposal which is compatible with the Climate Action and Low Carbon Development Act 2015-2021."
- 5. State-led, which is defined in the ESP as "commissioned by the State via GNI within a regulatory framework overseen by CRU".
- 6. Near-term implementation and cost effective for the state: " A proposal which can be implemented quickly...A cost-effective proposal at the appropriate scale which provides sufficient resilience if a disruption to gas supply occurs"
- 7. Also preventing fracked-gas imports: the Energy Security Review Package maintains the Government's existing moratorium on fracked gas imports (and LNG) as set out in the Government's 2021 policy statement, while noting that this 2021 policy would need to be updated where any future development was approved. Annex II of the Energy Security Package also addresses the implementation of the Government's state-led approach in the context of CEPA analysis. This CEPA analysis rejected a commercial (fixed or floating) terminal given the risk of fracked gas importation (as well as the risk of embedded emissions above that of pipeline gas, and lack of guarantees re sufficient gas in storage). It follows that any future decision on a Strategic Gas Emergency Reserve also stipulates that any storage option will not facilitate, or be dedicated to, gas imports from hydraulic fracturing, which is also

<sup>&</sup>lt;sup>12</sup> See <a href="https://www.gov.ie/en/publication/5c499-energy-security-in-ireland-to-2030/">https://www.gov.ie/en/publication/5c499-energy-security-in-ireland-to-2030/</a>



in line with the Government's 2021 Policy Statement and the Programme for Government commitment.

# 5) Security of Supply and Stranding Risk

- It is important to note that although fossil gas generation forms a significant portion of Ireland's fuel mix and is important for electricity supply, it does not follow that <u>any and all</u> <u>additional</u> fossil gas generation is necessary or supportive of Ireland's climate and energy objectives.
- In assessing energy security considerations it is particularly important that the Council addresses the potential for gas and electricity assets to become underutilised, uneconomic and ultimately stranded resulting in greater insecurity. This is particularly relevant in the context of the new target of "up to 80" renewable electricity by 2030, as noted in the Government's 2021 National Development Plan, as well as full decarbonisation by 2050 in accordance with the Climate Act.
- UCC research on behalf of the EPA regarding fossil fuel lock-in risks indicates that 'From a policy perspective, it is important that the market model and payments for energy, capacity and flexibility are designed to expedite the transition to zero carbon and are not sunk costs in fossil fuel generation and infrastructure'. They also note that 'in future scenarios with a tight top-down carbon constraint, difficult-to-reach projects with high capital costs, along with carbon-intensive reserves, face a high stranding risk'.<sup>13</sup>

In light of the above, we urge the Board to reject the application.

We would like to thank the Board for their consideration of the above sections and would be happy to provide further information upon request.

Is mise le mórmheas

Jerry Mac Evilly, Head of Policy Friends of the Earth

<sup>&</sup>lt;sup>13</sup> Celine McInerney, Conor Hickey, Paul Deane, Joseph Curtin and Brian Ó Gallachóir on behalf of the EPA, 'Fossil Fuel Lock-in in Ireland: How Much Value Is at Risk?' (2015-CCRP-MS.27) Research Report No 302, 2019.