



## **Announcement Unlocks the Potential of Renewable Energy in Ireland**

**€4 Billion investment in renewable energy now possible**

**50% rise in Oil prices in last 12 months means new energy sources are critical for security of supply**

**Announcement could secure carbon savings of €170m per annum from carbon savings**

Measures announced by Minister Eamonn Ryan today will unlock the potential of offshore wind energy in Ireland and will ensure that Ireland can reach its renewable energy targets in both the short term and over a longer period, according to the National Offshore Wind Energy Association of Ireland (NOW Ireland). Ireland's offshore wind energy operators are now moving a step further towards delivering 2000MW of energy, with an investment of over €4bn over the next 5 years. The statement came at the launch of a new pricing initiative by the Department of Communications Energy and Natural Resources, which will see a guaranteed price for offshore wind entering the Irish grid. The move also has the potential to reduce electricity prices in the long run for Irish consumers, according to a report cited by the offshore group.

NOW Ireland spokesperson, Torben Andersen, indicated that the organisations members were now in a position to plan for the deployment up to 2000MW of generation capacity from existing lease areas in Irish waters. Following this initial deployment further offshore deployment would be possible subject to the needs of the Irish and European energy markets. The total investment in the initial phase of deployment could potentially reach €4bn.

"In under 15 years, we will have to build an infrastructure capable of generating at least 1/3<sup>rd</sup> of our electricity from renewable sources. Building the infrastructure to achieve that goal requires a partnership between government and private investors. The announcement of a feed in tariff by Minister Ryan, indicates that Government see the importance of offshore wind, in delivering the capacity to make our energy targets achievable."

NOW Ireland also moved to address the suggestion that renewable deployment could substantially increase energy costs. "Ireland has already benefited from the limiting effect that renewables can have on energy prices. Thanks to improvement of technology and increased capacity offshore wind will enhance this further. A guaranteed pricing system reduces considerably the peaks in price which can occur in an electricity market whose principle generation comes from fossil fuels like oil and gas. In the last year oil prices have risen by approximately 50% and there is no indication that they will fall significantly in the years ahead. At the same time due to technological advances, the price of offshore wind and other renewable energy sources continue to fall. The effect of renewable generation is to moderate the overall energy price."

Mr Andersen went on to say that the announcement would also play a significant role in reducing Ireland's carbon emissions by focussing on the benefits from large scale offshore wind.

"The reality is that offshore wind offers a generating capacity that is needed if 2020 targets are to be achieved both in terms of emission cuts and deployment of renewable energy. Ireland's emission targets are among the toughest in Europe and to achieve the levels required, this announcement was critical. This initial phase of offshore deployment could deliver a saving of €170m per annum in relation to carbon offset.

The offshore representative group also welcomed the announcement by the Minister regarding the drafting of a study of interconnection with the European Union. "The study will prove extremely beneficial to planning the future of energy deployment in Ireland and the EU in the coming years. It is our belief that an EU wide grid will lead to lower costs for consumers and an increased deployment of clean renewable energy. Interconnections on a European scale will increase competition, lead to export opportunities, improve security of supply and reduce the need to utilise older inefficient power stations".

ENDS

For further Information Contact

Murray Consultants

Joe Heron      01 4980300    0876909735

About NOW Ireland

NOW Ireland is the representative body for the Irish Offshore Wind Energy sector. It's membership includes Ireland's five offshore wind operators Airtricity, Saorgus Energy Limited, Eco Wind Power Limited, Oriel Windfarm Limited and Fuinneamh Sceirde Teo, in addition to other companies who provide services to this rapidly developing sector. At present the industry has a proposed investment level of €4bn, with a potential generating capacity of 2000mw from existing lease areas off the Irish coast.