



**Liquid Gas Ireland Submission
to DECC's Energy Poverty Action Plan
Monday, 5 September 2022**

***this document follows the format of the Online Consultation Questionnaire**

About you

Name: Liquid Gas Ireland (LGI)

LGI is the association representing companies operating in the LPG and BioLPG industry in Ireland. Members include LPG and BioLPG producers, distributors, equipment manufacturers, and service providers. Our mission is to ensure that policy makers continue to recognise LPG and BioLPG as the cleaner, versatile, and alternative lower carbon energy of choice for off-grid energy users in the residential, commercial, industrial, agriculture, leisure, and transport sectors in Ireland. LGI is committed to working with consumers, stakeholders, and policymakers to support Ireland's goal to tackle air quality, drive decarbonisation and achieve net zero emissions by 2050.

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For further updates, you can find us on social media on our [Twitter](#) and [LinkedIn](#).

Consultation Questions

Q1. What further action could be taken to alleviate energy poverty through home energy upgrades? Please provide any relevant analysis or research to support your suggestions.

According to the latest findings from TASC (Think-tank for Action on Social Change), one in five people are living in energy poverty in Ireland. Furthermore, the Economic and Social Research Institute (ESRI) found energy poverty was affecting an estimated 29% of households.

Fuel poverty is an increasingly insidious threat to many individuals and families. Energy price inflation has rocketed over recent months. Deeply exacerbated by the ongoing Russian conflict with Ukraine, Governments are restricted in what they can do to control prices in the short to medium term.

Direct payments to consumers to soften the impact of spiralling domestic bills appears to be under consideration by Government again. However, other than this and an increase in targeted social welfare payments such as the fuel allowance, there is no easy solution.

Liquid Gas Ireland (LGI) and its member companies can help to combat energy poverty by supplying cleaner, lower carbon and more affordable energy to homes and communities that are not connected to the natural gas grid.

The 'one size fits' all option of the Government's retrofit scheme which favours heat pumps is an expensive exercise when compared to the installation of LPG boilers. This is very apparent from even the most cursory examination of the figures. For an average older rural home, the cost of a heat pump coupled with the deep retrofit required to implement the necessary energy efficiency upgrades, could be up to €60,814, according to SEAI. In comparison, a new LPG boiler can be installed for €5000.

A cheaper and more equitable solution, especially for off gas-grid rural Ireland, would be the introduction of an oil boiler/oil tank scrappage scheme for consumers who switch from oil to LPG.

This once-off incentive should be established to support the transition away from high-carbon fossil fuel infrastructure to low-emission ready heating systems – such as LPG and BioLPG enabled boilers. This will provide consumer choice and affordability to homes and businesses particularly across rural Ireland who are under pressure to decarbonise their heating systems. By conducting a targeted upgrade of oil boilers to LPG and BioLPG enabled boilers, homes will be in a position to stave off the societal and health impacts of energy poverty as well as ensuring BER improvements.

It should also be noted that BioLPG is a renewable alternative to LPG and is identical in its chemical structure to conventional LPG. It is a flexible drop-in fuel, making it easy for a conventional LPG user to switch to a renewable alternative. It can be used in existing gas boilers, making the switch to a renewable heating source more affordable.

LGI calls on the Government to adjust its sights through the introduction of this incentive. Such action will encourage a 'mixed technology' approach to a 'just transition' towards decarbonisation and could play a role in tackling fuel poverty.

Q2. What further action could be taken to alleviate energy poverty in the rental sector? Please provide any relevant analysis or research to support your suggestions.

In the majority of cases, private renters do not have the authority, or access to grants to make changes to their homes to ensure greater energy efficiency, those on low incomes are placed under the financial burden of heating often inefficient homes as well as lacking equivalent access to incentives such as retrofitting.

To encourage the uptake of energy improvement measures, landlords whose properties may not require extensive work, should be encouraged by the Government to invest in "low hanging fruit" measures.

This can be achieved through awareness raising campaigns on the benefits of LPG and BioLPG as renewable home heating sources. LGI would like to reiterate that these heating options play an important role in improving the health of communities and homes across Ireland and should be prioritised by the Government in assisting with energy poverty reduction targets.

Q3. In the areas of energy prices, meeting the cost of energy and consumer protection, what further action could be taken to alleviate energy poverty? Please provide any relevant analysis or research to support your suggestions.

Much of the current price inflation is being driven by external factors relating to supply. This disproportionately impacts on low-income households and is driving many towards energy poverty. Such external factors do not impact on the supply of LPG and BioLPG. This is yet another argument in favour of Government policy supporting easier access to these fuel sources.

Ireland's supply of LPG and BioLPG is secure and unlikely to be impacted by the aforementioned external factors. Therefore, both fuels are a reliable source of greener energy for home heating and industrial processes like water heating, cooking, and food processing. All of which are factors that suffer once energy poverty increases.

The Government must increase the diversification of energy supply to include a greater proportion of renewables, thus reducing reliance on fossil fuels, behavioural and regulatory barriers to energy bills and therefore alleviating energy poverty. LPG and BioLPG can provide an appropriate pathway for this measure.

A switch to LPG would have an immediate, lasting impact on energy poverty in Ireland and support the objectives of the Government's energy poverty strategy.

Q4. In the area of governance, research, measurement and evidence, what further action could be taken to alleviate energy poverty? Please provide any relevant analysis or research to support your suggestions.

Communities need affordability and choice in order to be able to continue their decarbonisation journey and address crippling energy poverty concerns. LGI are of the view that a mixed technology approach is imperative in this regard.

Although it has been acknowledged that heat pumps are critical for decarbonising space heating, limited real-world implementation and lack of reporting have resulted in ineffectiveness of policies (Abbasi et al., 2021). Space heating decarbonisation in residential dwellings is complex as it directly impacts consumers. Hence, empirical evidence is critical to address social factors such as consumer experience, transition disruptions, and fuel poverty (Abbasi et al., 2021).

Q5. Please also provide any additional relevant information or views that you would like to submit.

Renewables are valued as the main measure to alleviate energy poverty in remote areas not having access to modern energy services (Boemi et al., 2020; Chakravarty & Tavoni, 2013; Zerriffi and Wilson, 2010).

In addressing energy poverty, it is important that the Government does not pick winners. For example, heat pumps and deep retrofits over other forms of technology. A mixed technology approach is the most equitable and sensible output in the context energy poverty and achieving a Just Transition.

LGI look forward to engaging with Government and energy sector stakeholders in the coming weeks and months on the development of Ireland's Energy Poverty Strategy and the role that LPG and BioLPG can play.

ENDS
05.09.22

