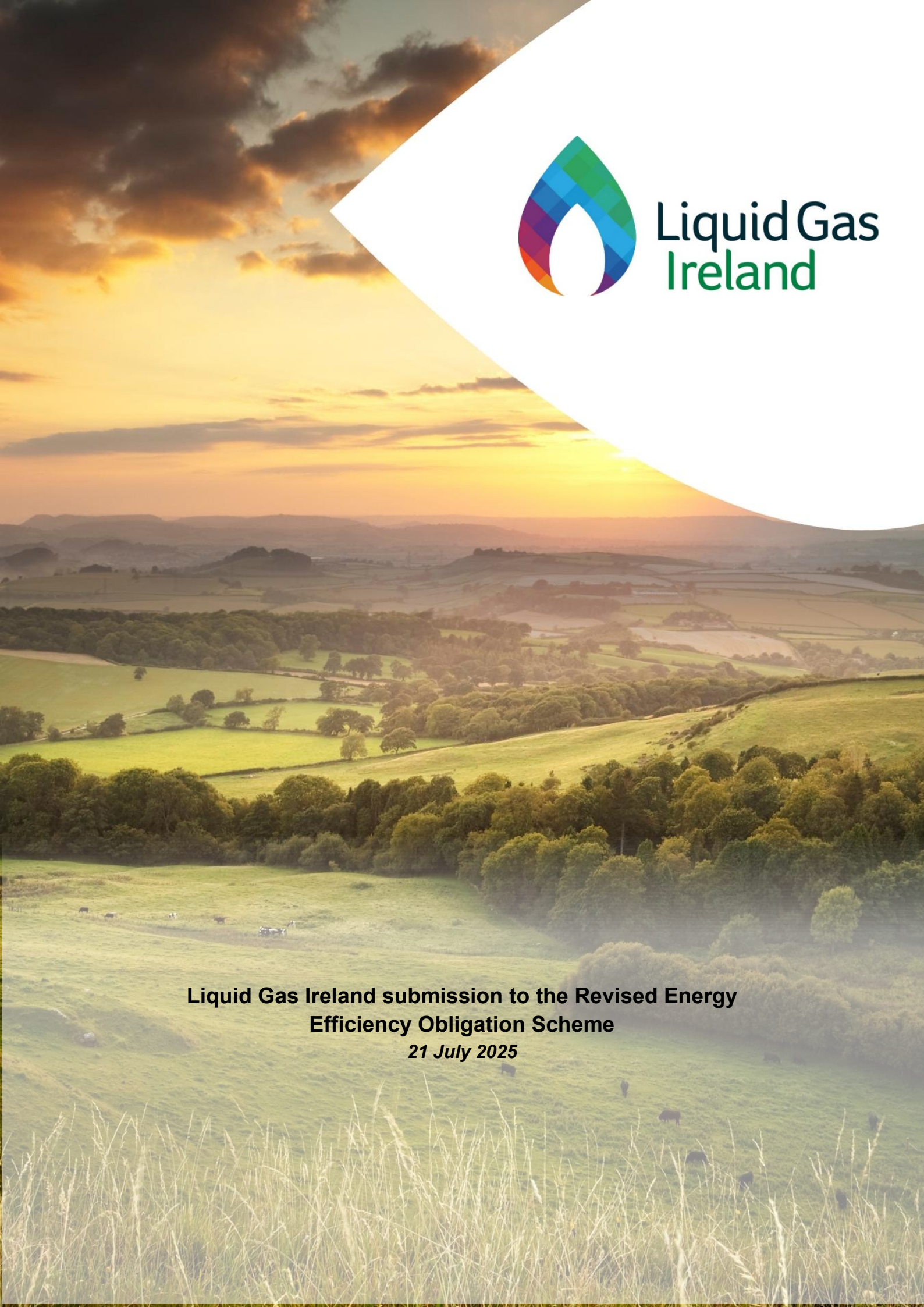

Liquid Gas Ireland

Liquid Gas Ireland submission to the Revised Energy Efficiency Obligation Scheme

21 July 2025

Energy Efficiency Obligation Scheme: Online Public Consultation
Liquid Gas Ireland submission

Question 1

Do you agree with the proposal that the EEOS moves from contributing 60% of the current EED target to 45% of the recast EED target?

Yes

No

Don't know/ No strong opinion

Please provide reasons to support your response.

Liquid Gas Ireland (LGI) supports the proposal to move the Energy Efficiency Obligation Scheme (EEOS) to 45% of the recast EED target. While this does constitute an increase from the current 41% share of the recast target, LGI supports the ambition to enhance energy efficiency in line with Ireland's climate objectives and believe this is a fair measure considering the pressures of the recast EED target.

As the consultation report shows, maintaining the 60% share of the EED target would be a substantial increase and a sharp rise in energy credit prices could place additional financial pressure on obligated parties. Such an outcome would undermine a just transition for rural Ireland and hinder progress on decarbonisation by making low-carbon energy solutions less affordable and accessible.

The energy sector is also facing a range of additional obligations, many of which will further contribute to rising costs for both consumers and businesses. As new requirements are considered, it is essential that policymakers take into account the broader impact on the cost of doing business and the affordability of energy for consumers.

Question 2

Are you in agreement with relaxing the 100 kWh/m2/year minimum uplift requirement for residential savings where the package of actions includes either a heat pump (HP) or external wall insulation (EWI), including where the package consists of one of these as a single action?

Yes

No

Don't know/ No strong opinion

Please provide reasons to support your response.

Liquid Gas Ireland opposes the proposal to relax the 100 kWh/m²/year minimum uplift requirement for residential savings where a heat pump or external wall insulation (EWI) is included, including when these are installed as single actions. While we recognise the intention to encourage uptake of these reduced carbon technologies, this relaxation risks undermining the effective delivery of energy efficiency improvements in rural and off-grid homes.

Rural homes often face unique and compounded challenges when it comes to energy upgrades. These properties are typically older, have limited access to grant funding, and incur significantly higher

retrofitting costs due to the scale of work required. In particular, the installation of heat pumps often necessitates deep retrofitting and substantial insulation improvements—costs that can exceed €60,000 and are out of reach for many households. An independent study conducted by Gemserv on behalf of LGI reinforced the challenges associated with deep retrofitting for rural homes but also highlighted that meaningful energy efficiency improvements can be achieved through more cost-effective alternatives. The study examined a typical 1970s rural bungalow with a D1 BER rating and found that, by installing a renewable-ready gas boiler, undertaking targeted fabric upgrades, and adding solar PV, the home could be brought to a B2 rating for just over €11,000—demonstrating a more practical and affordable pathway for many households.[1]

Relaxing uplift requirements may also result in only partial or shallow upgrades, delivering limited energy savings and carbon reductions while failing to address the structural inefficiencies typical of rural housing stock. In such cases, heat pumps may require significantly more energy to operate effectively—particularly in poorly insulated dwellings—leading to higher energy costs for consumers and widening the energy poverty gap in rural and low-income areas. This approach risks undermining Ireland's long-term energy efficiency targets and compromises the goal of a just and equitable transition to sustainable decarbonisation.

Question 3

Do you agree with the proposed changes to the conditions for achievements of credits under the energy poverty sub-target i.e. removing the D2 to B2 requirement and aligning energy poverty credit criteria with residential energy credit criteria such that there is instead a minimum uplift of 100 kWh/m2/year (with a derogation for packages with a heat pump or external wall insulation)? In this scenario the energy poverty ownership criteria would remain unchanged.

Yes

No

Don't know/ No strong opinion

Please provide reasons to support your response.

Liquid Gas Ireland does not support the proposed changes to the conditions for achieving credits under the energy poverty sub-target. While we acknowledge that aligning credit criteria with broader residential targets may enable a greater number of homes to qualify for retrofitting and simplify administration, the revised minimum uplift requirement of 100 kWh/m²/year remains a significant barrier for energy-poor households—particularly those in rural areas that are off the natural gas grid.

These homes are typically older, less energy-efficient, and require deeper, more expensive retrofits to meet the uplift threshold—costs that can exceed €60,000 in some cases. Access to grant funding in these areas is limited, and the financial burden of achieving compliance is often prohibitive for low-income households. As a result, the proposed changes risk excluding many rural consumers from qualifying measures and could inadvertently worsen existing energy poverty.

[1] LGI – 2023, Making the 'Just Transition' more sustainable for rural Ireland

Without tailored supports or the recognition of lower-cost alternatives, the current proposal may undermine the equity goals of the scheme and further disadvantage those already most vulnerable to high energy costs.

A more flexible and inclusive approach such as recognising mixed-technology solutions like LPG and BioLPG would offer a more practical and cost-effective pathway to decarbonisation. These technologies can deliver substantial carbon and energy savings at a fraction of the cost of deep retrofitting and are more accessible to households in off-grid rural areas. An independent study carried out by Gemserv for LGI showed that switching from an old oil boiler to an LPG system, combined with fabric efficiency improvements and the addition of solar PV, can reduce carbon emissions by as much as 70% compared to the original baseline.

Question 5

Do you agree with the proposal to allow newly obligated parties under the EEOS to buy out up to 100% of their target in the first year of their obligation and 50% in the second year of their obligation?

Yes

No

Don't know/ No strong opinion

Please provide reasons to support your response.

While LGI acknowledges the need for a phased buyout mechanism for newly obligated parties, we caution on the potential impact of the proposed buyout levels on energy credits and overall market costs. LGI recommends further impact analysis of the buyout threshold levels, to ensure a level playing field for all obligated parties.

Question 6

Do you wish to raise any issues or make any suggestions on improvements that could potentially be made, in relation to the redesigned EEOS, beyond those discussed in this document?

Yes

No

Don't know/ No strong opinion

Please provide reasons to support your response.

The liquid gas sector plays a vital role in advancing energy efficiency for rural homes and businesses, many of which face significant barriers due to the location, age and condition of their buildings, and limited access to alternative heating solutions. These properties are often older, more expensive to

heat, and more prone to energy poverty—making standardised upgrade measures, such as full electrification, impractical or unaffordable.

LGI is actively delivering energy-saving measures for rural consumers through the deployment of highly efficient, renewable-ready gas boilers. Both LPG and BioLPG offer significant emissions reductions from traditional fossil fuels. LPG combustion emits 33% less carbon dioxide than coal and 11% less than kerosene heating oil1. BioLPG reduces greenhouse gas emissions by at least 50% and up to 90% against set values of fossil fuels, in accordance with the European Union Renewable Energy Directive and is certified under the International Sustainable Carbon Certification (ISCC) scheme. These systems can operate independently or alongside heat pumps, offering a flexible, scalable pathway to improved energy performance. Such technologies are already helping rural domestic and commercial users progress on their energy efficiency journey.

The EEOS is designed to support the improve energy efficiency and reduce energy consumption, and there is a clear need for a more inclusive and technology-neutral approach in order to meet this goal. The current emphasis on heat pump-only solutions does not reflect the realities faced by many off-grid households. A mixed-technology model, incorporating renewable gas options alongside other efficient systems, is essential to delivering a fair, regionally balanced energy transition.

An independent study carried out by Gemserv for LGI found that replacing an old oil boiler with a high-efficiency LPG system, alongside modest fabric upgrades and solar PV, can cut carbon emissions by 70% and halve energy demand, at a cost of just over €11,000. This demonstrates that significant energy efficiency gains are possible without the deep retrofits often required for heat pump systems, which can cost over €60,000 in older rural homes.

To maximise the impact of the EEOS and ensure no community is left behind, LGI urges a move away from a one-size-fits-all approach based solely on electrification. A technology-neutral strategy, incorporating renewable gases and high-efficiency gas appliances alongside other low-carbon technologies, is essential to achieving a fair, inclusive, and effective energy efficiency transition across all regions of Ireland.

About LGI

Liquid Gas Ireland (LGI) is the association representing companies operating in the LPG and Renewable LPG industry in Ireland. Members include LPG and Renewable LPG distributors, equipment manufacturers, and service providers. Our mission is to ensure that policy makers continue to recognise LPG and Renewable LPG 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. Liquid Gas Ireland 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.

Contact: Alan Farrell, Senior Director of Government Affairs & Policy, Liquid Gas Ireland

Email: afarrell@lgi.ie

For further updates, you can find us on social media on Twitter and LinkedIn or visit our website www.lgi.ie.