



Powering Tomorrow

Securing Ireland's Energy Future



Attitudes to energy transition

Embracing renewable energy in Ireland presents a compelling opportunity that not only promises environmental sustainability but also holds significant potential for economic benefits.

Our research, KPMG Powering Tomorrow is the first-ever broad survey of Irish attitudes to all elements of the energy transition. Our island has everything required to become a global green energy powerhouse. The energy transition provides the exciting prospect of energy independence and the potential to transform our industrial base, generate new employment and secure prosperity.

People will be pivotal in the energy transition journey, so educating and engaging citizens and communities will be essential to get their buy-in and achieve energy independence.

This research reveals that people in Ireland are broadly committed to change and support large-scale energy infrastructure and renewable energy projects once they benefit local communities and create jobs. However, to secure Ireland's energy future and achieve energy independence, we need a compelling vision for what this will mean for people, their communities and future job prospects.

Given the new infrastructure and adaptation measures required, Ireland's energy transition will come at a financial cost. It is also clear that the impact of doing nothing far outweighs the investment required and doesn't account for the opportunities if Ireland achieves energy independence and becomes a zero-carbon economy.

Our report highlights a range of actionable insights that policymakers, energy suppliers, landowners, businesses and communities can consider. We hope that it will help all stakeholders make informed decisions about our transition to a sustainable future.

We look forward to discussing the issues and implications with all concerned.



Colm O'Neill
Head of Energy,
Utilities & Telecoms
KPMG in Ireland



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At a glance

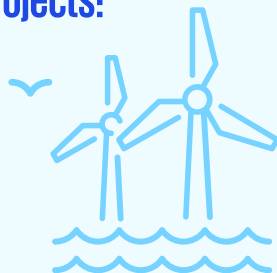
01 Accelerating energy transition



76% support renewable energy projects near their homes

Likelihood to support large-scale energy infrastructure projects:

79% offshore wind



74% onshore wind & solar energy

73% railways, business lanes & cycle lanes

Only 28% support nuclear power plants



Over 7 in 10 are more likely to support disruptive infrastructure projects if they create local jobs and support local businesses

02 Changing behaviours



Likelihood to undertake carbon-reducing activities:

83% implement home energy efficiency measures

83% minimise food waste



55% shop more sustainably

53% upgrade home energy efficiency



38% change diet

Only 1 in 5 switched energy suppliers in the last year

40% have undertaken energy efficiency measures at home over the last year

03 Driving EV adoption



6% have electric cars

50% say price is the main barrier to electric cars



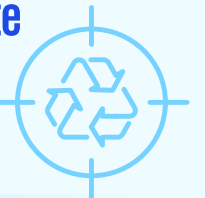
1 in 5 express an interest in switching to an electric car or van within the next five years

04 Dividing generations

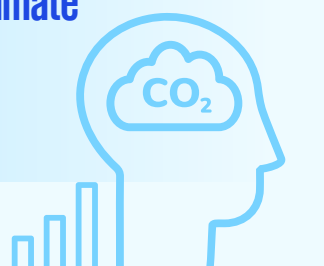


6 in 10 are concerned about the effects of climate change

Only 14% believe Ireland is on track to achieve its climate action targets

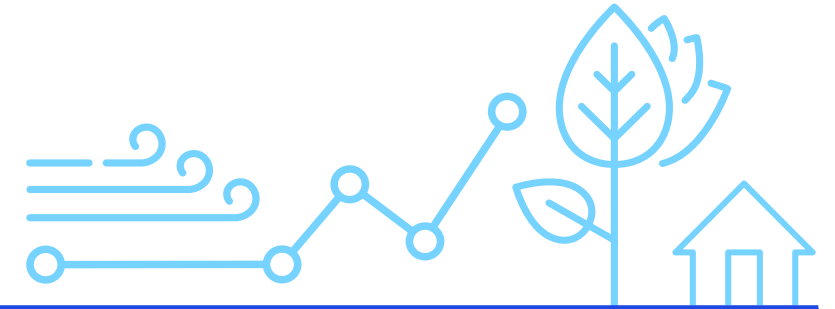


45% of those aged between 35 and 64 are unconcerned about climate change



CHAPTER 01

Accelerating energy transition



According to our research, over three-quarters (76 percent) of respondents support renewable energy projects near their homes, with even stronger backing from 18-24s (85 percent) and over 65s (82 percent).

76% support renewable energy projects near their homes

For the 1 in 10 who opposed renewable projects where they live, they cited the impact on the local landscape (60 percent), the impact on the local wildlife (50 percent) and the impact on their property (40 percent) as their main reasons for not supporting such projects.

Most (79 percent) support offshore wind energy projects, and nearly three-quarters (74 percent) endorse onshore wind and solar energy initiatives. This robust backing for renewable energy is encouraging but at odds with the slow progress of projects through planning and into construction. It emphasises the influence individuals, small groups, and campaigners opposing

projects have in the planning phase. In addition, it highlights the inadequacy of Ireland's planning laws and planning delays. We believe policymakers and landowners should consider how these large-scale infrastructure projects would benefit the greater community and how this can be best communicated.

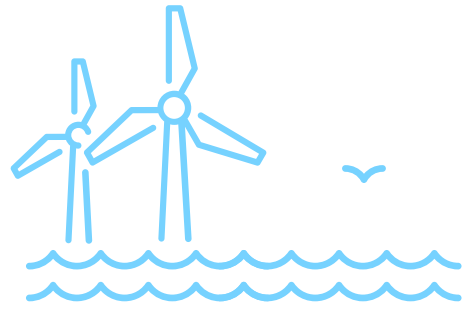
On the other hand, enthusiasm wanes for high-voltage power lines at 34 percent. This is concerning as we require significant grid investment to transport energy across the island involving a network of pylons and high-voltage lines that are crucial for the security of Ireland's energy infrastructure.

Likelihood to support large-scale energy infrastructure projects:

79% offshore wind

74% onshore wind & solar energy

73% railways, business lanes & cycle lanes

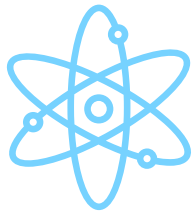


The nuclear option

During the 28th Conference of the Parties (COP 28) to the U.N. Framework Convention on Climate Change, more than 20 countries launched the Declaration to Triple Nuclear Energy. The Declaration recognises the key role of nuclear energy in achieving global net-zero greenhouse gas emissions by 2050. Endorsing countries include some of our nearest neighbours France (who we will be electrically interconnected within 2026), the Netherlands, and the United Kingdom. However, our report shows over half of respondents (51 percent) claim they would not support nuclear power plants in Ireland.



Only 28% support nuclear power plants



Community support

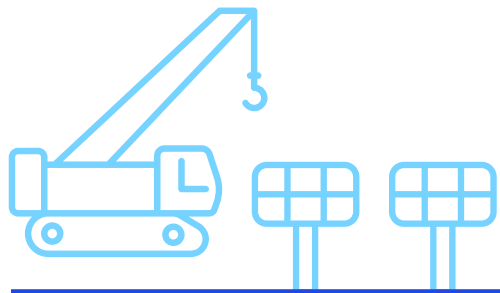
Over 7 in 10 people are more likely to support disruptive infrastructure projects if they create local jobs (75 per cent) and support local businesses (72 per cent). Support for such projects is evenly spread among various generations, with those over 65 slightly more likely to be motivated by the creation of local jobs and the support of local businesses.

A national prosperity bond

Colm O'Neill, Head of Energy, Utilities & Telecoms at KPMG, says, "While the support for large-scale energy infrastructure projects is encouraging, introducing a national energy prosperity bond would give every Irish citizen a stake in the future. It pays out in ten or 20 years and allows citizens to be part of this energy transition. Embracing such infrastructure projects in your local area has to begin at home, where opportunities and growth intersect."



Over 7 in 10 are more likely to support disruptive infrastructure projects if they create local jobs and support local businesses



Delivering on potential

According to KPMG’s Colm O’Neill, “Ireland has everything required to become a global green energy powerhouse. Our position on the northwest corner of Europe offers some of the best available offshore wind resources, while the strength of our skill base and our strong collaborative research community mean that we also have the ingenuity to capitalise on it. Ireland has offshore wind generation capacity far in excess of what we will require for domestic power, so the potential is clear. If we act quickly and with purpose, Ireland could achieve energy independence and become a hub for energy-intensive industries and a net exporter of energy.”

Irish people can also support our development as a major European energy powerhouse by backing large-scale energy infrastructure projects in their communities. Communicating the potential benefits and long-term advantages, such as job creation, improved services, and economic growth will be essential to the successful implementation of disruptive infrastructure projects. This will require in effect a national conversation on support for the construction for example of major projects such as high-voltage power lines.

James Delahunt, Corporate Finance Partner, Sustainable Futures at KPMG, believes, “Ireland could be a leader in Europe’s energy transition. Although some elements of Ireland’s renewable ecosystem are already at capacity, a mobilisation of government and industry stakeholders is required to extend this capacity to deliver Ireland’s abundant renewable potential. Collaboration with stakeholders will be key.”

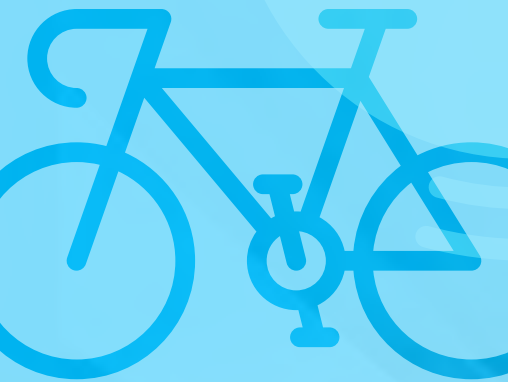


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James Delahunt
Corporate Finance Partner
Sustainable Futures
KPMG in Ireland



CHAPTER 02



Changing behaviours



There is a strong willingness among respondents to engage in carbon-reducing behaviours, with 83 percent expressing readiness to implement energy efficiency measures at home and minimise food waste to help Ireland reduce carbon emissions.

Over a half (55 percent) are willing to shop more sustainably by buying second-hand or less, while 53 percent say they would upgrade their home energy efficiency through insulation, installing new windows or solar panels. However, less than 2 in 5 (38 percent) would consider changing their diet to help reduce carbon emissions.

When asked about changing travel behaviours, over half (55 percent) would be willing to increase their use of public transport, cycling and walking, over a third (35 percent) would reduce flying, only 32 percent would purchase an electric or hybrid vehicle and less than a quarter (24 percent) would pay a premium for air travel using green fuels.

Likelihood to undertake carbon-reducing activities:

83% implement home energy efficiency measures

83% minimise food waste

55% shop more sustainably

53% upgrade home energy efficiency

38% change diet



Age matters

Interestingly, the data highlights another generational divide, with older cohorts, specifically those over 55, more likely (90 percent) to implement energy efficiency measures at home compared to younger demographics who would consider more sustainable transport options like cycling, walking, and public to reduce carbon emissions. Notably, the 18-34 age group are more likely to be renting than homeowners.

Enhancing energy efficiency

Energy efficiency at home is a topic of increasing relevance, with 2 in 5 Irish adults having undertaken some form of energy-related improvements in the last year. The 65+ age group led in adopting home modifications to enhance energy efficiency, with 40 percent having upgraded or improved elements like insulation, draught-proofing, and new windows in the last 12 months.

Despite this positive trend, the perceived high cost associated with energy efficiency measures is a significant barrier to broader adoption, with a majority (60 percent) of respondents having not implemented any energy efficient measures at home in the last year. A third say reduced fuel bills would be the main factor to motivate them to undertake energy efficiency works and home retrofits.

Additionally, the study highlights a significant awareness gap between electricity and gas prices, with only 3 in 10 (28 percent) respondents knowing the current price they pay for electricity compared to 1 in 10 who know the price they pay for gas. Meanwhile, only 1 in 5 respondents switched energy suppliers in the last year in search of better deals, which is a low level of switching considering the price escalations and variety of more attractive deals available.

Only 1 in 5 switched energy suppliers in the last year

Tackling fuel poverty

One concerning revelation from the study is that over a third (36 percent) of respondents have experienced a lack of heat or hot water in their homes due to fuel costs. Fuel poverty was higher in the C2DE social class with 42 percent stating that they had gone without heat or hot water due to cost. There is no doubt that the energy crisis accelerated fuel poverty for many Irish households since early 2023, and this is a stark finding for a relatively affluent society such as Ireland.



40% have undertaken energy efficiency measures at home over the last year





Room to improve

Ireland's housing sector comprises of 1.7 million homes, contributing significantly to the nation's energy consumption and emitting 29% of energy-related greenhouse gases. According to The Sustainable Energy Authority of Ireland, Irish homes surpass the industrial sector in emissions. The average floor area of Irish homes is larger than in other EU member states, and the emissions attributable to Irish homes are about 58% more than the average EU home.

In addressing Ireland's housing emissions challenge, Ciara Wrafter, Tax Partner at KPMG, notes, "Currently, there is a stock of residential property in Ireland that needs to be retrofitted and renovated to help meet our climate targets. The tax system can play a role by incentivising property owners to take action. Tax policy can also be a powerful tool to promote sustainable behaviour by businesses and consumers.

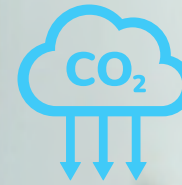
The government aims to retrofit 500,000 homes to a BER of B2 or better by 2030, addressing energy efficiency and emissions, and the focus is enhancing insulation, upgrading windows, and transitioning to non-fossil fuel-based heating systems, predominantly heat pumps.

While the average retrofit cost to the consumer (after SEAI grants) is around €40,000, the government has committed €8 billion over eight years to incentivise and facilitate the process. However, the challenge lies in rapidly scaling up retrofits, requiring increased workforce training and public awareness to meet the ambitious 2030 target. With ambitious targets and a tight timeframe, Irish homeowners and other stakeholders will need to prioritise this issue. The introduction of government-backed low-cost finance loans for home retrofits in Q1 2024 will be a welcome enabler for those looking to retrofit their home.



Tax policy can also be a powerful tool to promote sustainable behaviour by businesses and consumers.

Ciara Wrafter
Tax Partner
KPMG in Ireland



CHAPTER 03

Driving EV adoption

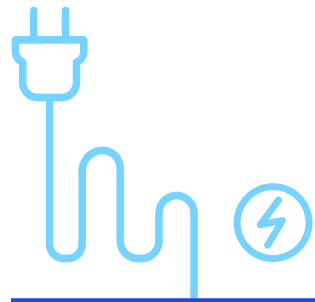


Only 6 percent of respondents have electric cars and a current snapshot of Irish attitudes towards electric vehicles (EVs) reveals a complex situation.

Nearly one-third (32 percent) have no intention of switching to an electric car or van within the next five years.

The reluctance to switch is largely down to cost (50 percent). Other contributing factors are a lack of charging points (7 percent), concerns about new technologies (6 percent) and uncertainty about potential savings (4 percent).





Making the switch

The research findings indicate a glimmer of hope for the electric vehicle market, as 1 in 5 respondents express a keen interest in switching to an electric car or van within the next five years.

Age plays a pivotal role in shaping attitudes towards electric vehicles, with nearly a quarter (24%) of respondents under 45 expressing a strong inclination towards switching to electric cars or vans in the next five years. In contrast, the resistance is more pronounced among the over-45 demographic, where nearly 4 in 10 (37 percent) will definitely not purchase electric vehicles in the next five years. Understanding and addressing the distinct concerns of these age groups are crucial for devising effective strategies to promote EV adoption.

As outlined in the KPMG's [Net Zero Readiness Report 2023](#) transport is one of the challenges facing Ireland in halving emissions by 2030. Philip Connolly, Sustainable Futures at KPMG, says, "Transport emissions rising by 6 percent in 2022 shows that even with increased sales of electric vehicles more needs to be done to offer people safe and sustainable alternatives to private cars. Cost alone is unlikely to change behaviour given that 2022 saw increased demand for petrol and diesel increasing despite high prices."



... even with increased sales of electric vehicles more needs to be done to offer people safe and sustainable alternatives to private cars"

Philip Connolly
Sustainable Futures
KPMG in Ireland





Issues to consider

While Ireland has seen a sharp rise in the number of new electric cars registered recently, the target of c. 1 million electric vehicles on Irish roads by 2030 remains ambitious. EV adoption in Ireland will become even more challenging due to the reduction in the maximum grant for an electric car from €5,000 to €3,500 in July 2023.

The cost of purchasing an electric vehicle was highlighted as a key barrier to adoption by 50% of people, new entrants to the Irish market, continued advances in battery technology, and costs reducing in the production of EVs will see cost parity with fossil-fuelled cars in a few years. The cost of running an EV compared to a conventional petrol or diesel car also must be highlighted, with a reduction in running costs of c. 75% experienced by EV drivers.



Accelerating the transition

Looking to the future, the road to widespread electric vehicle adoption in Ireland is fraught with challenges, primarily focussed on cost, charging infrastructure, and uncertainties about cost savings. Considering these challenges, Emma O’Driscoll, Audit Partner at KPMG, says, “Irish citizens will be crucial to our energy transition. Essential to this journey is educating and engaging communities to secure

their support for achieving energy independence.” To drive change, stakeholders must engage in targeted efforts to dispel misconceptions, bolster charging infrastructure, and educate people about the many benefits of EVs. By addressing these barriers head-on, Ireland has the potential to accelerate the transition to a greener and more sustainable future on its roads.



Irish citizens will be crucial to our energy transition. Essential to this journey is educating and engaging communities to secure their support for achieving energy independence”

Emma O’Driscoll
Audit Partner
KPMG in Ireland



CHAPTER 04

CO₂



Dividing generations

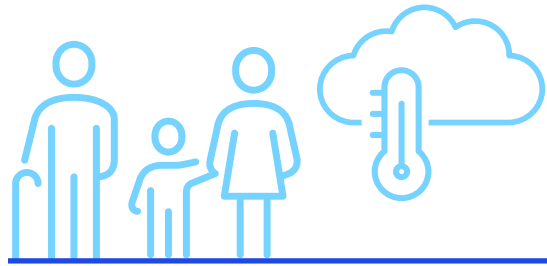


People are central to Ireland's Climate Action Plan. Diverging attitudes across generations could pose a critical risk that Ireland does not meet our decarbonisation targets to reduce emissions by 51 percent by 2030 and to reach net zero by 2050 at the latest.

Our research reveals that concerns about climate change resonate strongly among respondents, with 6 in 10 expressing worry about the effects of climate change. At the same time, 1 in 10 (14 percent) are not concerned at all. This doubt is more noticeable among those under 35 and over 65, with two-thirds exhibiting higher concerns. In contrast, 45 percent of those aged between 35 and 64 are unconcerned about climate change.

6 in 10 are concerned about the effects of climate change

Only 14% believe Ireland is on track to achieve its climate action targets



Lack of confidence

Despite this general concern, a significant majority, 61 percent of Irish adults lack confidence in Ireland's ability to achieve its climate action targets. This scepticism is particularly apparent among 45-64-year-olds, with 9 in 10 expressing doubt about Ireland's capacity to meet climate targets. Even among the more optimistic 18-34 age group, only 1 in 5 believe Ireland is on track, showcasing a prevailing lack of confidence in Ireland's climate action trajectory.

This uncertainty extends across age groups, forming a notable "C shape" pattern in opinions. The younger and older age groups recognise the urgency in addressing climate challenges, with the middle-aged population more sceptical about Ireland's ability to meet climate targets. These findings align with KPMG's concern about the lack of progress and that Ireland is not on track to achieve climate action targets.

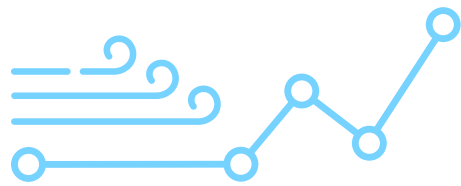
Mixed emotions

Russell Smyth, Head of Sustainable Futures at KPMG, highlights the significance of these findings, stating that the combination of concern about climate change and doubt about meeting decarbonisation targets raises questions about the perceived effectiveness of current climate policies. Smyth believes, "There is a need for transparent communication and concrete actions to instil confidence among Irish adults, educating and engaging communities about their pivotal role in Ireland's journey toward achieving net zero emissions."

Falling behind

Ireland has set ambitious 2030 emission reduction targets, but unfortunately, the latest analysis from the Environmental Protection Agency reveals a significant gap between commitment and action. Russell Smyth adds, "To achieve our emission goals, it's imperative to reduce our dependence on fossil fuels across all sectors of the economy. The key lies in actively electrifying as much of the economy as possible, establishing the necessary infrastructure for generating and transporting green electricity and replacing remaining fossil fuels with sustainable alternatives like biomethane and biofuels."





Collaboration is key

Achieving net zero in Ireland requires a collaborative effort from people, businesses, communities, and the government. People in Ireland could reduce personal energy consumption by adopting energy efficient practices at home, choosing sustainable transportation options and supporting eco-friendly and sustainable products and companies.

Businesses could implement sustainable and environmentally friendly practices within their operations and evaluate and optimise supply chains for sustainability. Communities could engage in local sustainability initiatives and projects, raise awareness about climate change and sustainable living within the community and advocate for sustainable urban planning and development. By addressing these considerations and taking proactive steps, each stakeholder group can contribute to Ireland's achievement of net zero.



There is a need for transparent communication and concrete actions to instil confidence among Irish adults”

Russell Smyth

Head of Sustainable Futures
KPMG in Ireland



Methodology

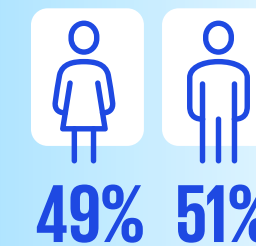
KPMG Powering Tomorrow is a survey of Irish peoples' attitudes to all elements of the energy transition.

It was conducted via RED C to gain insights into their awareness, perceptions, attitudes and behaviours towards energy transition and renewable energy sources in the Republic of Ireland, including factors influencing their choices and willingness to adopt sustainable practices.

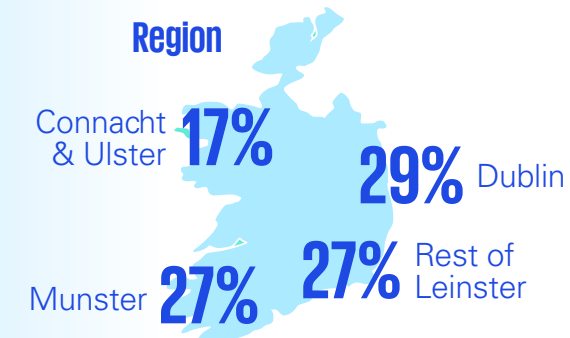
Quotas were set on age, gender, social class, and region to ensure a nationally representative sample of 1,000+ adults 18+ and the fieldwork was carried out in November 2023.



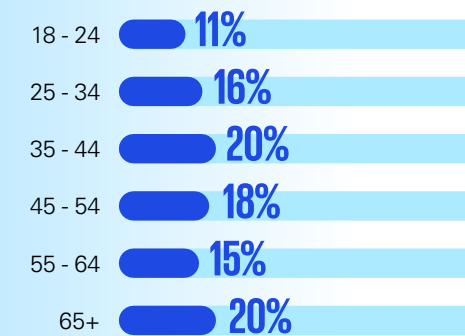
Gender



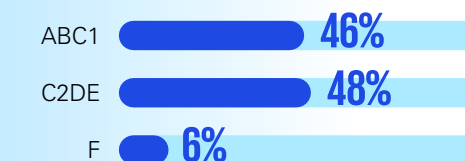
Region



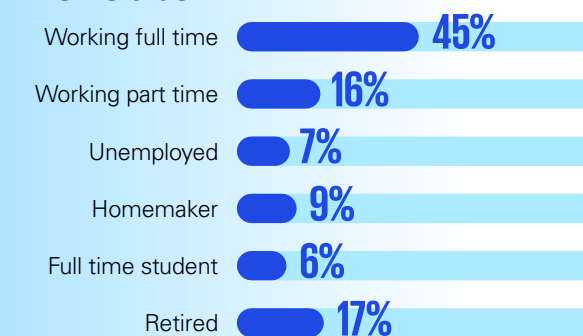
Age



Social Class



Work Status





Get in touch

KPMG professionals understand the energy transition.

We can help you deliver on your ambitions for your business, your people and the planet. To learn more about how KPMG perspectives on energy and our fresh thinking can help your business, please contact Colm O'Neill, Head of Energy, Utilities & Telecoms at KPMG. We'd be delighted to hear from you.



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Creating value through sustainability

Achieve your ambitions with Ireland's leading sustainability advisors.



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