Climate Action Plan - Public Consultation

This is the survey page for the public consultation on the next update to the Climate Action Plan.

You are invited to share your views on the questions that follow. For further information on this public consultation, please see - Public consultation on the next update to the Climate Action Plan

To begin, please provide your name, e-mail address, and the option which best describes your submission.

Name: Yvonne Holmes, DCC Energy, Sustainability Director
Question: Which of these options best describes your submission:

- Member of the public
- Sectoral representative
- Civil society stakeholder group
- Other

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Question 1: In Ireland's Greenhouse Gas Emissions Projections 2025-2030, the EPA now projects for the first time that we are close to meeting our first carbon budget, following a consistent trend of improving projections for that budget over recent years. In your view, which policies and measures have been the most successful in reducing Ireland's GHG emissions?

The following response draws on DCC Energy's experience across electricity, heat and transport - providing customers with liquid fuels and liquid gas, biofuels and renewable gases, natural gas and electricity, solar and battery installations, energy-efficiency services, and mobility and fleet solutions.

The EPA's latest projections show that Ireland remains significantly off track for its 2030 climate targets. Even with the implementation of additional planned measures, economy-wide emissions are projected to fall by only 25% from 2018 levels, compared with Ireland's statutory objective of a 51% reduction. Emissions covered by the EU Effort Sharing Regulation are projected to fall by a maximum of 23% from 2005 levels, compared with Ireland's 42% target, before the application of permitted compliance flexibilities.

The evidence nevertheless demonstrates the contribution that renewable fuels can make. The EPA identifies increased biofuel blending as one of the measures supporting projected transport emissions reductions, while its latest emissions inventory found that increased biofuel use

contributed the majority of the reduction in transport emissions achieved in 2025. These figures show that transport emissions fell 1.5% in 2025, following 1.2% in 2024, with increased biofuel use cited as a significant contributor. With only 0.4% of Ireland's approximately 52,000-strong HGV fleet projected to be electric by 2030, renewable liquid fuels such as HVO remain the only mechanism capable of delivering meaningful emissions reductions from this fleet within the current decade. Renewable and low-carbon heating solutions also form part of the projected pathway for reducing fossil-fuel use in buildings and industry. DCC Energy believes this supports prioritising measures that can accelerate the deployment of renewable fuels in heating and harder-to-electrify transport, including HGVs, alongside electrification, energy efficiency and other available decarbonisation solutions.

In the heat sector, the policy signal provided by the forthcoming RHO is supporting private investment in Irish biomethane, such as the DCC Energy/Flogas partnerships with Nephin Energy and College Group. At the same time, the EPA has noted that home retrofits and heat pump installations are falling short of expectations, indicating that renewable gas can act as a domestically available, scalable solution where heat-pump uptake is lagging. Recent data reported by the SEAI highlights this challenge: between 2020 and July 2026, only 19,583 heat pumps were installed in existing homes, just 4.9% of the 2030 target. Additionally, only 95,319 homes have achieved a B2 rating, meaning 404,000 retrofits would still be required in the next three and a half years to meet the target.

Moreover, customers already making the switch from oil and solid fuels to BioLPG and HVO are achieving immediate emissions reductions using their existing heating infrastructure. DCC Energy's Flogas business continues to invest in renewable liquid gas supply to extend those reductions further as availability grows. DCC Energy's Certa business distributes RED III-compliant HVO in Ireland under ISCC sustainability accreditation, cutting lifecycle greenhouse gas emissions by up to 90% compared to the fossil equivalent. These are further examples of measures that have worked because they do not require wholesale replacement of existing systems.

In electricity, the Renewable Electricity Support Scheme (RESS) and the emerging corporate power purchase agreement (PPA) market have mobilised significant private capital into renewable generation. The EPA determined that delayed delivery of planned projects, particularly offshore wind, has lowered potential 2030 savings. This finding indicates the urgency to fully unlock complementary generation routes that are faster to deploy and less exposed to large-project delivery risk, such as solar enabled through private wires and broader SME/corporate access to PPAs.

Taken together, the measures that have worked share a common feature, both using market mechanisms and existing infrastructure to deliver reductions at pace, rather than relying solely on new infrastructure being built or deployed on long lead times. The EPA's own projections support prioritising continued, and strengthened, policy support for exactly these levers over the pathways currently running behind schedule.

Question 2: Among the measures identified in Climate Action Plan 2024 and Climate Action Plan 2025, which do you consider the highest priority to close the gap to 2030?

DCC Energy considers three measures identified across Climate Action Plan 2024 and Climate Action Plan 2025 to be of the highest priority in closing the gap to 2030.

1. The first is action TR/25/21, which commits to developing a detailed understanding of HVO availability and use in the heavy goods freight sector. DCC Energy believes this assessment should now be translated into implementation. With only 0.4% of Ireland's approximately 52,000-strong HGV fleet projected to be electric by 2030, HVO represents the only measure capable of delivering meaningful emissions reductions from this fleet within the current decade. The existing carbon tax relief for biofuels provides a useful foundation, but DCC Energy notes that it does not close the price gap, which is further exacerbated by HVO's exclusion from the Diesel Rebate Scheme.

Further to this, the report titled 'Hierarchy of Use of HVO Across Transport and Other Economic Sectors', commissioned by the Department of Transport from Ricardo Energy & Environment (published June 2026), places heavy goods and heavy-duty vehicles second only to aviation in terms of priority sectors. In it, the Government's own modelling confirms there is no near-term alternative fuel, other than HVO, to help achieve Ireland's climate targets.

Given HVO W is a renewable, drop-in substitute for fossil diesel that can immediately be used in existing diesel engines and infrastructure, DCC Energy would therefore welcome a commitment to supporting its use in the next Climate Action Plan. We ask that DCEE, along with the Departments of Finance and Transport, assess the introduction of a 12.5c/L repayment on the non-carbon component of the Mineral Oil Tax (MOT) for RED III-compliant HVO W used in qualifying HGVs.

2. The second priority, in DCC Energy's view, is delivery of the National Biomethane Strategy and finalisation of the Renewable Heat Obligation Bill (RHO), which it believes should be treated as a near-term priority rather than a medium-term undertaking. The target of 5.7 TWh of indigenous biomethane by 2030 requires rapid scaling of a sector that Climate Action Plan 2024 itself describes as nascent, and DCC Energy is directly invested in this outcome through Flogas's 255 GWh per annum partnership with Nephin Energy, one of the largest private biomethane investments in the State. This is complemented by a further Flogas agreement with College Group, under which some 26 GWh per year of biomethane produced from agri-food waste at College Group's facility in Nobber, Co. Meath, will be used to help decarbonise Ireland's transport sector, an estimated annual saving of some 6,637 tonnes of CO_2, equivalent to removing around 114 HGVs from Irish roads. Taken together, these agreements demonstrate DCC Energy's commitment to the indigenous biomethane sector. DCC Energy notes that this investment is being committed now, against a backdrop of continuing EU-level uncertainty following the removal of the domestic biomethane multiplier.

As the RHO Bill is being finalised, it will be important that the treatment of imports does not favour lower-cost imported supply to a degree that places existing offtake arrangements under pressure or undermines the investment case for new Irish projects. DCC Energy would welcome clarity on how the scheme can provide access to UK imports, while preserving a credible market signal for indigenous production.

DCC Energy would also seek to highlight the need for greater clarity for the nascent biomethane market in Ireland, on the terms and conditions governing how imports will be managed in practice, and in particular on how NORA will verify whether imported volumes have, or have not, benefited from an operational subsidy in their country of origin.

3. The third priority for DCC Energy is enactment of the Private Wires Policy Framework, committed under the Climate Action Plan 2024 action EL/24/9, which is due for publication before year-end. DCC Energy's assessment, based on its own experience in renewable energy deployment, is that the benefits associated with this framework, namely faster connection timelines and more bankable renewable energy projects, will only be realised where the legislation is accompanied by sufficient regulatory capacity to implement it. DCC Energy would like to see the Private Wires Bill progressed to enactment and commencement as quickly as possible to provide the earliest possible legislative certainty for renewable energy developers and investors.

Question 3: In the key sectoral areas identified (Electricity, Transport, Industry, Buildings, Agriculture and Land Use), what additional actions to those already in CAP 24 and CAP 25 could, in your view, accelerate delivery in these areas?

Transport

Of all the measures raised in this submission, achieving price parity between diesel and waste-based HVO for HGV operators is DCC Energy's single highest priority. HVO White is already fully RTFO-compliant and carries no carbon tax liability, reflecting Government's own recognition of its role as a renewable transport fuel. However, HVO remains excluded from the Diesel Rebate Scheme, which rebates a portion of auto-diesel excise duty to licensed hauliers. As a result, hauliers face an effective price disadvantage of approximately 12.5 to 17 cent per litre when choosing HVO over diesel, despite the same underlying excise duty rate applying to both fuels. Government can address this gap through a targeted repayment of 12.5c/L on the non-carbon component of Mineral Oil Tax (MOT) for RED III-compliant HVO W used in qualifying HGV operations.

For a single HGV using 30,000 to 40,000 litres of fuel annually, this equates to an additional cost of approximately €3,750 to €5,000 per year; for a ten-vehicle fleet, €37,500 to €50,000 per year, a cost that is not viable for hauliers operating on low margins. DCC Energy is asking Government to introduce a repayment of 12.5 cent per litre on the non-carbon component of the

MOT for RED III-compliant HVO W used in qualifying HGVs, closing the current price gap to support decarbonisation of HGVs in Ireland. This would be a narrowly targeted, cost-effective intervention: applied across Ireland's approximately 52,000-strong HGV fleet, it could save more than 2 million tonnes of CO2 annually (equating to ~20% reduction of Ireland's overall transport emissions), using vehicles and fuelling infrastructure already in place, with no new capital investment required by hauliers.

This case is strengthened by the aforementioned Ricardo Energy & Environment Report commissioned on behalf of the Department of Transport which places HGVs and HDVs second only to aviation in its proposed allocation of global HVO supply, with this sector having "the weakest electrification prospects to 2030," projecting only around 200 electrified HGVs by that date against hundreds of thousands of electrified passenger cars. It also finds that FAME cannot fill the diesel blending mandate alone due to its technical blend limit, and that other alternatives, including bioethanol, RFNBOs and hydrogen, are either capped or not commercially viable by 2030: HGV operators have no real substitute to switch to if the price premium on HVO remains. The report's modelling further shows that changes to certification schemes have only a limited effect on overall HVO demand, confirming that the barrier to HGV decarbonisation is price, not a lack of supply-side policy tools, which is precisely what our excise duty recommendation addresses.

DCC Energy considers Budget 2027 the appropriate vehicle for this change, and would encourage Government to pair the assessment already underway under action TR/25/21 with a concrete excise duty measure, so that this recognised opportunity is translated into delivered emissions reductions without further delay.

Electricity

DCC Energy recommends amending section 37A(2)(b) of the General Scheme of the Private Wires Bill, which as drafted limits a self-supplying customer to serving only one additional customer on a contiguous premises. Allowing a single renewable generator to supply multiple customers, subject to CRU oversight, would open up clustered-demand and energy-sharing arrangements that the current drafting prevents. DCC Energy also encourages the Government to address barriers concentrating corporate power purchase agreement uptake among large enterprises. Drawing on Flogas's experience delivering PPAs to over 40 customers in Ireland and Northern Ireland, DCC Energy notes that Ireland's target of 15% of electricity demand covered by PPAs by 2030 is not segmented by buyer size, and that in practice SMEs face disproportionate barriers, including credit requirements, contract complexity and limited access to aggregation. DCC Energy recommends a one-stop-shop providing practical PPA guidance for SMEs, together with specific measures to track and increase SME participation. Government should also support aggregation and multi-buyer PPAs, which allow smaller businesses to pool their electricity demand, and examine whether guarantee or risk-sharing arrangements are needed where credit requirements prevent SMEs from entering PPAs.

Question 4: In addition to the priority areas you have already identified in previous questions, which other areas should this update to the Climate Action Plan focus on?

Beyond the priorities addressed above, DCC Energy would highlight two further areas. The first is delivery and implementation capacity, which DCC Energy believes should be treated as a distinct workstream in its own right, rather than assumed as a by-product of policy design. Drawing on the specific examples set out in our answers to Questions 2 and 3, DCC Energy's assessment is that the barriers to faster delivery are rarely a matter of insufficient policy ambition, and are more often a function of constrained regulatory approvals, particularly around network connection and market oversight processes, underdeveloped market infrastructure for smaller participants, as in the case of PPAs, and an absence of durable legal certainty at EU level, as in the case of biomethane under the Renewable Energy Directive. DCC Energy considers this consistent with the Department's own characterisation of this update as an implementation-focused plan.

The second area DCC Energy would highlight is energy security and system resilience. As the consultation's background material identifies energy security as a specific consideration for this update, DCC Energy believes it merits explicit treatment as a standalone theme rather than being addressed only indirectly through individual sectoral measures. Ireland's lack of direct pipeline interconnection with the continental European gas network, together with the need to accommodate increasing levels of intermittent renewable electricity generation, reinforces the importance of a diverse and flexible energy system. Measures such as supporting indigenous biomethane production, promoting the buildup of secure and diversified supply chains for lower-carbon fuels such as HVO and bio-LPG, accelerating the deployment of private wires, and enhanced subsidies for combining solar installations with battery storage would strengthen security of supply while also reducing emissions. Battery storage can maximise the use of locally generated renewable electricity, reduce pressure on the grid and provide greater resilience during periods of peak demand or constrained supply. DCC Energy recommends that the next Climate Action Plan explicitly recognise these complementary solutions through a coordinated policy approach that advances decarbonisation, energy security and system resilience together.

Question 5: The Joint Oireachtas Committee on Climate, Environment and Energy published a Report on Barriers to Achieving Climate Targets (2026-30) in February. Do you agree with the findings of this Report? What other barriers to achieving the climate targets, if any, would you identify? How best can the identified barriers be addressed?

DCC Energy broadly agrees with the findings of the Joint Committee's report, and in particular with three barriers it identifies that correspond directly to the priorities set out in our earlier answers.

First, the Committee's finding that there is *"no clear pathway to decarbonise the Heavy Goods Vehicles fleet and associated measures"* mirrors DCC Energy's own position that HVO is currently the only measure capable of delivering meaningful emissions reductions from this fleet before 2030. We would also note that the Committee's separate finding on construction, that *"supports [are] needed for EVs, Battery Energy Storage Systems and HVO-based equipment as alternatives to diesel powered units,"* further confirms that HVO's relevance extends beyond road transport into off-road and site-based applications. This is now further corroborated by the Ricardo Energy & Environment Report published by the Department of Transport, on the Hierarchy of Use of HVO report (June 2026), which independently confirms there is no near-term alternative fuel available for HGVs. This is why DCC Energy believes the need for a repayment on the non-carbon component of the Mineral Oil Tax (MOT) is necessary, as set out in our answer to Question 3.

Second, the Oireachtas Committee highlighted "*delays in biomethane production via anaerobic digestion, attributed to prohibitive capital costs, a lack of information and uncertainty of Government supports".* This is consistent with DCC Energy's assessment that Ireland's biomethane sector remains nascent and requires a clearer, more durable policy signal to scale at the pace the National Biomethane Strategy requires.

Third, the Committee's finding that "regulatory restrictions on private wire connections could constitute a barrier to renewable deployment, preventing direct connection between generation and nearby demand and increasing pressure on the public grid" reflects DCC Energy's own experience, and supports the case for enacting the Private Wires Bill with the amendment to section 37A(2)(b) set out in our answer to Question 3.

In terms of additional barriers, DCC Energy would note a structural gap in the report itself insofar as heat is not treated as a distinct sector, despite buildings being one of the six areas this update is seeking views on. Biomethane appears only once, from the production side (barrier 12), with no treatment of the demand side, namely the delays in finalising the Renewable Heat Obligation Bill, which is required to create a market for that production. This gap extends to renewable fuel recognition more broadly with BioLPG already being recognised under the RHO, yet its role is not reflected elsewhere in Ireland's climate and energy policy architecture, creating uncertainty around investment into rural and off-gas-grid decarbonisation.

On how these barriers are best addressed, DCC Energy's recommendations include enactment of the Private Wires Bill together with adequate resourcing of the CRU; timely finalisation of the Renewable Heat Obligation Bill alongside a formal RED IV negotiating position securing transitional flexibility for Ireland's biomethane sector; a targeted, cost-neutral fiscal measure in Budget 2027 to close the HVO to fossil diesel price gap for hauliers; and the introduction of a one-stop-shop model and segmented targets to broaden small and medium enterprise participation in the corporate power purchase agreement market.

Question 6: The principles of a Just Transition (evidence-based and structured; skills and opportunity; fair sharing of costs; social dialogue and lived experience) are explained by the Just Transition Commission. What are your views on how these principles can be incorporated into the next CAP or climate action more generally?

DCC Energy welcomes the Just Transition Commission's recommendation that CAP26 embed just transition as a systematic, evidence-based feature of climate policy rather than a standalone or regional programme. Reflecting the Commission's four principles, DCC Energy would offer the following views.

On evidence-based and structured decision-making, DCC Energy agrees with the Commission's assessment that Ireland currently lacks a consistent evidence base for demonstrating who bears the costs and benefits of the transition. DCC Energy's own submissions on this consultation have sought to reflect that standard: our analysis of the effective price gap between HVO and diesel for hauliers, for example, is built from granular, transaction-level cost data rather than high-level assumptions. DCC Energy would encourage the Government to draw on this type of operational, market-level evidence when designing fiscal and regulatory measures, so that interventions are calibrated to the real financial position of those expected to make the transition, rather than an average that may not reflect the experience customers.

On skills and opportunity, DCC Energy considers that its investment in Ireland's indigenous biomethane sector, including Flogas's partnerships with Nephin Energy and College Group, illustrates how climate policy can generate new rural livelihoods and diversification opportunities rather than simply imposing new obligations. This is consistent with the Commission's recommendation that the agriculture and land use sector be prioritised for a structured national just transition dialogue, given the scale of change anticipated there.

On the fair sharing of costs, DCC Energy's central concern is that the cost of decarbonisation should not fall disproportionately on those least able to absorb it. The lack of cost incentives to switch to renewable fuels is a clear example: without a narrowly targeted excise measure to close the 12.5 cent per litre gap, the cost of switching to a lower-emission fuel falls hardest on low-margin hauliers, precisely the type of outcome the Commission's shared costs principle is designed to prevent. DCC Energy would encourage Government to apply this equity-focused approach to fiscal design across all sectors, including heat decarbonisation. Rural and off-gas-grid households often face higher costs and fewer practical options for decarbonising heat, particularly where full electrification is not affordable or technically straightforward. ESRI research finds that over 40% of homeowners are highly unlikely to undertake a deep retrofit or switch to a heat pump, with 21% considering themselves to have already completed any renovations they intend to make and a further 23% content with their home as it is. A technology-neutral approach that gives parity of support to renewable liquid gases such as BioLPG and HVO to replace heating oil (kerosene), alongside heat pumps, would help ensure the cost of the transition is shared fairly, while offering a viable pathway for this substantial cohort unlikely to pursue retrofit or electrification.

On social dialogue and lived experience, DCC Energy's positions throughout this submission are informed by direct engagement with hundreds of thousands of customers across heating, transport, industry and power generation, across a broad range of energy products and solutions. This engagement provides direct insight into the practical and financial realities of the transition: customers are experiencing higher energy and fuel costs while also being asked to fund substantial investment in new vehicles, heating systems, building upgrades, renewable generation and supporting infrastructure. For a significant portion of households and businesses, the preferred transition solution is not yet technically suitable, operationally practical or affordable.

DCC Energy therefore recommends that policy development gives greater weight to customers' lived experience, affordability and ability to invest, and supports a flexible, phased transition that enables customers to significantly reduce their emissions through practical steps rather than requiring an immediate shift to solutions that remain beyond their reality.

By supporting a range of lower-carbon solutions that are available and scalable today, this approach would also accelerate progress towards Ireland's national climate targets, rather than deferring achievable emissions reductions while waiting for optimal long-term solutions that may take years to become affordable and widely accessible. We need to use all the tools in the tool-box to address this climate crisis.

Question 7: The National Adaptation Framework and the Sectoral Adaptation Plans have been published. To what extent should further climate change adaptation measures be included in the next CAP?

DCC Energy's expertise and the positions set out in this submission relate primarily to mitigation rather than adaptation, and we would defer to sectoral and local authority stakeholders with direct expertise in climate resilience planning on the substantive content of further adaptation measures.

We would, however, note one point of relevance from an energy system perspective. Diversified and indigenous generation, including biomethane production and distributed renewable generation enabled through private wires, reduces reliance on imported energy and centralised grid infrastructure. This in turn strengthens the resilience of energy supply during extreme weather events or other disruptions. Similarly, HVO Static is already relied upon to provide backup power for critical infrastructure, including data centres and pharmaceutical facilities, during periods of grid instability. DCC Energy would encourage the next Climate Action Plan to recognise the associated-benefits, such as measures designed primarily for decarbonisation, that can also strengthen energy system resilience. This is not a substitute for a dedicated adaptation framework informed by sectors with direct expertise in that area, but a complementary benefit worth recognising. Rural and off-gas-grid communities are often more exposed to disruption from severe weather events and have fewer practical alternatives when

energy systems are affected. These communities would also benefit from continued diversity of heating fuel supply, including LPG and BioLPG, alongside electrification.