



Ref: SR2011161

4 August 2011

Ms. Mary Maguire,
Meetings Administrator
Corporate Services Department,
South Dublin County Council
County Hall,
Tallaght,
Dublin 24

Dear Ms. Maguire,

I refer to your recent correspondence regarding the Government's policy on geothermal and wind energy.

The Geothermal Energy Development Bill currently being drafted by my Department will provide for the licensing of companies to explore for and develop deep geothermal resources. The prospects for deep geothermal electricity in Ireland are being investigated by several companies. The introduction of the overall licensing framework is designed to support the development of geothermal potential.

Companies who are interested in developing geothermal sources for generating renewable electricity have signalled the need for a REFIT tariff for electricity from geothermal sources to underpin future project viability. My Department, together with the Sustainable Energy Authority of Ireland, are currently assessing the technical and economic feasibility of deep geothermal generation in an Irish context and any possible decision on supporting new technologies can only be considered when such information is available.

I would refer you to Ireland's National Renewable Energy Action Plan which contains many elements relating to wind energy. The plan is available on the Department's website:

<http://www.dcenr.gov.ie/Energy/Sustainable+and+Renewable+Energy+Division/>

sets out in detail how we intend to achieve our ambitious target of 40% of our electricity consumption from renewable sources by 2020.

The Irish Transmission System Operator, EirGrid, is involved in detailed examination of the issues and is pioneering several renewables facilitation studies with a view to ensuring the appropriate management of the grid and

stability of the electricity system during this transition. The all-island Single Electricity Market, overseen by the regulatory authorities North and South, is evolving continuously to take account of the growth in renewable energy.

In order to increase the amount of renewable generation in the country and feed the electricity produced into the national grid, it is necessary to have conventional generation plant (including gas plant) as backup. This is necessary for the security and stability of the grid. Given that wind is expected to make up most of the renewable portfolio, the amount of conventional capacity must be adequate to ensure a reliable power supply for those hours when wind generation output is low.

The Gate processes in place by the Commission for Energy Regulation and Eirgrid will ensure that sufficient renewable generation will be available for the achievement of our target.

I trust this information is of some assistance and clarifies the current position.

Yours sincerely,

A handwritten signature in black ink that reads "Pat Rabbitte". The signature is written in a cursive style with a distinct flourish at the end.

Pat Rabbitte T.D.

Minister for Communications, Energy and Natural Resources