

**BETTER
ENERGY**

The National Upgrade Programme



Ken Cleary

**Department of Communications,
Energy & Natural Resources**

Energy In Ireland

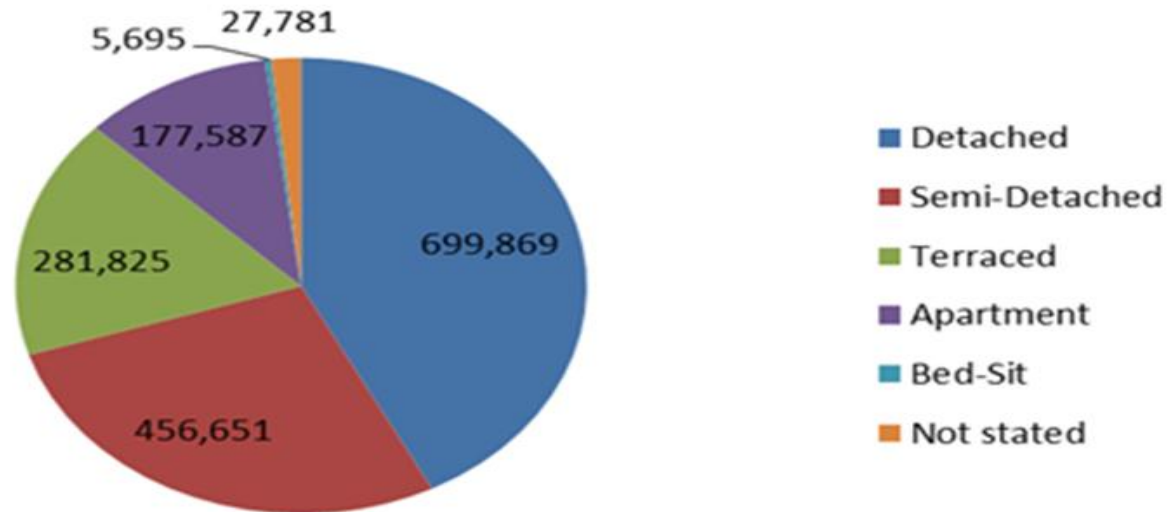
- 89% energy import dependency (oil, gas, coal)
- €6.7 billion import bill
- Residential Sector accounts for 27% of Ireland's CO2 emissions (2nd highest after transport)
- Average electricity bill: €1,211
- Average gas bill: €964

Why Energy Efficiency?

- 20% energy efficiency improvement required by 2020 (31,925 GWh)
- Key political commitment of minority Government partner
- Recession and construction bust led to massive unemployment in construction sector
- In 2006 the construction industry accounted for 25% of GNP. By 2011 7%.
- From 380k employed to 150k
- 5% unemployment to 15%
- €9.1 billion spending cuts (15% of budget) between 2009 and 2014

Homes in Ireland

- 1.65 million homes
- Typically large “one-off” houses in rural areas and heated with oil
- Relatively poor energy efficiency



Efficiency Programmes

- Better Energy Homes
 - Piloted in 2008, launched 2009
 - Open to all homeowners
 - Application led
 - 30% Grant Support
 - Homeowners choose from list of approved measures
 - Works must be delivered by an approved installer

Year	2009	2010	2,011	2012	2013	2014	Total
Homes Completed	18,203	45,946	49,229	26,423	13,710	9,555	163,066
Grant amount paid	€16,254,779	€45,207,885	€57,596,324	€28,949,749	€13,158,770	€9,534,183	€170,701,689

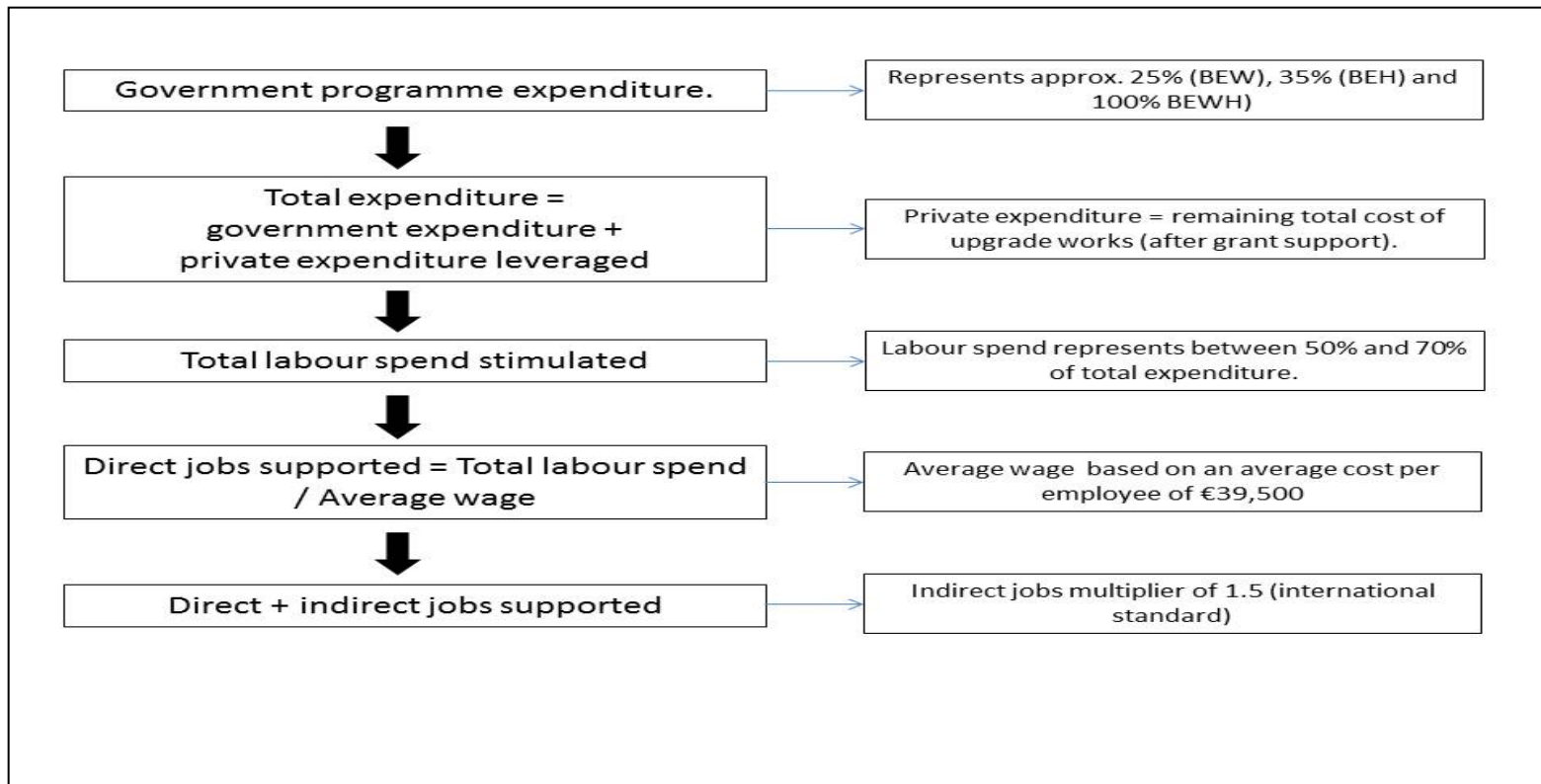
Efficiency Programmes

- Better Energy Warmer Homes
 - Aimed at those in energy poverty
 - Works delivered free of charge
 - Basic package (Average Cost €2k)

Year	2009	2010	2,011	2012	2013	2014	Total
Homes Completed	16,240	24,291	20,388	12,175	9,802	9,056	91,952
Grant amount paid	€12m	€30m	€24.40m	€20.5m	€17.5m	€20.70m	€125m

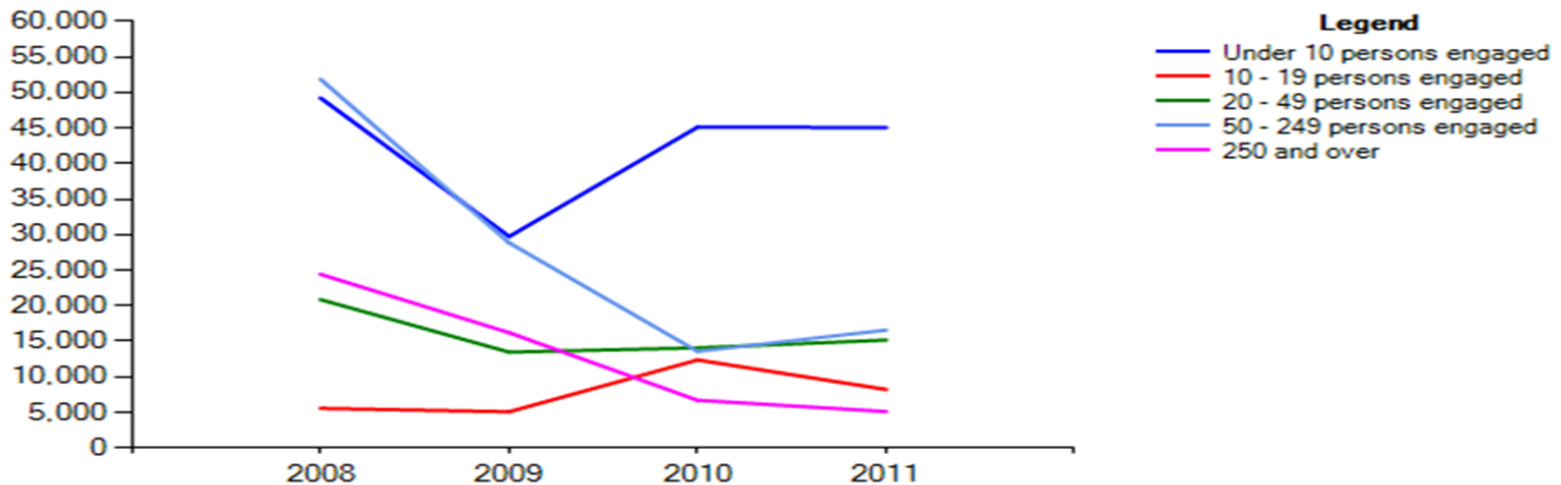
Outcomes

In 2011, €90 million Government investment supported nearly 5,800 jobs in the construction sector



Outcomes

- Government spend leverages an additional private investment, generating lifetime societal net benefits
- Money saved by householders tends to be spent predominantly in the local economy.
- Approx 300kt CO2 savings, €70m energy savings



Lessons Learned

- Quality assurance critical
- Need to work closely with construction sector bodies and unemployment agencies to ensure adequately trained staff
- Robust inspection regime necessary early on
- High quality initial interventions will build consumer confidence in efficiency as a concept
- “Bonus Payments” important incentive
- Need solutions appropriate to building stock and personal circumstances

Where next for Ireland?

- Grant support can only take us so far
- But Pay-As-You-Save models face considerable uncertainty
- Will combine affordable finance options with continued grant support. Support via the mortgage system for deeper renovations. Regulations to address the split incentives in the rented sector
- For those in energy poverty, will focus on savings to health system of action



Thanks for your attention!

- Questions?
- Further info: www.seai.ie/grants
- Contact: ken.cleary@dcenr.ie