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Taighde, Idirphlé, Comhairle  
Research, Dialogue, Advice

# Ireland's Energy Transition Policy and Economic Resilience:

## Designing a Competitive Future Offshore Wind Industry

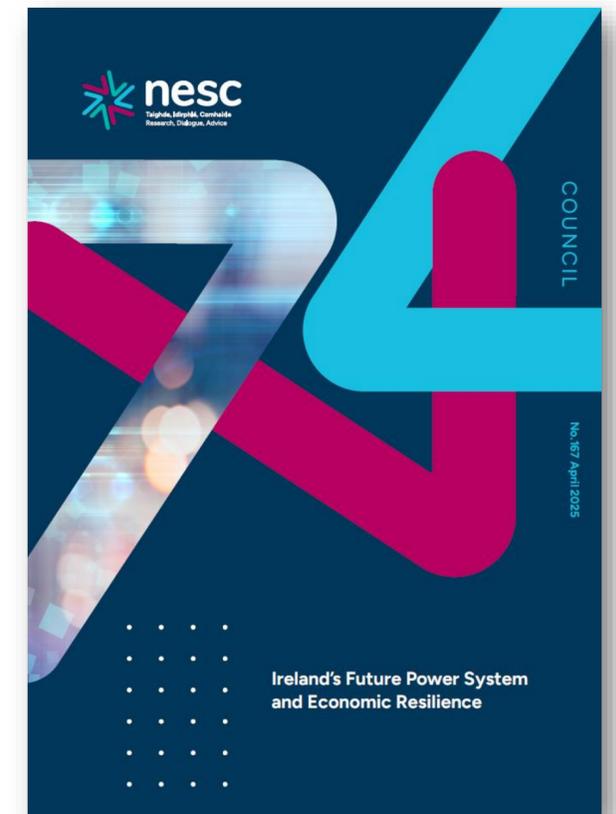
Dr Cathal FitzGerald, Senior Analyst

Wind Energy Ireland Conference  
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# Introduction

- About the National Economic and Social Council
  - Research, dialogue, and advice; a cross-society view
- Energy transition as a strategic national issue
- A renewable, reliable, affordable power system that supports economic resilience
- *Ireland's Future Power System and Economic Resilience* (NESC, 2025)
  - Enterprise Opportunities; Reliability of Supply; Cost of Supply; Net Export of Energy
  - Wide-ranging research and consultation including with the offshore wind sector
  - Part 1: The Imperative for Action
  - Part 2: Actions to be Taken Now, Next, and Later

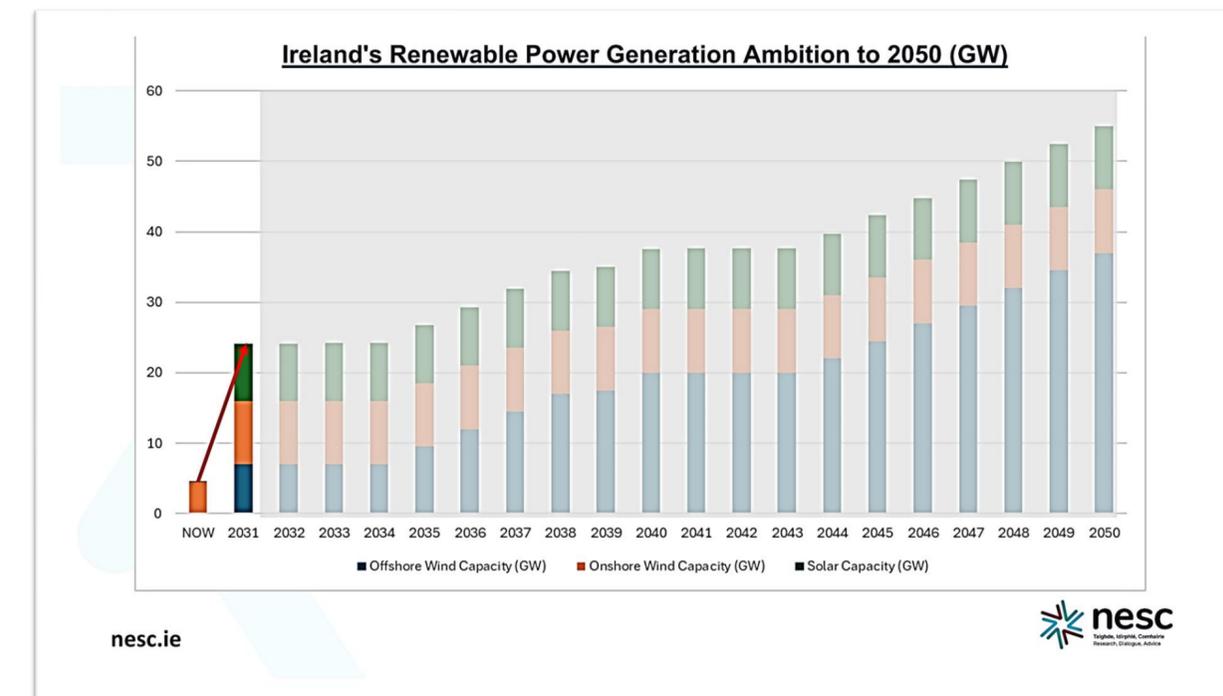
*Ensure viable routes to market for greater renewable generation capacity*



# Part 1: The Imperative for Action - Summary

- **Enterprise Opportunities:** Disparate and complex landscape of quantitative assessments
- **Reliability of Supply:** May get worse if not addressed; no clear visibility of reliability beyond 2034
- **Cost of Supply:** Might be higher, not lower; challenge to policy and narrative; poor framework conditions
- **Net Export of Energy:** Required model is currently incomplete; ‘drive demand to drive supply’ conundrum
- Much of Ireland’s policy for transition headed ‘into fog’
- Visibility and certainty are low
- Key actors not ‘on the same page’
- Important questions about the transition remain unanswered
- **Yet, the energy transition must be delivered despite the complexities**
- **A new agreed, evidence-based model of Ireland’s energy transition**
- **Work – not new policy, legislation, or targets – is needed and possible now**

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# Part 2: Actions to be taken now, next, and later

## NOW: Deliver

Move Ireland from the *status quo* towards our near-term targets

Improve the framework conditions for clean energy infrastructure delivery (e.g. planning; grid; skills; finance; and ports, shipping and supply chains); and

Install a new institutional arrangement to ensure the necessary engagement, coordination, and guidance.

## NEXT: Design

Moving beyond our near-term targets, towards domestic net zero

Address the critical knowledge gaps identified in this NESC report;

Demonstrate sustainable demand for renewable power commensurate to national targets; and

Ensure the expected economic 'fruit' of energy transition accrues domestically.

## LATER: Develop

Moving to potential surplus/export

Produce competitively priced energy for international markets;

Develop a viable export method; and

Successfully manage security concerns and domestic bias.

## NATIONAL DECARBONISATION POTENTIAL

ABILITY TO MEET ALL, OR ALMOST ALL, POWER DEMAND FROM RENEWABLE ENERGY SOURCES

PROSPECT OF PRODUCING SURPLUS CLEAN ENERGY TO POWER ENTERPRISE AND SPUR NEW OPPORTUNITIES

POSSIBILITY OF EXPORTING SURPLUS CLEAN ENERGY, IF PROVEN PRACTICAL AND VIABLE.

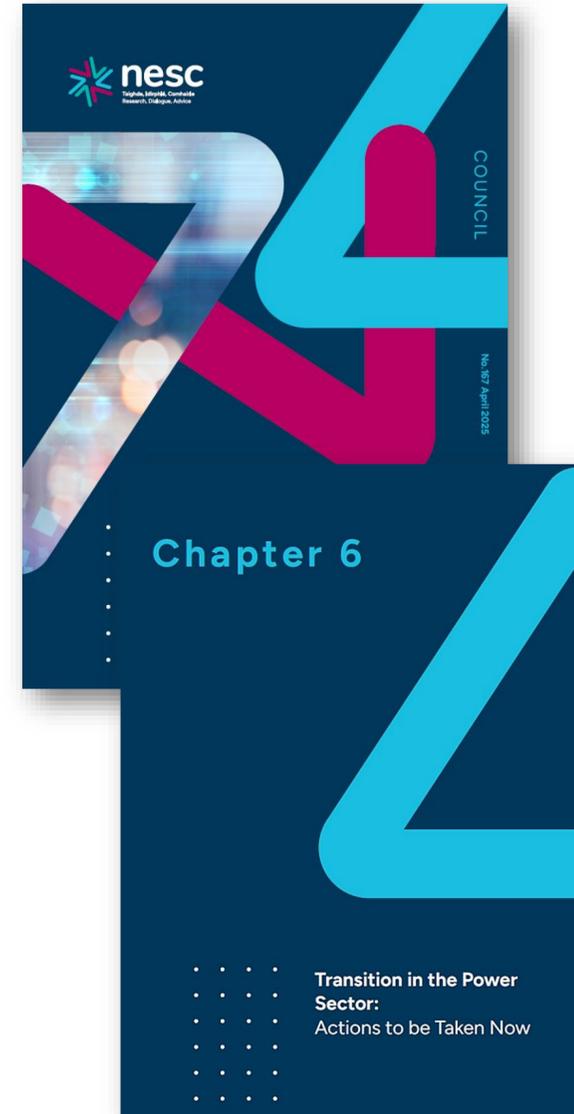
# The Framework Conditions

- Reliance on the market to deliver the transition
- Policy approach is to optimise the environment for development, investment, and delivery
- Need the framework conditions to be right...

1. Planning and Consents
2. Grid Infrastructure, Connection, and SNSP Limits
3. Labour and Skills Availability
4. Ports, Shipping, and Supply Chain Capacity
5. Financing, Routes to Market, and Ability to Recover Cost

# Framework Condition 5: Routes to Market

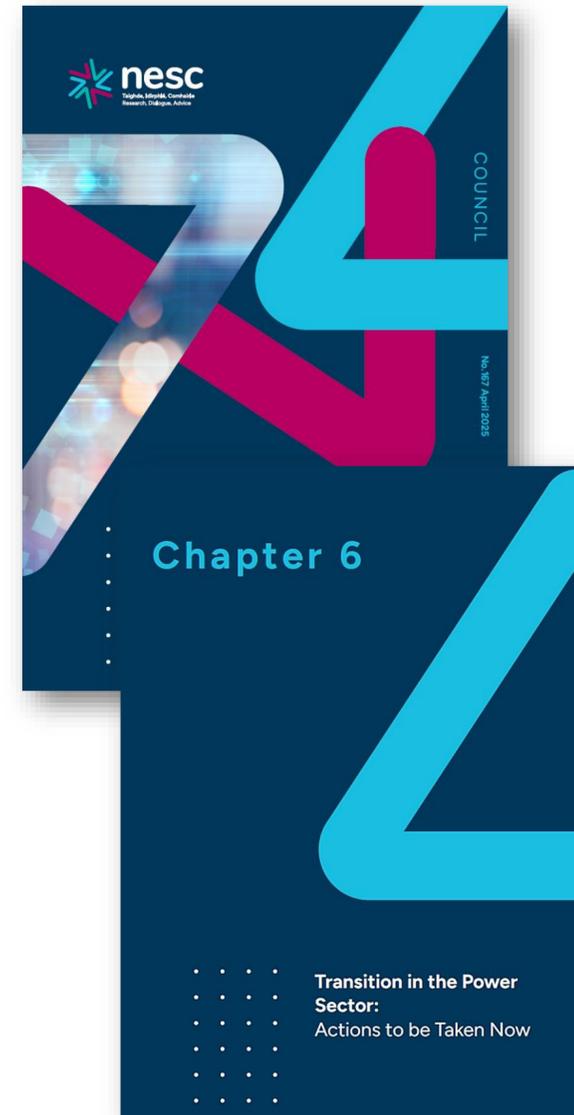
- National targets linked to ability of developers to secure significant private finance
- Must have attractive routes to market and a predictable ability to recover costs
  - Renewable Electricity Support Schemes
  - Corporate Power Purchase Agreements (CPPAs)
- Auctions hold an unavoidable tension between a *high enough* and *low enough* price
- Recent disappointing high-profile renewable power auctions and some withdrawals
- CPPAs a feature of market but some challenges (e.g. discourse, fixed-costs, policy context)
- Overall, a complex and unpredictable market and perhaps *the price is wrong*
- Need to **work hard now** on solution(s)
  - e.g. greater State role, greater support, market redesign, role of NPCs, EU legislation (RED III, NZIA)...



# Now: Improve the Framework Conditions

1. Increased resourcing of planning and new legislation must deliver and be the latest steps
2. Examine all planning and regulatory steps required for clean energy infrastructure delivery
3. Plans and investments for transmission network must be commensurate with ambition
4. A credible strategy for the provision of 25,000+ additional workers
5. Install an ambitious but realistic response plan for ports, shipping, and supply chain capacity
6. **All actors must identify and respond credibly to Ireland's finance requirements, with viable options and routes to market**

“The EU, the State, the private finance sector, and industry must identify and respond credibly to Ireland's finance requirements for the energy transition. Adequate project financing must be accessible at the right cost, there must be viable options and routes to market (including CPPAs), and the auction system must provide developers with a predictable ability to recover costs and achieve viability and profitability” (NESC, 2025: 53)



# Institutional Set-up, Strategic Direction, and Research

- The State as the ‘system architect’ in the plan-led approach
- Guide choices that will result in a successful transition, with actors on the same page
- Define societal and economic needs (e.g. resolving the operational gap with the Climate Act)
- Build strategic links, provide strategic direction
- Address ten key knowledge gaps:

- A detailed model for capacity expansion
- Energy capacity required to achieve DNZ
- Optimal use of any surplus energy
- Single, internally consistent and coherent forecast
- Profile of expected energy supply reliability

- LOLE as an appropriate metric
- Technology cost comparison metrics and data
- Measure of full system costs
- Data on planning and regulatory efficiency
- Path of expected full system costs

# Initial Response and Looking Ahead

- Government's first steps announced alongside publication of NESC report:
  - *New Climate Investment Clearing House*
  - *New Joint Government Industry Forum on Offshore Renewable Energy*
- Accelerate public and private investment
- Forum to scope out the role of the Clearing House – a crucial step
- NESC report provides an overview of actions required
- Much more needed to realise the economic resilience co-benefits
  - e.g. Connect consumers who are able to pay, with developers who are able to supply via viable projects (NESC, 2025: 72)
- Need an agreed model for Ireland's energy transition with logical milestones etc.
- **NESC's report provides an agenda for action now, next, and later**  
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# Thank You

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