



12<sup>th</sup> December 2021

Miriam Reilly  
Meetings Administrator  
Corporate Services Department  
South Dublin County Council  
County Hall, Tallaght,  
D24 YNN5

Dear Ms Reilly,

Thank you for your correspondence informing me of the motion, expressing concerns about the ongoing development of data centres, agreed by South Dublin County Council at its meeting on 13<sup>th</sup> October.

While I note the view of the County Council, however I understand that the CRU, which is responsible for regulating energy and water in Ireland, will not be imposing a moratorium at this time, and deemed that such an approach did not represent a suitable response. Alternatively, the CRU outlined an approach to data centre connection applications that will now include assessment criteria encompassing location and the ability to contribute to security of supply.

There have been significant policy and market developments with implications for the data centre sector in Ireland since the publication of the 'Government Statement on the Role of Data Centres in Ireland's Enterprise Strategy' in summer 2018. The Statement sets out the strategic importance of data centres to Ireland's overarching enterprise policy and attracting foreign investment in the ICT sector. It was a product of its time and my Department is committed to revising it to reflect the new enterprise context and align with our renewable energy targets and priorities set out in Climate Action Plan 2021.

Developments such as Egrid's 'Shaping our Electricity Future' analysis; the recent Commission for Regulation of Utilities (CRU) direction on data centre connection policy; as well as our carbon budgets and forthcoming sectoral emissions ceilings; can all be usefully reflected in this revised Statement on enterprise policy on data centres.

The Department of the Environment, Climate and Communications are also undertaking a review of wider Security of Supply issues in the energy sector. This review of security of energy supply of electricity and natural gas systems focuses on the period to 2030 in the context of ensuring a sustainable pathway to 2050. The review will inform future policy in relation to electricity policy including grid connection, natural gas supplies, electricity interconnection, emergency reserves & other measures that would enhance security of supply.

Data centres are core infrastructure for the digital economy and act as a hook for further investment and job creation. More than 20,000 direct jobs in the Irish economy are supported by those who operate large data centre infrastructure here. The technology sector in Ireland employs in excess of 150,000 people, and this is growing.

The important economic and societal role of data services such as video calls, streaming services, and other remote work technology has become ever more apparent during the COVID-19 pandemic. Data centres securely store and manage the data which keeps much of our information-based economy and society moving. These investments underpin the digital economy in which data is the key asset.

I trust that this information is useful to members of South Dublin County Council.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Leo Varadkar', written over a horizontal line.

Leo Varadkar T.D.

Tánaiste and Minister for Enterprise, Trade and Employment