Future of Ireland's Energy Policy and Challenges of Decarbonisation

Fionn Rogan & Brian Ó Gallachóir EirGrid Annual Conference, Dublin Castle 26th January 2017







A TRADITION OF INDEPENDENT THINKING









Future of Ireland's Energy Policy

Ireland's Transition to a Low Carbon Energy Future

Climate Action & Low Carbon Development Act 2015

EU Policy (ETS sector & non-ETS targets)

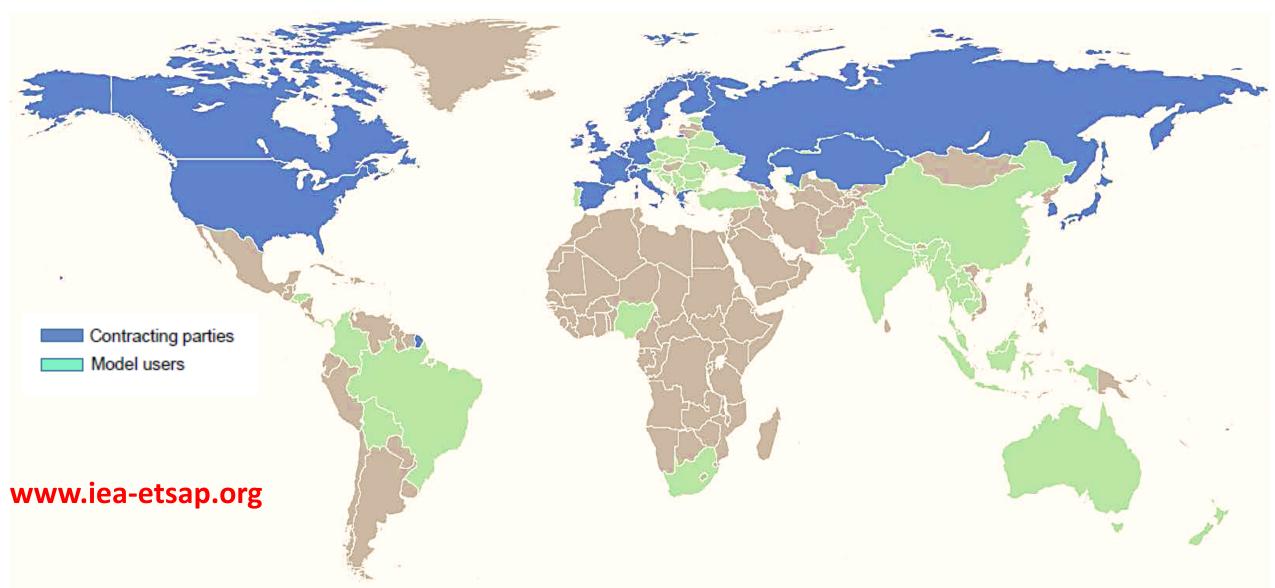
The Paris Agreement

Irish TIMES Energy Systems Model

- integrated model of Ireland's entire energy system
- medium to long term analysis (2020 2030 2050)
- meets future energy needs at least cost
- optimal technology selection (1300 technologies)
- environmental constraints (e.g. max CO₂ emissions)
- price-elastic demands







Scenario analysis to explore alternatives & impact of...

INPUTS

Technologies

Fuel prices

Resource availability

Policy goals

OUTPUTS

Energy flows & costs

Emissions

Fuel & technology mix

Timing (path dependency)

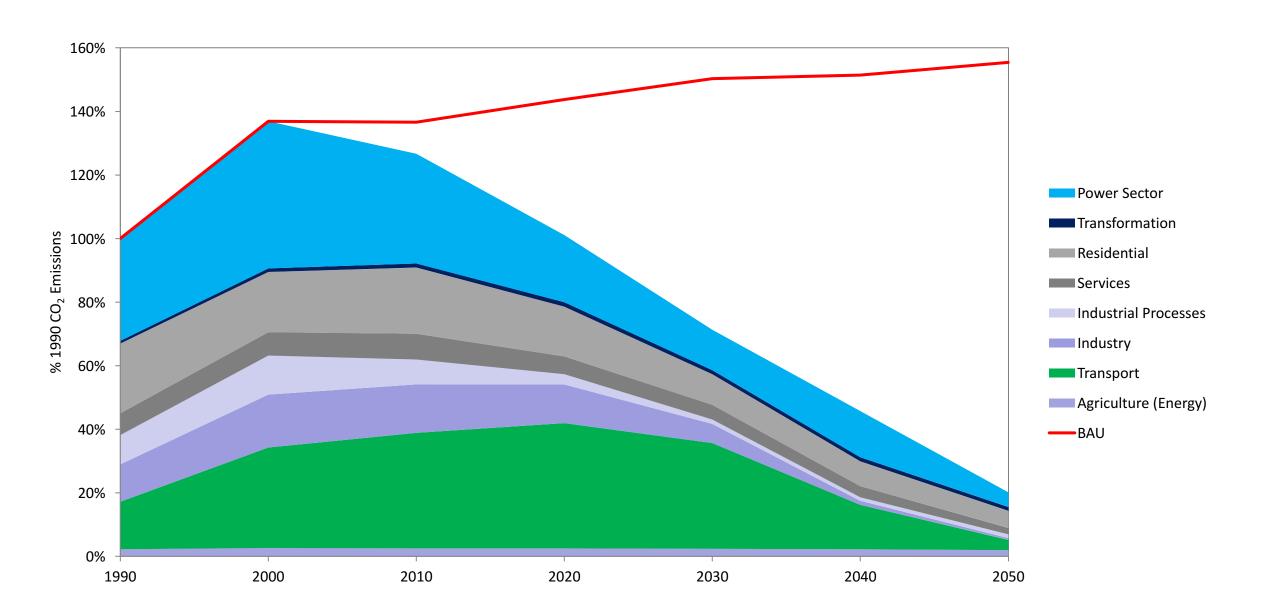


Examples of Scenarios

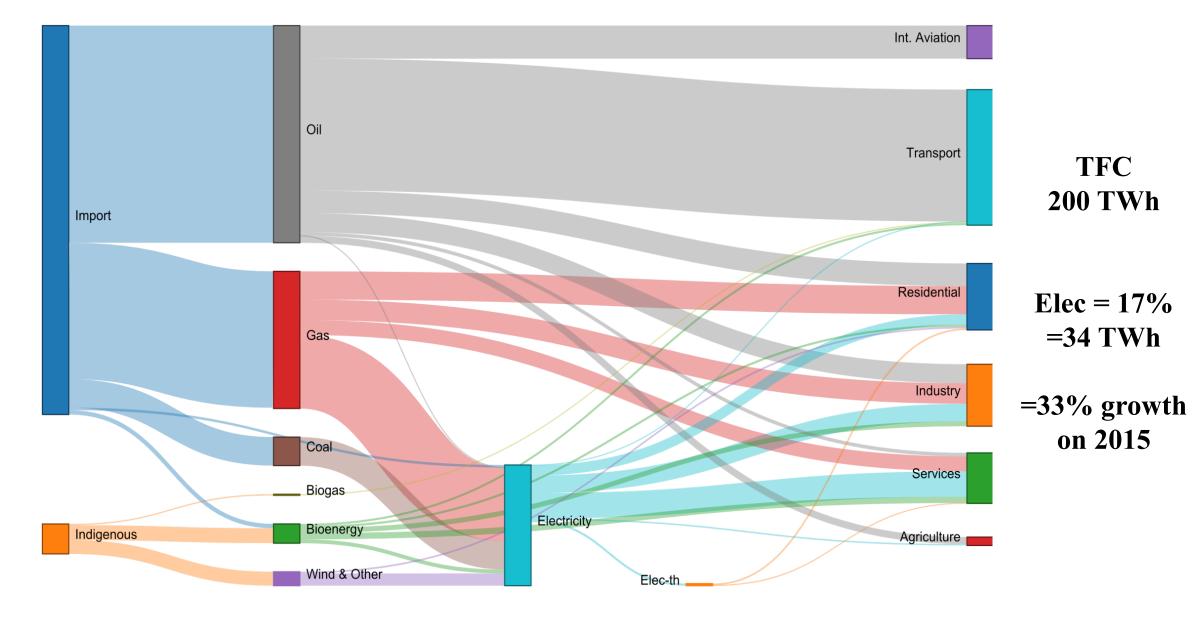
- Business-as-usual
- 80% reduction in CO₂ emissions
- Key technologies (e.g. CCS, SNSP) restricted/constrained
- Key fuels (e.g. gas, imported biomass) price adjusted/restricted
- Policy scenarios (higher ambition (> 80%); ETS price profile, non-ETS target; equitable carbon budget scenarios)



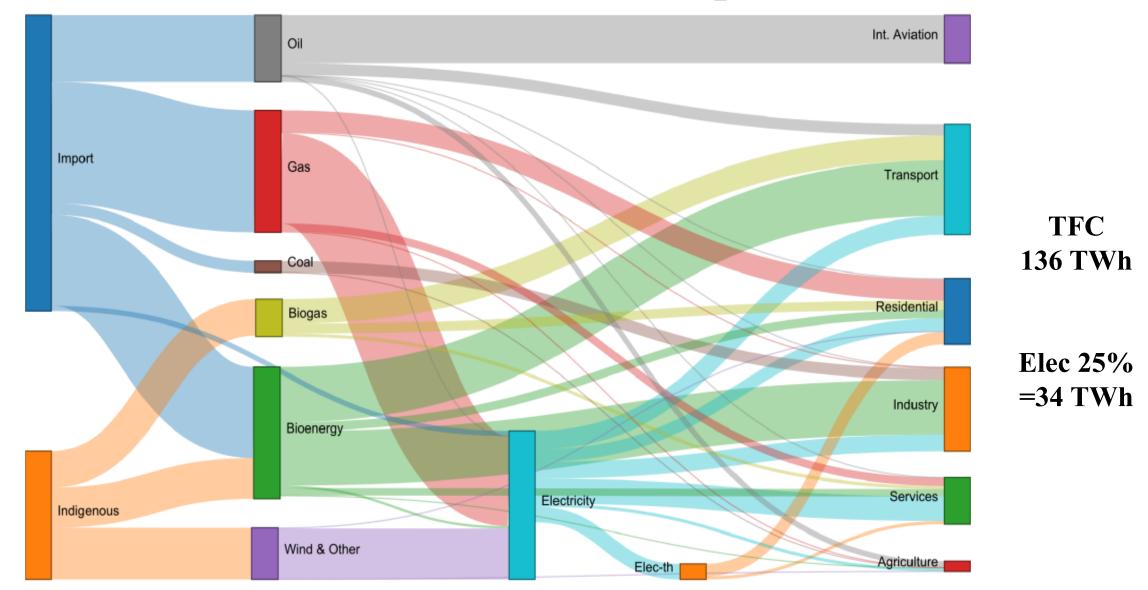
A Low Carbon Pathway to 2050



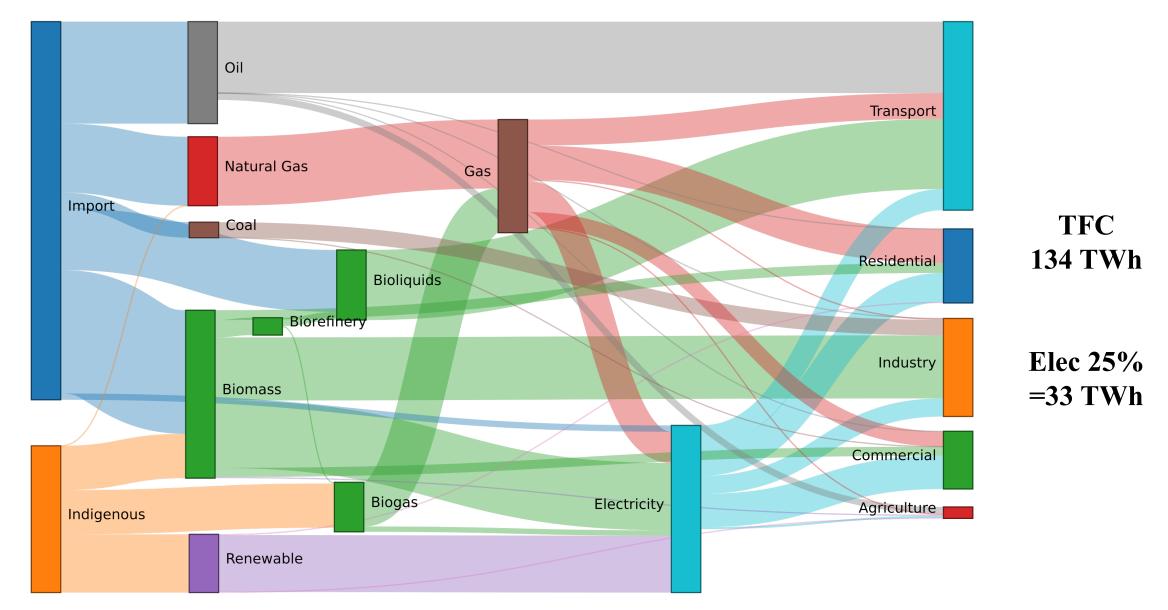
Ireland's Energy System 2050 (BaU Scenario)



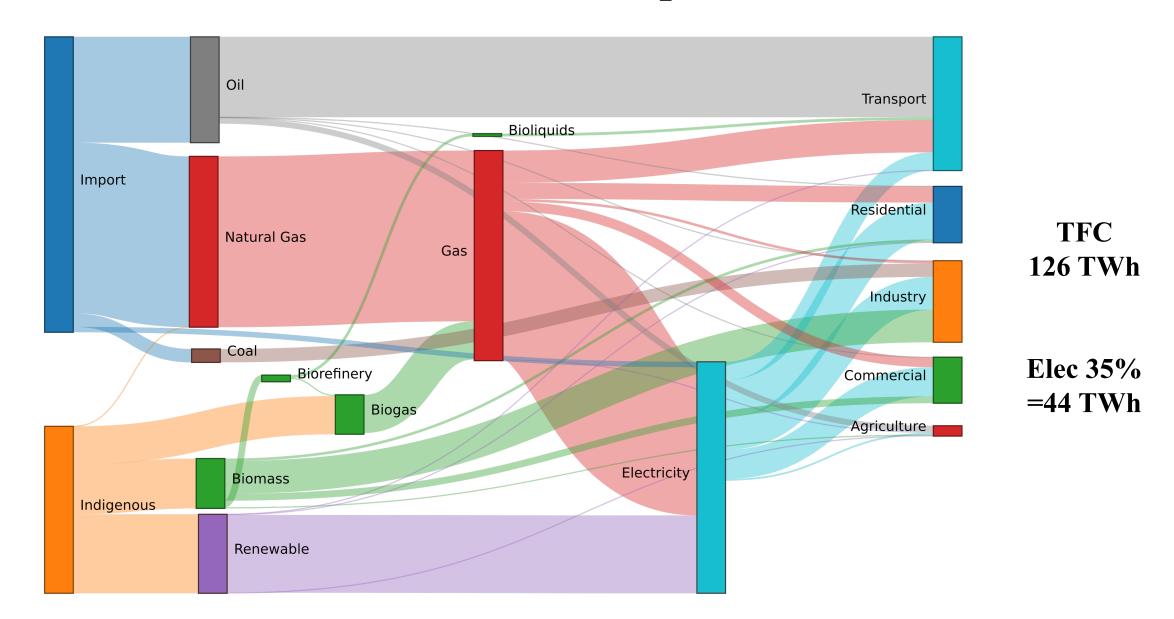
Ireland's Energy System 2050 (-80% CO₂ Scenario)



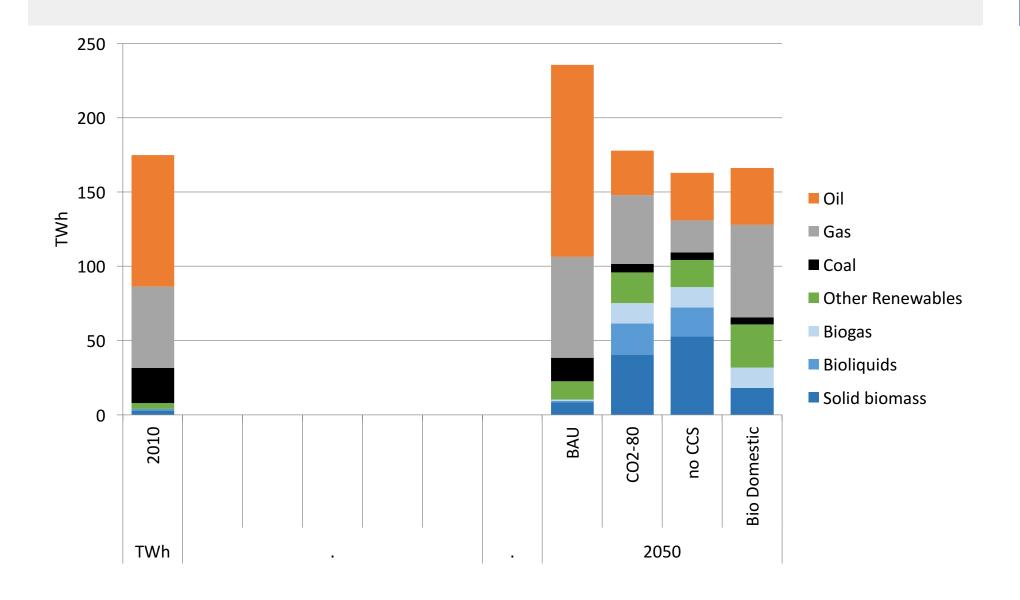
Ireland's Energy System 2050 (-80% CO₂ no CCS Scenario)



Ireland's Energy System 2050 (-80% CO₂ no Bio-Imports Scenario)

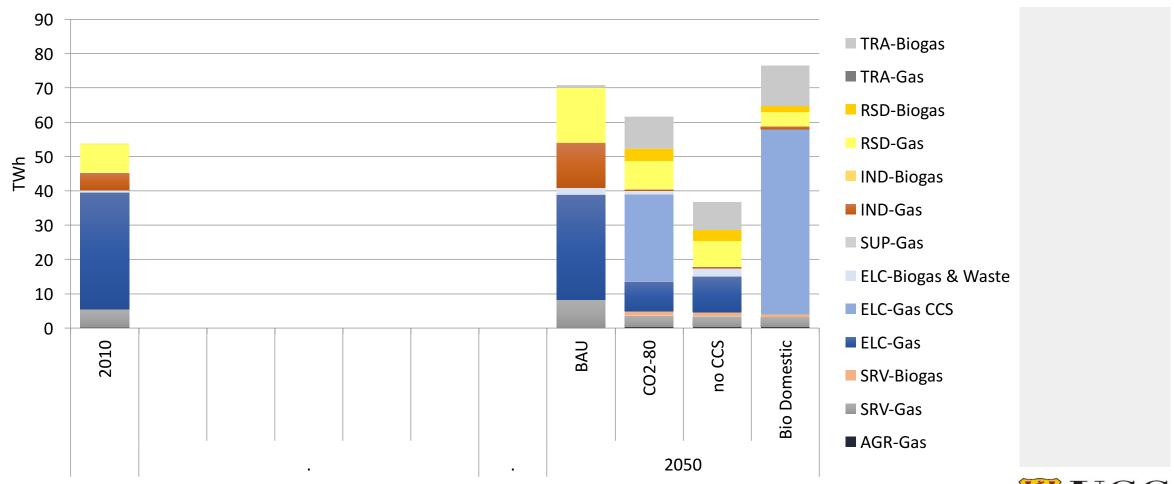


Fossil Fuels in 2050



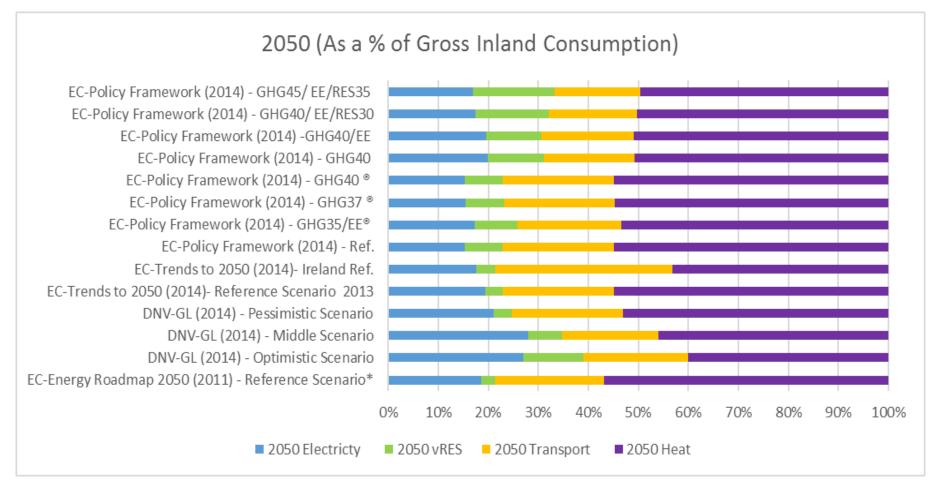


Story of gas in 2050





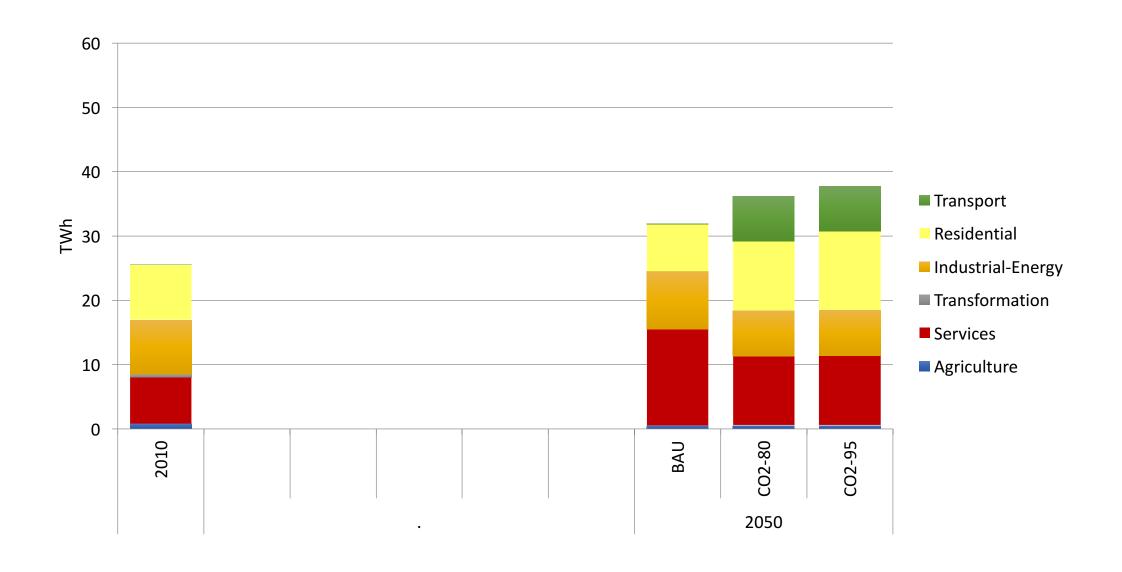
Electricify everything by 2050?



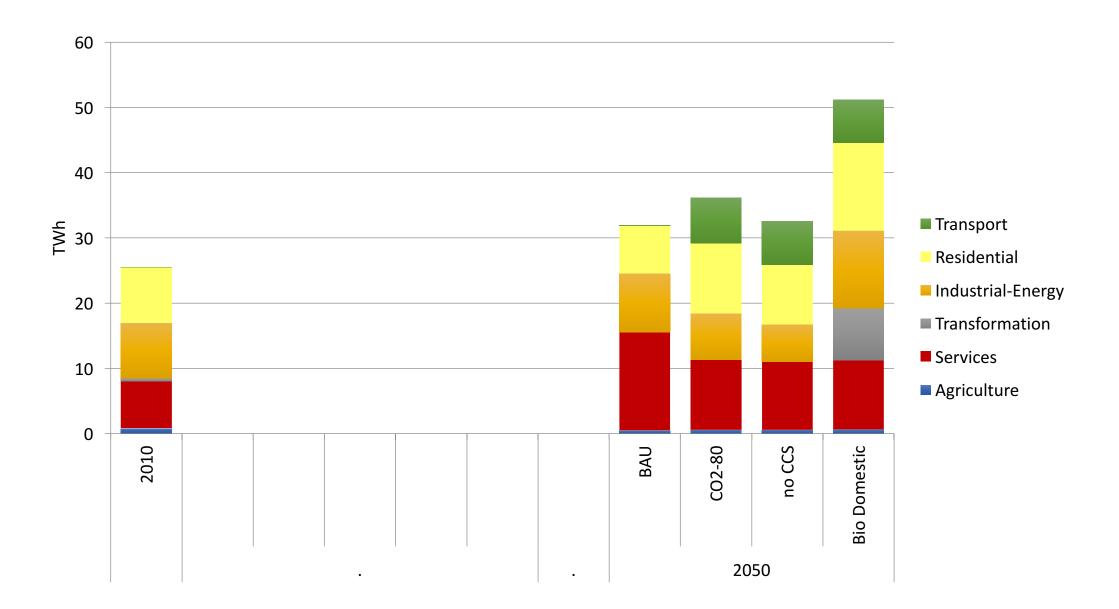
Electricity (blue and green) use may reach 30-40% of total final energy consumption by 2050

What about the other 60-70%?

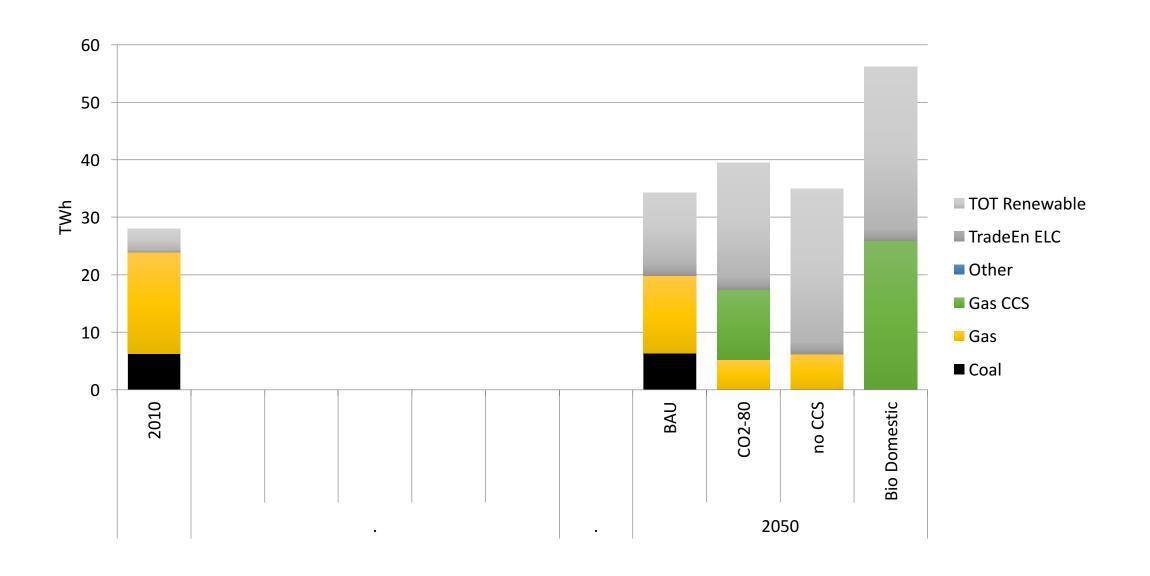
Electricity Demand – Significant Variation



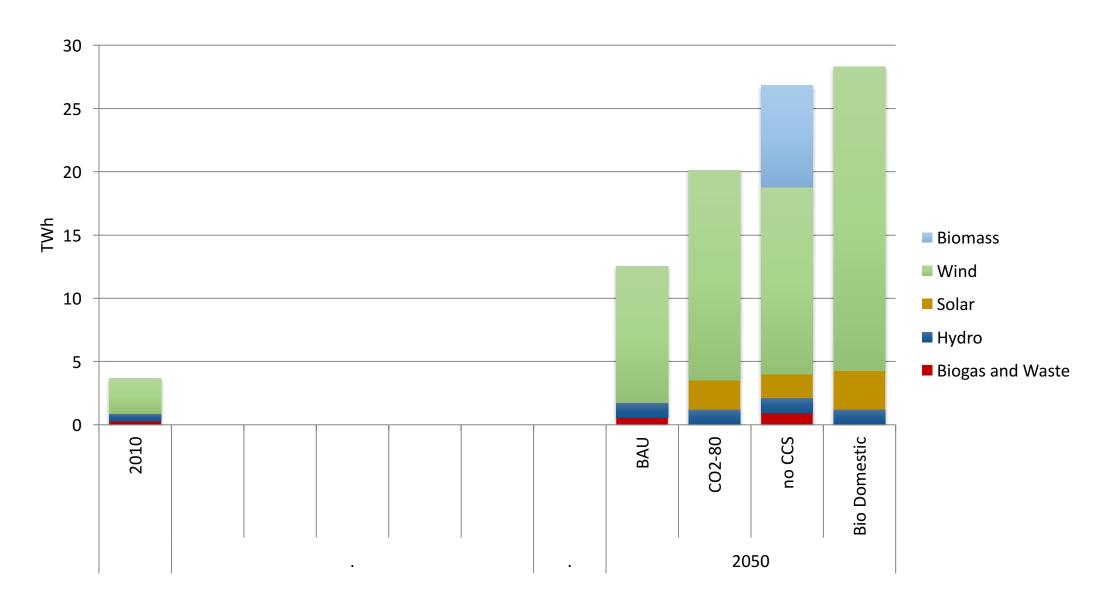
Electricity Demand – What if?



Electricity Generation by fuel



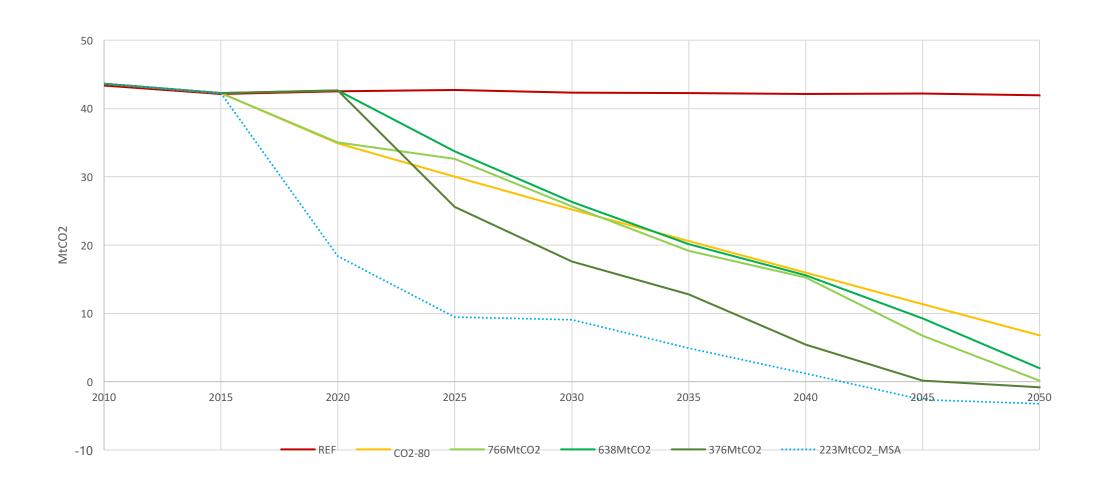
Renewable Electricity Generation by fuel



ETS price and non-ETS target Share of electricity consumption

Year	Scenario	Price	Transport	Residential	Industry	Services	Agriculture
2010	Actual		0.1%	22.5%	33.3%	41.9%	16.3%
2050	CO ₂ _80		15.2%	44.8%	20.03%	57.1%	16.88%
	ETS/NETS	264 €/tCO ₂	16.7%	45.5%	22%	61.2%	16.9%
		360 €/tCO ₂	16.3%	44.5%	22%	60.2%	16.9%
		800 €/tCO ₂	16.1%	41.8%	22.1%	59.6%	16.9%
	ETS/NETS NoBioImp	264 €/tCO ₂	18%	88.3%	21.9%	84.1%	25.2%
		360 €/tCO ₂	17.9%	88.5%	23.1%	84.3%	25.2%
		800 €/tCO ₂	18.3%	80.2%	42.4%	84.3%	25.2%

Paris Agreement carbon budget scenarios



Conclusions

- Many pathways to decarbonise Irish energy system
- Technology availability, resource availability and cost are important variables
- Policy at Irish and EU level also important variables; for example, ETS market price and non-ETS targets
- Alternative pathways have large variation in share, amount and sources of electricity generation
- Full implications of Paris Agreement still unrealised

Thank you

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www.ucc.ie/energypolicy













