



An Roinn Cumarsáide
Fuinnimh agus Acmhainní Nádúrtha

Department of Communications,
Energy and Natural Resources



Communications



Energy



Natural Resources

Annual Report 2009



An Roinn Cumarsáide
Fuinnimh agus Acmhainní Náúrtha

Department of Communications,
Energy and Natural Resources

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*Annual Progress Report to the Minister for Communications, Energy and Natural Resources
under the Public Service Management Act 1997 on the implementation of
the Department's Statement of Strategy 2008-2010.*

Copies of this Annual Report may be downloaded from www.dcenr.gov.ie in PDF format.

Department's Mission Statement

“To promote the development of communications and energy infrastructure and markets that contribute to sustainable economic development and to harness our natural resources in a productive and environmentally responsible manner.”

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Ministerial Foreword



Eamon Ryan, T.D.



Conor Lenihan, T.D.

I am pleased to present this Annual Report on the activities and achievements of the Department of Communications, Energy and Natural Resources during 2009.

The report sets out the major areas of activity of the Department during the past 12 months across its wide range of responsibilities. It highlights the main achievements of the Department by reference to the Department's Statement of Strategy for the period 2008-2010 and also the important contribution of the Department to sustainable economic development and social progress.

Along with my colleague, Minister of State Conor Lenihan, T.D., I wish to pay tribute to the excellent performance of both management and staff of the Department in the delivery of the Department's demanding goals and objectives. We would also like to record our appreciation for the continued high quality work of the Department's associated agencies and State companies.

The Department will continue to face many challenges in 2010 and indeed later years. The Department has a key role to play in delivery of crucial aspects of the Government's policy agenda especially in the areas of energy, communications, broadcasting and in promoting the Smart Economy. This is a challenging agenda at a time of acute resource constraints. I am confident that with the continuing strong commitment at all levels of the Department and in co-operation with key stakeholders this policy agenda will be delivered on.

A handwritten signature in black ink, appearing to read 'Eamon Ryan'.

Eamon Ryan, T.D.

Minister for Communications, Energy and Natural Resources

Introduction By The Secretary General



Aidan Dunning
Secretary General

This is the second annual progress report on the implementation of the Department's Statement of Strategy 2008-2010. This report details significant progress and achievements during 2009 covering the wide ranging remit of the Department's responsibilities: **Part I** details progress in the policy areas of energy, broadcasting, telecommunications and natural resources while **Part II** covers corporate management, financial management and public service modernisation issues.

I would like to acknowledge the dedication, hard work and strong commitment exhibited by staff in the Department and to thank them for their contribution towards achieving our objectives in 2009. The Department is continuing to deliver to a very high level on its responsibilities against a background of necessary resource constraints which has impinged in particular on the level of human resources available to the Department. The Department staffing complement reduced by some 20% over 2008 and 2009. Against this background, the impressive level of outputs achieved in 2009 is testimony to the increased productivity in the Department.

I would like to express my appreciation to Minister Eamon Ryan, T.D. and Minister of State Conor Lenihan, T.D. for their leadership and guidance in delivering the very challenging policy agenda in 2009 which the Department faced. I look forward to continuing to work under their leadership as the Department continues to discharge its important policy agenda across all areas of Departmental responsibility.

A handwritten signature in black ink, appearing to read 'Aidan Dunning'. The signature is written in a cursive style and is positioned above a horizontal line.

Aidan Dunning
Secretary General

Summary of Key Outputs in 2009 included:

Communications and Broadcasting

- A revised EU regulatory framework for electronic communications services and networks entered into force on 18 December 2009.
- A Bill to transfer the regulation of premium rate services from Regtel to ComReg was published in July and was passed by Dáil Éireann in December 2009.
- On 30 June 2009, the regulation which extended the roaming regulation on voice calls to include text and data services came into effect.
- Following a public procurement process, e|net was appointed the Management Services Entity (MSE) for the Phase II Metropolitan Area Networks (MANs) in July 2009 for a 15 year period.
- The Broadcasting Act 2009 was enacted and provides a comprehensive and consolidated framework for the broadcasting sector.
- The Broadcasting Authority of Ireland (BAI) was established on 1 October 2009.
- The Sound and Vision Scheme was submitted to the European Commission for State Aid clearance. EU approval was received in 2009.
- Following an extensive consultation period a policy paper ‘Next Generation Broadband; Gateway to a Knowledge Ireland’ was published in June 2009 and sets out the strategic policy framework for investment in broadband.
- The rollout of the National Broadband Scheme (NBS) continued with NBS services made available in 485 of the specified Electoral Divisions by December 2009.
- In May 2009, a pilot project for the delivery of 100Mb/s broadband connectivity to 78 post-primary schools was approved by the Minister. It is expected that all schools will be connected by April 2010.
- Substantial progress was made on the International Connectivity Project (Project Kelvin) during 2009. The transatlantic submarine telecoms cable was brought ashore at Portrush, Co. Antrim and the terrestrial fibre optic infrastructure from Letterkenny to Dublin was largely completed by year end.

- The Department is considering how unserved rural premises outside of the NBS scheme might be addressed by an appropriate intervention using funding available under the European Economic Recovery Plan (EERP). State Aid clearance for such a scheme was obtained at the end of 2009 and work on the detailed design and implementation of the scheme will continue in 2010.
- The National Digital Research Centre (NDRC) accelerated its development in 2009 and signed contracts for 9 new translational research projects.
- Despite difficulties arising from the downturn in the property market the Digital Hub continued to discharge its important functions and formed a cluster of digital economy related enterprises with employment of some 840 full time and 350 part time staff.

Energy

- Significant actions were taken by Government, the Commission for Energy Regulation (CER) and market players to improve energy price competitiveness and deliver consumer choice with significant competition also developing in the domestic electricity market.
- Significant progress was made on the delivery to schedule of the East West electricity interconnector, including grant support of €110 million under the EERP.
- A political declaration on the North Seas Countries Offshore Grid Initiative was signed by the Minister with eight member states.
- Sustainable Energy Authority of Ireland (SEAI) delivered an array of schemes to promote energy efficiency and use of renewables, including the Home Energy Savings Scheme, the Warmer Homes Scheme and Greener Homes Scheme.
- Implementation of the Ocean Energy Programme was accelerated to meet the Government target of 500MW of ocean energy by 2020.
- The electricity transmission assets analysis process progressed under an independent chair.
- The customer behaviour and technology trials under the Smart Meter Programme progressed.

- The legal unbundling of the electricity Distribution Systems Operator (DSO) as a wholly independent and legally separate subsidiary of ESB was completed.
- The Department continued to work closely with the commercial state energy companies and continued to assist delivery of their commercial and strategic remits.
- The National Energy Efficiency Action Plan (NEEAP) was published in May 2009.
- The Department worked in Europe to deliver satisfactory outcomes under the Energy Third Package, the Renewable Energy Directive, the Oil Security of Supply Directive, and a regulation for gas security of supply.

Natural Resources

- Work continued on the rehabilitation of former mine sites at Silvermines, County Tipperary. Phase 2 of the remediation works at the Gortmore site commenced in July 2009 and was substantially completed by December 2009.
- A Frontier Exploration License was awarded under the Rockall Basin Licensing Round. A Licensing Option was granted over an area in the Celtic Sea.
- The Department continued to deliver an intensive and focussed promotional campaign directed at informing the international oil and gas industry of the exploration and development opportunities offshore Ireland.
- Significant progress was made during 2009 to prepare legislative proposals to confer statutory responsibility for the safety of petroleum exploration and extraction on CER, thereby implementing a key finding of the safety studies carried out in relation to the Corrib onshore pipeline.
- The Department continued to work with stakeholders on the Corrib Gas Project including through the exercise of its statutory functions and through the aegis of the North Mayo Forum which was partially funded by the Department
- Work continued on the new Minerals Development Bill. It is expected that the Bill will be published in 2010. Work on a Geothermal Bill was also advanced.
- A national eel management plan, to comply with EU Council Regulation 1100/2007, was approved by the European Commission by the required deadline of June 2009.

- The Inland Fisheries Bill 2009, which gives effect to the proposed restructuring of the inland fisheries sector, was published in November 2009.
- Extensive seabed surveying continued under the INFOMAR programme, jointly undertaken by Geological Survey Ireland (GSI) and the Marine Institute.

Corporate & Financial Services

- Gross Expenditure for 2009 was €473.184 million which was within the approved allocation. This funded key measures in the Communications, Broadcasting, Energy and Natural Resources areas.
- The Department delivered on a comprehensive Audit Plan to provide objective assurance regarding the adequacy or otherwise of the systems of internal control to the Department. The Department continued to deliver on its Value for Money agenda throughout the year.
- Full-time staff equivalent numbers in the Department were reduced by 27 in 2009, which represents a reduction of 68 or 20% since the end of 2007. Notwithstanding this output and policy delivery has been maintained to a very high standard.
- In the challenging prevailing circumstances dictated by the fiscal situation and the resultant Government policy on public service pay and numbers, the Department continued to place importance on the areas of staff development and training.
- At end 2009 the Department had 271 full time equivalents who were based in the following locations:

Adelaide Road, Dublin 2

Tom Johnson House, Beggar's Bush, Dublin 2

Cavan Town

COMMUNICATIONS



CORE POLICY GOAL

To contribute to sustained macro-economic growth and competitiveness and to ensure that Ireland is best placed to avail of the emerging opportunities provided by the information and knowledge society, by promoting investment in communications infrastructures, by providing a supportive legislative and regulatory environment, and by developing a leading edge research and development reputation in the information, communications and digital technologies sectors.

The Department pursued a very active agenda under the Communications heading in 2009. Apart from targeted funding initiatives and legislation initiatives the Department sought to advance the policy framework for investment and development in the area. The key outputs were as follows:

Strategic Objective ONE

To facilitate competition, innovation and growth in the electronic communications sector.

Review of EU Regulatory Framework for Electronic Communications

A revised regulatory framework was formally adopted by the Council and European Parliament and came into force in December 2009. Ireland's contribution on issues such as improved consumer protection, spectrum management and improved

market regulation procedures are reflected in the revised framework. Transposition of the framework into national law will commence in 2010.

Regulation of Premium Rate Services

A Bill providing for the transfer of the regulation of premium rate services from Regtel to ComReg was published in July and was passed by Dáil Éireann in December 2009.

Spectrum

Following on from a public consultation in 2009 on the principles that should underpin spectrum management, a policy paper on the management of Ireland's radio spectrum will be published in 2010. The policy will be sufficiently flexible to accommodate technological developments, as well as supporting and promoting innovation, research and development. The Department also participated at EU

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level in developing policy to meet national and international objectives.

National Digital Research Centre (NDRC)

The NDRC collaborates with Third Level Institutions, research bodies and commercial companies on joint-venture translational research projects in the development of innovative new digital products with commercial potential. The NDRC accelerated the development of commercially oriented projects in 2009. It contracted 9 new collaborative research projects in 2009, and also initiated short term projects and feasibility projects.

Digital Hub

The Digital Hub Development Agency (DHDA) continues to support, develop and grow individual and collaborative enterprise, research and learning activities focussed on the development of world class Irish based digital products and services. From a social and community perspective the DHDA has concentrated its work in the area of 21st century digital literacy.

The effect of the economic downturn on the property market adversely impacted, in 2009, on the DHDA's objective of developing property on the site of the Hub to facilitate the accommodation of more digital

media companies and in turn generate a revenue stream that would sustain the Agency's work. It has impeded the DHDA in achieving its objectives of becoming self financing by 2010.

Digital Dividend

The Department issued a Paper on the development of a National Policy Framework for identifying spectrum, known as the Digital Dividend, which will become available when analogue broadcasting switches to digital.

Emergency Call Answering Service (ECAS)

The rollout of an updated and modernised service was negotiated by the Department with British Telecom in 2009. It is expected that service will begin operation in the second half of 2010.

Emergency Planning

The Department continued to participate at the Government Task Force on Emergency Planning.

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Strategic Objective TWO

To support the necessary investments in electronic communications infrastructure including next generation broadband to ensure that the sector plays its part in maintaining and improving overall economic development.

EU Regulation on roaming charges

On 30 June 2009, the Regulation which extended the Roaming Regulation on voice calls to include text and data services came into effect. Ireland had expressed strong support for the extension to the Regulation.

The International Connectivity Project Kelvin

The International Connectivity Project Kelvin will provide direct international telecoms connectivity between the North West of Ireland and North America (New York) and Europe (Amsterdam). Kelvin is an EU funded Interreg IVA North-South joint project between the Department of Enterprise Trade and Investment in Northern Ireland (DETINI) and the Department of Communications, Energy and Natural Resources. The Kelvin Project was substantially progressed during 2009. The transatlantic submarine telecoms cable was brought ashore at Portrush, and the terrestrial fibre optic infrastructure from Letterkenny to

Dublin to provide international connectivity to the Kelvin Points of Presence was largely completed by year end.

Next Generation Broadband (NGB)

Following an extensive consultation period a policy paper 'Next Generation Broadband; Gateway to a Knowledge Ireland' was published in June 2009 and sets out the Government's strategic policy framework for investment in broadband. Key initiatives include the objective of broadband speeds, by 2012 on a par with comparator countries; the National Broadband Scheme (NBS); the 100Mb/s megabites per second Broadband to Schools initiative; facilitation of access to State broadband infrastructure; and a requirement for new premises to install open access fibre connections, where practicable.

Strategic Objective THREE

To enhance economic and social inclusion and regional development and competitiveness.

The National Broadband Scheme (NBS)

The NBS is providing affordable, scalable broadband services in certain designated Electoral Divisions (ED) where broadband coverage was deemed insufficient. Extension and take-up of broadband facilities in rural

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areas is an important policy objective. Bridging the digital divide will make all of Ireland better able to take part in the knowledge society.

In December 2008, following the conclusion of a technology neutral procurement process, the Department entered into a contract with Hutchison 3G Ireland Ltd (trading as “3”) for the implementation of the NBS. The NBS involves an estimated €223 million investment by 3 of which a maximum of €79.8 million will be contributed by the Government and EU.

3 is progressing its network rollout and as of 31 December 2009, NBS services had been made available in 48% of the NBS Electoral Divisions. The entire NBS coverage area, comprising of 1,028 Electoral Divisions, will be covered by end of September 2010.

Metropolitan Area Networks (MANs)

Progress on Phase II of the MANs programme continued during 2009. The Programme involved the construction of 60 MANs in 66 towns in various locations nationwide.

Following a public procurement process, e|net was appointed the Management Services Entity (MSE) for the Phase II MANs on 8th July 2009 for a 15 year period.

100Mb/s Schools Programme

A pilot project for the delivery of 100Mb/s broadband connectivity to 78 post primary schools was launched in June 2009. The project will deliver 100Mb/s bandwidth to the internet via HEAnet’s Schools Network and install/develop the Local Area Network to utilise the bandwidth, in each school. Procurement processes for the Access connectivity, core network and aggregation networks have been completed. The Department also granted schools €2.5m worth of Information and Communication Technology (ICT) equipment to supplement the new network. It is expected that all schools will be connected by mid 2010.

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European Economic Recovery Plan (EERP)

The facilitation of broadband coverage across the entire country continues to be a key priority. The European Commission has set aside a portion of the European Economic Recovery Plan funding for rural broadband initiatives. The Department is now considering how unserved rural premises outside the NBS areas might be addressed by an appropriate intervention using funding available under the EERP. State Aid clearance for such a scheme was obtained at the end of 2009 and work on the detailed design and implementation of the scheme will continue in 2010.

eInclusion (digital participation)

The Benefit 1 scheme was successfully implemented by the Department during 2009 in partnership with partners in the community and voluntary sector. The Department also launched a new eInclusion grant scheme in September 2009 known as Benefit 2. Applications were sought from community, voluntary and not for profit organisations. Following an evaluation process grants amounting to €350,000 were awarded to 3 organisations which will result in over 7,400 people receiving basic ICT training across the country in 2010.

Knowledge Society

In July 2009 the Department published a report entitled “*Technology Actions to Support the Smart Economy*”, the first report in the Knowledge Society Strategy process. The report identifies six actions where Ireland can lead and aims to raise the profile of Ireland as a growing Smart Economy.

Consistent with the policy objective to move to a low carbon economy, the report places particular emphasis on low energy models for communications networks and infrastructure. A major focus is to seek innovative products and services at the interface of communications and energy.

POSTAL



CORE POLICY GOAL

To ensure Irish customers, both business and residential, enjoy competitively priced, high quality postal services on a par with the highest quality standards in key comparator economies elsewhere in the EU.

Strategic Objective ONE

To facilitate the development of a competitive postal market which offers consumers a variety of high quality products and services and which may be easily accessed by all consumers.

Liberalisation of the Postal Market

In 2009 the Department prepared a “preferred options” paper setting out the basis for a regulatory framework to apply in a liberalised market. The paper was discussed at a forum attended by key stakeholders. The options paper and forum output will feed into the proposed Postal Bill in 2010. A review of existing postal legislation continued in 2009 for consolidation in the 2010 Bill.

Strategic Objective TWO

Introduce a postcode system with high levels of usage by the public.

The Government approved the introduction of a postcode system for

Ireland in 2009 and the process of selecting the body to manage the implementation of such a system will commence in 2010.

Strategic Objective THREE

An Post remains a strong and viable company, in a position to compete in a liberalised market, provide a high quality, nationwide postal service and maintain a nationwide, customer-focused network of post offices.

Rationalisation Programmes at An Post

The Department continued to liaise closely with An Post throughout 2009 and to exercise its shareholder responsibility. During 2009, An Post continued to implement agreed change initiatives which form a key part of the company’s strategy for sustainable commercial performance.

Acquisitions

The Minister approved the acquisition by Air Business Limited (a subsidiary

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company of An Post) of Jordan International Limited. Approval was given to An Post for the acquisition of 53.6% of the share capital of Total Shopping Convenience Limited (The Gift Voucher Shop).

Stamp Programme

The Government approved stamp programme for 2009 included stamp issues to celebrate modern Irish playwrights, the year of Astronomy, the Chinese New Year, St. Patrick's Day and Christmas. Also commemorated in stamp form were a number of historical events including the Plantation of Ulster, the centenary of the founding of the Irish Transport and General Workers Union (ITGWU), the births of Charles Darwin and Francis Bacon and death of John Millington Synge.

BROADCASTING



CORE POLICY GOALS

- To seek to ensure the continued provision by the Irish broadcasting sector, in particular through public service broadcasting, of audio and audiovisual content and schedules that serve the needs of Irish audiences.
- To seek to retain access to a range of such content and schedules on a universal and free-to-air basis.
- To create an environment which encourages the growth, development and success of the audio and audiovisual media sector in Ireland.

The Department continued to promote the availability of high-quality public service broadcasting through the provision of funding to RTÉ and TG4. In addition the Department updated and modernised almost 50 years of Irish broadcasting legislation with the enactment of the Broadcasting Act 2009. The Broadcasting Authority of Ireland (BAI) was established on 1 October 2009 with responsibility for regulating both commercial and public sector broadcasters. The Department also completed a comprehensive annual review of RTÉ's performance for both 2007 and 2008 and progressed the promotion of Digital Terrestrial Television (DTT). Key outputs are set out below:

Strategic Objective ONE

To continue to support the Irish public service broadcasting sector, as appropriate, in order to ensure that all viewers and listeners are provided with a comprehensive range of programming, in the English and Irish languages, on a universal and free to air basis.

RTÉ

In 2009, the Department reviewed RTÉ's performance in respect of RTÉ's 2007 and 2008 self-assessment reports which were provided to the Department. This new review system identified more precise and structured performance indicators, aligned to the delivery of high quality, high impact public service broadcasting with an increased focus on value for money, cost management and more precise performance. RTÉ was particularly impacted by a downturn in advertising revenue in

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2009 and took prompt action on its costs base in response.

Television Licence Fee Issues

The second Service Level Agreement (SLA) between the Department and An Post, as agent of the Minister in the collection of Television Licence fees and the issuing of licences, covered the period 2008/9. It established commitments in relation to delivery and communication of outputs, objectives and outcomes in regard to the Television Licence fee collection process.

Broadcasting Funding Scheme

The aim of this scheme is to support independent programme makers. The 2009 Broadcasting Act increased the level of TV licence revenue diverted to the Fund from 5% to 7%. By the end of 2009, €56m had been paid to the Broadcasting Commission of Ireland (and its successor from 1 October 2009, the Broadcasting Authority of Ireland) to fund and administer schemes under the Act. Of this, some €52m was granted to programme makers in Ireland since the scheme's inception.

TG4

The Department worked with TG4 in 2009 to provide continued service delivery and the smooth operation of corporate governance requirements.

Broadcasting Authority of Ireland (BAI)

The BAI was established on 1 October 2009. Under the provisions of the Broadcasting Act 2009, the BAI assumed the existing roles of the Broadcasting Commission of Ireland (BCI) and Broadcasting Complaints Commission (BCC) and also took on a range of new functions. In particular, it was given a range of new functions in relation to public service broadcasters. It also has new and important reporting requirements under the Act and the revised Code of Practice for the Governance of State Bodies. The Department is working with the BAI to ensure that these requirements are adhered to.

Strategic Objective TWO

To seek to ensure the development of a regulatory framework appropriate to the maintenance and growth of an Irish broadcasting sector which serves the needs of Irish audiences.

Broadcasting Act 2009

The Broadcasting Act, 2009 includes the following provisions:

- The consolidation of all existing primary legislation relating to broadcasting into a single Act;
- The establishment of the Broadcasting Authority of Ireland as

BROADCASTING



a single content regulator for both RTÉ and commercial and community broadcasters;

- Provision of a statutory basis for the development of the Houses of the Oireachtas Channel and an Irish Film Channel;
- The provision of a statutory mechanism for reviews of the public funding of RTÉ and TG4; and
- The development of a free-to-air digital television service in Ireland and the closure of the analogue TV network which has operated in Ireland since 1961.

The Broadcasting Act 2009 provides for a partial transposition of Ireland's obligations under the EU Audiovisual Media Services Directive 2007. The Department is finalising the remaining obligations under that Directive in relation to on-demand services by way of secondary legislation.

Strategic Objective THREE

To ensure the availability of high quality reception of Irish broadcasting services on a universal and free-to-air basis in Ireland and the development of services for Irish communities abroad.

Digital Terrestrial Television (DTT)

Under the Broadcasting Act 2009, RTÉ is required to provide a national free to air digital television service capable of carrying RTÉ, TG4 and TV3. This network will replace the nearing obsolete analogue television network which is due to be switched off in 2012. The Act provides for the Minister to set a date by which RTÉ must provide DTT services to 90% of the country. RTÉ is also required to have a national DTT service operational by 31st December 2011 or such later date as the Minister may decide. In addition, the BAI is tasked with licensing commercial DTT operators. The Act also requires ComReg to issue spectrum licences to RTÉ and the BAI in respect of these digital broadcasting services.

During 2009, RTÉ continued to roll-out the planned national DTT network under a wireless telegraphy licence provided by ComReg. To date, 13 sites have been DTT enabled and a test network is operational. No public DTT services are available.

BROADCASTING



The BAI process for the provision of three commercial DTT multiplexes continued throughout 2009 but it was not possible to secure an agreement.

Strategic Objective FOUR

To provide the framework for the creation for a new Oireachtas television channel which will provide digital free-to-air coverage of the workings of the Dáil, Seanad, Joint Oireachtas Committee and additional coverage such as meetings of the European Parliament.

Section 125 of the Broadcasting Act 2009 provides that the Commission of the House of the Oireachtas may fund and establish a free-to-air television service in respect of the proceedings of the Houses of the Oireachtas and certain other matters to be known as the Houses of the Oireachtas Channel.

ENERGY



CORE POLICY GOALS

- To ensure security and continuity of energy supply for the economy and for consumers
- To promote the sustainability of energy supply and use
- To enhance the competitiveness of energy markets

Significant progress was made on most policy goals in the Energy area in 2009. This was especially evident in the areas of security of supply and promotion of sustainable energy. Reductions in international fossil fuel prices, combined with Government and regulatory actions, led to significant electricity and gas price reductions for all consumers.

The Department also continued to liaise closely with all the State Energy Companies under its aegis and in particular worked with them to advance their investment programmes, taking account of Government policy.

Policy Goal 1

To ensure security and continuity of energy supply for the economy and for consumers.

Strategic Objective ONE

To ensure that electricity supply consistently meets demand.

2009 Electricity demand

Decline in electricity demand since the start of the year, reflective of the economic downturn, has also meant that capacity margins have increased.

2009 Generation availability

Generation availability is now consistently above 80%. This is a marked improvement on recent years where levels remained at around 77% and below.

East West Interconnector (EWIC)

There was significant progress on the delivery of the EWIC through 2009, culminating in the commencement of actual works on the UK side of the development. A final Government Decision in March 2009 approved the development of the EWIC. Planning permission for the EWIC was granted in September 2009 under the Strategic

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Infrastructure Act. The European Investment Bank announced that it is supporting the project through the provision of a €300 million loan. The EWIC is also one of a list of high profile and strategically important interconnector projects included in the European Energy Programme for Recovery and was awarded a grant of €110 million.

Transmission Grid Development

Progress on the implementation of a significant transmission development programme as part of EirGrid's "GRID25" Development Strategy continued throughout 2009. In October, An Bord Pleanála granted planning permission for a 110KV line in Donegal. This project is being jointly developed with ESB Networks and represents a €40 million investment in the area.

2nd North-South Interconnector

Work on the Meath-Tyrone electricity interconnector project continued in 2009. The planning application was submitted to An Bord Pleanála in December 2009.

Emergency Energy Planning

The work of the Task Force on Emergency Procedures continued in 2009. Particular focus was given to business continuity planning in light of an outbreak of the swine flu pandemic.

Strategic Objective TWO

To ensure the security and reliability of gas supplies.

Gas Capacity Statement

The CER's annual Gas Capacity Statement was published in July 2009. The Statement assesses a range of possible scenarios regarding differing supply and demand levels. The 2009 Statement is the first to be prepared on an all island basis.

Extension of the Gas Network

In 2009, Bord Gáis Éireann (BGÉ) completed a major construction project which involved the reinforcing of the Cork transmission network including the 45km transmission pipeline between Curraghleigh West, County Tipperary and Middleton, County Cork.

The distribution network is being expanded through the connection of eleven towns along the Mayo-Galway Pipeline. By the end of 2009, the towns of Ballina, Castlebar, Claremorris, Crossmolina and Westport in County Mayo were connected to the natural gas network.

In 2009, BGÉ completed its works in replacing the cast iron network with polyethylene.

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During 2009, work continued on the construction of the 445MW Combined Cycle Gas Turbine (CCGT) power plant at Whitegate. The plant is expected to be commissioned in mid 2010.

Strategic Objective THREE

To enhance the diversity of energy sources for power generation.

Renewable Energy Target

Work continued in 2009 to progressively increase the percentage of renewable energy sourced electricity (mainly wind sourced) on the system. The percentage of wind powered electricity on the Irish system increased to 14% in 2009. The target is 40% by 2020.

Bioenergy

During 2009, the Department, together with relevant agencies, continued to work with key players to support the development of Ireland's bioenergy potential. Market Development Measures such as the Greener Homes Scheme, Reheat (the Renewable Heat Deployment Programme) and the Combined Heat and Power (CHP) Deployment programme have led to the development of an increasingly robust biomass supply sector, and an associated retail, installation and maintenance industry.

Electric Vehicles (EVs)

In 2009, a Memorandum of Understanding was signed with Renault-Nissan to ensure that Irish policy makers and industry would have access to the latest information on the development of EV technology, and consumers will have access to these vehicles once they become commercially available. ESB Networks also began the installation of the first 20 on street charge points.

Strategic Objective FOUR

Reducing our dependency on oil and ongoing contingency plans for energy supply disruptions.

Strategic Oil Reserves

During 2009 the average level of national oil reserves, including the dedicated emergency stocks held by the National Oil Reserves Agency (NORA), continued to remain comfortably above the 90 day EU and International Energy Agency requirement, thus ensuring that stocks were available in the event of a national or international oil supply disruption.

In 2009, NORA acquired storage at Drogheda, County Louth and commenced work to develop storage facilities at Ringsend in Dublin, Tarbert in County Kerry and Kilroot in County Down.

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In 2009, NORA also commissioned a major report to advise on future oil storage possibilities for Ireland.

Policy Goal 2

To promote the Sustainability of Energy Supply and Use.

Strategic Objective ONE

To reduce energy related Green House gas emissions.

The energy efficiency programmes and measures identified in the National Energy Efficiency Action Plan published in 2009, will result in a reduction of approximately 5.7 Mt.CO₂ in 2020.

Energy in Business

In 2009, Sustainable Energy Authority of Ireland (SEAI) launched a €6 million programme that offered grant assistance to the business and public sectors. The programme allowed important cost-cutting energy efficiency measures to be installed at significantly reduced cost to businesses across the country.

Energy Demand Reduction Target

A public consultation on a new Programme - the Energy Demand Reduction Target (EDRT) was undertaken in 2009. The EDRT programme has the potential to significantly reduce energy costs and related greenhouse gas

emissions whilst creating employment and developing a market for energy services in Ireland.

Strategic Objective TWO

To accelerate the growth of renewable energy technologies.

Renewable Energy - Electricity

Work continued in 2009 to progressively increase the percentage of renewable energy sourced electricity (mainly wind sourced) on the system. The target is 40% by 2020. The percentage of electricity from renewable sources on the Irish system increased to 14% in 2009.

The contributing generating capacity from renewable energy sourced electricity increased from 1,400 MW to in excess of 1,570 MW during 2009. This includes 1,260 MW of wind power generation.

During 2009, the planned terms and conditions (subject to EU State Aid approval) for the additional categories of Biomass, Anaerobic Digestion, High Efficiency CHP, Ocean Energy (wave and tidal) and Offshore wind were added to the Renewable Energy Feed In Tariff (REFIT) support programme.

Work on the preparation of the National Renewable Energy Action Plan was progressed in 2009.

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Accelerated Capital Allowances (ACA)

The ACA Scheme (see overleaf), which provides tax relief for investment in energy efficiency measures, is also helping to accelerate the growth in renewable energy technologies. In 2009, a number of renewable energy technologies, including wind turbines, were added to the list, making their acquisition a more attractive and economically sound option for businesses.

Strategic Objective THREE

To maximise energy efficiency and conservation.

National Energy Efficiency Action Plan

The Government has committed to achieving 20% energy savings across the economy by 2020. As part of this energy efficiency drive, the Government has also committed to achieving a 33% energy saving across public sector institutions by 2020. In May 2009, the Minister published the National Energy Efficiency Action Plan.

The Action Plan sets out 90 actions that Government are either already taking or will take in the period to 2020 to achieve the energy efficiency targets whilst reducing our CO₂ emissions by approximately 5.7 million tonnes. The savings identified in the

Action Plan represent approximately €1.6 billion in avoided energy costs for the economy in 2020.

Home Energy Savings (HES) Scheme

The HES was launched nationwide in 2009, following a successful pilot in 2008. The scheme, which is administered by SEAI, provides grant assistance to homeowners for energy efficiency retro-fitting measures including attic and wall insulation, very high-efficiency boilers, heating controls and Building Energy Rating (BER) assessments. At the end of 2009, there were 40,000 approved applications in the system, representing, in total, a take up of over 80,000 measures.

Warmer Homes Scheme (WHS)

The Warmer Homes Scheme was launched in 2009 with the aim of addressing the relative thermal inefficiency of low-income private sector housing and saw a considerable increase in funding and activity during the year. Some €15 million Exchequer funding was allocated to the scheme in 2009, with an additional €5 million contributed by ESB and BGÉ.

Over 19,000 homes benefitted under the scheme in 2009, almost doubling the total number of homes in the previous ten years. Although the scheme is primarily delivered by community based

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organisations, SEAI estimates that over 7,000 jobs were directly supported by the WHS in 2009.

Accelerated Capital Allowances (ACA)

Under Section 46 of the Finance Act 2008 companies may claim 100% of the capital cost of certain energy efficient plant and machinery against corporation tax in the year of purchase. The provision is designed to encourage businesses to purchase energy efficient plant and machinery and thus make significant savings on energy costs and reduce carbon emissions. Additional categories including energy efficient IT infrastructure and electric vehicles were added in 2009 and it is estimated that the ACA scheme currently covers equipment accounting for at least 80% of the energy used by industry in Ireland.

Smart Meters

Work continued in 2009, under the direction of the Smart Metering Steering Group, on the design and implementation of the customer behaviour and technology trials for both electricity and gas. This pilot phase of the project remains on target for completion by mid 2011.

Energy Affordability

The Energy Affordability Inter-Departmental and Agency Group oversees and ensures the cohesiveness

of the various actions under way and planned by Departments, Agencies and utilities to address the energy efficiency and energy affordability challenges for vulnerable consumers. In 2009, work began on an Energy Affordability Strategy.

Strategic Objective FOUR

To accelerate Energy Research, Technology, Development and Innovation (RTDI).

Science Foundation Ireland - Third Pillar

The Charles Parsons Awards contracts were transferred to the Department of Enterprise, Trade and Employment during 2009, in completion of arrangements which have seen Science Foundation Ireland's administration of the scheme in place since summer 2008.

Ocean Energy

Full implementation of the Ocean Energy programme commenced in 2009, following its launch in 2008. During 2009, SEAI, under the Ocean Energy Prototype Development Fund, approved funding support of over €4 million for twelve projects. The funding support is designed to stimulate the commercial development and deployment of ocean energy devices that can generate renewable electricity.

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Policy Goal 3

To enhance the Competitiveness of Energy Markets

Strategic Objective ONE

To progress regional markets for electricity and gas in the context of EU Internal Market developments.

BGE entry into domestic electricity market

In February 2009, BGE entered the Domestic Electricity market becoming the country's first dual-fuel provider. BGE has already signed-up over 300,000 domestic customers, resulting in price reductions and real competition into the market.

Electricity

In January 2009, the legal unbundling of the Electricity Distribution System Operator as a wholly independent and legally separate subsidiary of ESB was completed.

Acquisition of SONI by EirGrid

In March 2009, EirGrid concluded the purchase of SONI Ltd from Northern Ireland Electricity plc. In 2009, the Minister expanded the Board of EirGrid, appointing two Directors from Northern Ireland to the Board.

Energy Market - Legislative Package

The Third Energy Market Legislative Package, which aims to further liberalise EU electricity and gas markets, came into force in September 2009. The Department commenced the process of reviewing the legislation with the objective of formulating legislative provisions to achieve compliance with the Package.

Regulation of Gas Safety

In June 2009, the Minister signed Statutory Order No. 238 allowing the CER to fully assume responsibility for regulation of the activities of natural gas undertakings and natural gas installers with respect to safety.

Strategic Objective TWO

To deliver competition, consumer choice and a stable investment framework in the energy market.

Transmission Assets

In June 2009, the Minister appointed an independent chairman to oversee the electricity transmission assets analysis process. A first meeting with stakeholders was held in July 2009 and a request for tenders for consultants was issued on e-tenders and in the OJEU in December 2009.

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Competition and Price in Energy Markets

Energy prices continued to be a strong focus in 2009 with significant actions taken to mitigate impacts, particularly for large energy users.

In May 2009, following a review of prices requested by the Minister, the CER agreed reductions in electricity prices for all customers by 10% and gas tariffs by an average of 12% for domestic and SME gas customers. In addition, small to medium businesses saw further average reductions of 9.8% in their gas bill and 5% in their electricity bills from October 2009.

In 2009, the entry into the domestic market of two new suppliers, Bord Gáis Energy and Airtricity, brought further competition into the electricity market, offering significant discounts to customers who switched. During the year, Phoenix and ESB Independent Energy entered the gas market, increasing the number of suppliers.

Other initiatives in 2009 to support competitiveness included the loosening of restrictions surrounding the development of auto-generation for business, additional support for CHP by providing for priority dispatch for high-efficiency CHP plant, and the provision of significant rebates for large energy users.

Single Electricity Market (SEM)

The Single Electricity Market completed its second full year of operation in 2009 under the auspices of the SEM Committee.

Common Arrangements for Gas

During 2009, the two Energy Regulators (CER and NIAUR) continued to work with the Department and the Department of Enterprise, Trade and Investment, Northern Ireland, on the development of the Common Arrangements for Gas (CAG) project.

Public Lighting Business

In 2009, the Department facilitated a number of meetings of the High Level Forum on Public Lighting to ensure the smooth exit of ESB from the public lighting business.

Strategic Objective Three

To ensure a sustainable future for the Semi State Energy Bodies.

Electricity Supply Board (ESB)

The ESB was supported in its implementation of its Strategic Framework to 2020, announced in early 2008, which sets out the State Company's planned capital investment of €22 billion at home and abroad over the period. The Plan is giving priority to the sustainability agenda notably in the areas of emissions

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reductions, renewables, energy efficiency and smart distribution networks.

Bord Gáis Éireann

BGE's Plan for the period 2009-2013 envisages an investment programme of €2.5 billion in gas infrastructure and in electricity generation. In February 2009, BGE entered the Domestic Electricity market becoming the country's first dual-fuel provider.

Bord na Móna plc

Bord na Móna's Corporate Plan 2008-2013 confirms the strategic directions agreed with the Minister in line with the Government's Energy Policy Framework. As part of its ongoing diversification strategy it is engaged in the development of renewable energy projects including waste-to-energy, wind energy, the co-firing pilot project at its power plant in Edenderry and related research & development.

EirGrid

EirGrid continues to invest in the development of Ireland's transmission system, including the development of vital interconnection between Ireland and Wales and Ireland and Northern Ireland.

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CORE POLICY GOALS

PETROLEUM EXPLORATION DEVELOPMENT AND PRODUCTION

To maximise the benefits to Ireland from exploration for and production of our indigenous oil and gas resources, while ensuring that activities are conducted safely and with due regard to their impact on the environment and other land/sea users.

MINERALS EXPLORATION AND MINING

To maximise the contribution of the mining sector to the economy, with due regard to its social and Environmental impact and to facilitate the remediation of old mine sites, in cases where the Minister has an identifiable and acknowledged role.

PETROLEUM EXPLORATION DEVELOPMENT AND PRODUCTION

Strategic Objective ONE

Maximise the level of oil and gas exploration and production activities in Ireland with a view to optimising the return to the State.

Licensing

The most recent licensing round in the Irish Atlantic Offshore was held over the Rockall Basin with a closing date of 22nd April 2009. The total area available for licensing under the Round amounted to 117,100 square kilometres. Two applications for Frontier Exploration Licences were received for almost identical areas. Following evaluation of the two applications a Frontier Exploration Licence was

awarded to Serica Energy Ltd, a UK registered company with an interest in an existing Frontier Exploration Licence.

One Licensing Option was granted to Lansdowne Celtic Sea Limited over an area in the Celtic Sea.

Exploration

One well was drilled offshore Ireland during 2009. Serica Energy (UK) Ltd drilled an exploration well on the 'Bandon' prospect in the Slyne Basin. The well encountered oil, proving the existence of a new exploration play in the area, but its commercial significance has yet to be determined. Progress was also made in seismic data acquisition with 3D surveys in the Porcupine Basin and Celtic Sea and over 1350 km of 2D data acquired in the eastern Rockall Basin.

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Kinsale Area Development Operations

The sale of Marathon's interest in the Kinsale and Seven Heads Gas Fields to Star Energy, a subsidiary of Petronas, the Malaysian State oil company, was completed in April 2009.

In November 2009, EIRGAS Limited, a wholly owned subsidiary of Providence Resources Plc, informed the Department it had exercised its option to acquire a 40% interest in PSE Ireland Limited (Star Energy). The acquisition is in the process of being completed.

Kinsale Area Production Operations

The total sale gas volume in 2009 from the Kinsale Area gas fields (Kinsale Head, Ballycotton, SW Kinsale and Seven Heads), which are operated by PSE Kinsale Energy Ltd, was 14.6 billion cubic feet (bcf). The total volume of gas injected into SW Kinsale storage for the same period was 7.82 bcf of which 3.56 bcf was of PSE Kinsale Energy's own gas from the Kinsale Area gas fields.

Promotion Campaign

During 2009 the Department continued to deliver an intensive and focussed promotional campaign directed at informing the international oil and gas industry of the exploration and development opportunities offshore Ireland. The focus of the campaign was to promote and technically support the

Rockall Licensing Round and to attract new entrants into Ireland via open door applications and existing licence authorisations.

During 2009 a number of major applied petroleum research projects were sponsored to promote exploration by improving the level of knowledge about the sector. These included a site survey cruise to prepare for a shallow drilling programme in 2010/2011.

Corrib Gas Project

In February 2009, Shell Exploration & Production Ireland Ltd. (SEPIL) submitted an application to the Minister for consent to construct a pipeline under Section 40 of the Gas Act 1976 as amended. A similar application was also made to An Bórd Pleanála pursuant to the provisions of the Strategic Infrastructure Act, 2006. On 2 November 2009 the Board wrote to the developer setting out the Board's assessment of the application, primarily in relation to safety and invited the developer to modify the route of the proposed pipeline. At the end of 2009 the developer was considering the Board's communication.

If Shell decides to modify the pipeline route as suggested by the Board, this would require that the application before the Minister be withdrawn and a

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new application, complete with supporting Environmental Impact Statement along the revised pipeline route be submitted.

Throughout 2009 progress continued on the other elements of the Corrib gas project. These works included the installation of the 83km offshore section of the Corrib gas pipeline, subsurface work at the gas field offshore and significant progress towards the completion of the construction of the gas terminal at Bellanaboy. Shell anticipates completion of the terminal during 2010.

North West Mayo Forum

The North West Mayo Forum was established in 2008 by the Minister for Communications, Energy and Natural Resources and the Minister for Community, Rural and Gaeltacht to offer a positive opportunity for furthering the socio-economic development of the North West Mayo Region and to provide an opportunity for dialogue between all parties with an interest in the Corrib Gas Project.

The Forum met on four occasions during 2009. The meetings were attended by both Ministers and chaired by Mr. Joe Brosnan. Attendance also included representatives from local groups, Government Department's and

other Public Bodies along with Shell and representatives of its local workforce. Some groups opposed to the current configuration of the Corrib Gas Project declined to attend.

Items discussed included Ministerial consents and authorisations in relation to the Corrib Gas project, renewable energy opportunities in the Mayo area, the role of the Private Security Authority and the role of the Garda Síochána Ombudsman Commission. Mayo County Council presented a report to the Forum on priorities for investment in the Erris area that had been identified as a result of a consultation exercise. A number of community improvement projects funded by several State bodies were prioritised for completion in 2009.

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Strategic Objective TWO

Ensure that the regulatory framework in place is robust, clear, promotes certainty and is in keeping with international best practice, while encouraging exploration, development and production activities to be carried out in an effective and timely manner.

Petroleum Safety Bill

Significant progress was made during 2009 to prepare legislative proposals to confer statutory responsibility for the safety of petroleum exploration and extraction on CER. This will implement a key finding of the safety studies carried out in relation to the Corrib onshore pipeline. The Bill will be published in early 2010.

Strategic Objective THREE

To maximise the area of Continental Shelf under Irish jurisdiction.

On 31 March 2009 Ireland made its third and final submission to the United Nations Commission on the Limits of the Continental Shelf (CLCS) in relation to the Hatton-Rockall area. In April 2009 it received favourable recommendations from the CLCS with respect to the outer limits of the Celtic Shelf/Bay of Biscay area. This area will now be the subject of delimitation between the four submitting States

(France, Ireland, Spain and the United Kingdom).

An additional area of Continental Shelf in the Porcupine Abyssal Plain was designated under the Continental Shelf Act in March 2009 following recommendations from the CLCS on this area in 2007.

EARTH AND HYDROCARBON RESOURCES

Industry Performance/Trend Indicators

Gross value of metal production (Lead & Zinc) in Ireland in 2009 was €314 million. This compares with €340 million in 2008, €676 million in 2007, and €731 million in 2006. While the decrease in value in 2009, from the highs of 2006 and 2007, is primarily due to a fall in metal prices rather than a decrease in production, future zinc production in Ireland will be reduced with the closure of the Galmoy mine.

In 2009, there was approximately 1,300 personnel directly employed in the exploration and development of minerals within the meaning of the Minerals Development Acts 1940 to 1999.

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Exploration Activity

	2007	2008	2009*
Exploration in Ireland	€14.47m	€20.20m	Awaited
Proportion of global expenditure	0.14%	0.15%	Awaited
Number of current prospecting licences held at year end	419	472	486

* Full year figures for 2009 are not yet available.

Mining Activity (Thousands of Tonnes of Metal in Concentrates)

	2007	2008	@ 30th June 2009*
Zinc			
a) Output in Ireland	392	398	203
b) Proportion of global output	3.5%	4%	4%
c) Proportion of European output	38%	38%	39%
Lead			
a) Output in Ireland	54	50	27.5
b) Proportion of global output	1.5%	1.2%	1.5%
c) Proportion of European output	19.7%	16%	17%

(Source: International Lead & Zinc Study Group)

* Full year figures for 2009 are not yet available.

TABLE: RECEIPTS ¹

Item	2007 (€)	2008 (€)	2009 (€)
Mining Receipts (Dead Rent and Royalties)	7,145,805	6,169,742	3,690,229
Exploration Receipts (Prospecting Licence fees)	192,180	334,466	200,765
Other	*8,021	*1,682	*1,005,502
TOTALS	€7,346,006	€6,505,890	€4,896,496

* This figure is in respect of refunds received from a mining company for payment of compensation by the Minister to private mineral owners

¹ Revenues received in 2007, 2008 and 2009 have been restated in order to more accurately represent exploration and mining activity.

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MINERALS EXPLORATION AND MINING

To maximise the contribution of the mining sector to the economy, with due regard to its social and environmental impact and to facilitate the remediation of old mine sites, in cases where the Minister has an identifiable and acknowledged role.

Strategic Objective ONE

Maximise the contribution of the mining sector to the economy with due regard to its social and environmental impact.

The minerals industry is global. As a consequence, the level of exploration activity in Ireland reflects worldwide market trends, in particular prevailing metal prices. Ireland is particularly dependent on the zinc market as this is the primary exploration target. Metal prices have been consistently volatile in recent years with resulting consequences for global production. However, this trend did not continue and metal prices fell substantially in 2008 before recovering again in 2009. This volatility is best illustrated by zinc prices which fell from €1,590 per tonne in January 2008 to €818 per tonne in December 2008, rising again to €1,625 per tonne in December 2009.

Unfortunately, this volatility has had a significant effect on the three main operating mines in Ireland and their profitability has suffered accordingly. Following sustained low zinc prices in 2008, a decision was made by the Board of the Lundin Mining Corporation to close the Galmoy Mine, which was approaching the end of its life. Production from the mill at Galmoy effectively ceased in June 2009. However, there is potential for further recovery of some remnant high grade Galmoy ore for processing by the nearby Lisheen mine and discussions between the two mines are at an advanced stage.

Against that background, the various strategies pursued by the Department proved relatively successful in maintaining a high level of international 'visibility' and ensuring exploration interest from both multinational and junior companies. The Department continued to actively promote Ireland as an attractive location for mineral exploration and development.

Exploration in Ireland grew in 2009. 486 licences were held at the end of 2009, an increase of 14 licences on 2008. The main focus was on zinc/lead but there was also interest in gold and other base metals.

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Where prospecting leads to a commercial discovery Prospecting Licence holders may apply for a State Mining Facility (Lease or Licence). Terms for these are agreed by negotiation with the applicants on a case-by-case basis and usually involve payment of a fixed rent and a royalty based on output or revenue.

As part of an ongoing Data Release Programme, all non-confidential exploration data held by the Department continued to be released into the public domain via the Division's industry-focussed website (www.mineralsireland.ie).

Strategic Objective TWO

To develop and bring forward a modern statutory regime for mining.

Minerals Development Bill

Drafting continued on the new Minerals Development Bill which was commenced in late 2007. The Minerals Development Bill seeks to consolidate the Minerals Development Acts 1940 to 1999, to update their provisions in line with current best practice, and to streamline permitting procedures. It is expected that the Bill will be published in 2010.

Geothermal Energy Bill

Geothermal energy is natural renewable heat, generated at the earth's core and radiating to the surface. Harnessing geothermal energy means using this heat beneficially to meet energy demand. The usable heat most often takes the form of hot water and steam. The energy can be reclaimed as electricity whereby a geothermal power plant uses the steam or heat (up to 370°C) to drive turbine generators to produce it or as heat.

Currently there is no legislative framework for the regulation of geothermal energy in Ireland. In recognition of the potential contribution of geothermal energy in reducing Ireland's fossil fuel dependence work on the development of geothermal energy legislation was prioritised in 2009. Intensive consultation with industry and other stakeholders was undertaken and Heads of a Bill are expected to be submitted to Government in June 2010.

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Strategic Objective THREE

To require and facilitate sustainable practices in the minerals sector.

The Environmental Protection Agency (EPA) is the primary competent authority for the treatment of waste generated under the provisions of the EU Extractive Industry Waste Directive published in 2008.

Strategic Objective FOUR

To oversee specific remediation projects and to provide well-informed policy and decision-making advice in relation to old mine sites.

Following the Government decision in June 2005 for the State to assume responsibility for the rehabilitation of former mine sites at Silvermines, Co Tipperary, North Tipperary County Council (NTCC) agreed to act as the Minister's agents. Phase 1 of the remediation works at the Gortmore site was completed in 2008. Phase 2 commenced in July 2009 and was substantially completed on time and to budget by the end of 2009. Planning and design for the works at the other sites in Silvermines was progressed during 2009 with a view to commencing a programme of works in 2010 and 2011 to complete the remediation project by early 2012.

A joint DCENR/EPA funded inventory of abandoned mine sites, which includes the inventory of certain waste facilities required under the EU Extractive Industry Waste Directive, was completed in 2009. Volume I of this inventory was published in March 2010.

Strategic Objective FIVE

Effective oversight of the Ordnance Survey Ireland (OSi) such that it continues to develop its commercial remit, while meeting national interest objectives.

Responsibility for the corporate governance of the OSi moved to the Department of Communications, Energy and Natural Resources on 1 January 2008. Under the terms of Section 25 of the Ordnance Survey Ireland Act 2001, the OSi operates under a Service Level Agreement in respect of Government funding provided in the annual Estimates process whereby it will carry out certain tasks, perform functions or adhere to standards in the performance of its functions in the public interest.

The Department engaged extensively with the OSi in 2009 on renewal of the Service Level Agreement and also concerning its financial requirements and ongoing Corporate Governance issues.

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GEOLOGICAL SURVEY OF IRELAND



CORE POLICY GOALS

To maximise the benefit to Ireland of high quality geoscience information that is relevant to the needs of the country and is provided in a cost effective manner.

Strategic Objectives

- To support the sustainable development of Ireland's natural resources.
- To provide reliable geoscience support for environmental protection and effective spatial planning.
- To complete geoscience surveys in priority areas in response to the needs of specific sectors and customers.
- To support the knowledge economy through the provision of access to geoscience databases and supporting priority research and educational services.

Progress in Marine Geoscience

INFOMAR, the nearshore programme of seabed mapping being undertaken jointly with the Marine Institute, had another successful survey season during 2009. Designed to create integrated knowledge of the physical, chemical and biological resources of our extensive seabed, INFOMAR delineated a new candidate marine Special Area of Conservation in the Shannon Estuary in collaboration with the National Parks and Wildlife Service. The RV Celtic Voyager completed surveys in Dingle Bay and along the coastlines of Wexford and North Dublin in support of maritime safety and biological heritage objectives.

The RV Keary, a cost-efficient inshore survey vessel, was commissioned during 2009 and commenced surveying in Dublin Bay. It undertook collaborative surveys in the Irish Sea in conjunction with energy and biological heritage interests. INFOMAR became a partner in two EU-supported projects, GEOSEAS (FP7) and EMODNET (DG Mare), which will deliver new and efficient datasets.

2009 marked ten years of seabed mapping and this milestone was recognised at the Seabed 10 conference in October which reviewed the progress and impact of this work.

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Carbon-Capture-and-Storage

While many GSI projects create datasets which support the development of green energy (including geothermal energy), there is an increased focus on assessing the potential for carbon-capture-and-storage (CCS) in geological formations beneath our seabed and coastal regions. Such permanent storage of carbon dioxide emissions from point sources (especially coal-fired power stations) is widely seen as an important technology to facilitate our transition to a “green energy” economy while meeting our obligations on greenhouse gas emissions.

During 2009 GSI cooperated with the EPA on a project designed to assess the carbon storage potential, based on a suitable saline aquifer, in the vicinity of Moneypoint Power Station, County Clare.

GSI was among the partners in a project proposal designed to assess the carbon storage potential in the Kinsale Gasfield. The proposal passed the first screening in the application for EU funding at the end of 2009.

Clean Water Supplies

The GSI provides an important advisory service to Local Authorities infrastructure projects under this heading. The national mapping

programme for groundwater protection continued on schedule during 2009. Field work for Phase 1 Counties (Dublin, Leitrim, Longford, Louth, Sligo and Westmeath) was completed in 2008 and the resulting maps were produced in draft in 2009. Meanwhile field work was successfully finished for Phase 2 Counties (Carlow, Limerick, Offaly, Waterford and Wexford) during 2009. In addition draft reports were produced for four source protection zones around significant public water supplies in County Louth.

GSI continued to support the EPA in 2009 on the implementation of the EU Water Framework Directive (WFD) through the provision of data and expertise. The emphasis during 2009 was on delineating source protection zones around WFD monitoring points, with GSI updating its Groundwater Recharge Map for Phase 1 Counties and evaluating recharge in complex karst areas.

A baseline study of the status of the soils of Dublin city was started and involves considerable stakeholder consultation.

Assisting key infrastructure

The Dublin Geourban Project is creating a 3D model of the city’s subsurface which will be an important contribution for future

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transport projects. A range of software options were tested during 2009 and involved data from the Dublin Port and immediate city centre area.

During 2009, mapping of granular (sand and gravel, as distinct from crushed bedrock) potential resources was completed for Counties Kilkenny, Leitrim, Longford, Louth, Offaly and Sligo.

Repeated disruption in 2009 to road and rail services due to landslides drew attention to the negative economic impact of even relatively minor events. Landslide susceptibility mapping in the greater Dublin and Cork regions is intended to highlight areas at most risk and during 2009 the inventory and air photo interpretation components were completed in addition to a considerable portion of the field validation.

GSI provides support for the planning process by responding to notifications on environmental impact statements and planning applications. Inputs on geological heritage and geotechnical conditions are consistently required. The number of notifications totalled 185 during 2009, about 50% of the level in 2008 (357 notifications) and reflects the recent slowdown in construction.

Data Access for Customers

In line with its policy on free access to data, GSI has substantial databases on the onshore and offshore of Ireland and it makes these available free of charge and in easily accessible format in order to maximise their use by the widest range of users.

Building Research Capacity in Geoscience

The Griffith Geoscience Research Awards Scheme, designed to enhance national research capacity, is currently funding research in key areas such as CCS, groundwater and seabed resources, including how climate change will impact on them.

Public Interest

GSI activities continued to generate public interest, with their level of print media coverage maintaining that of 2008. 40% of the coverage related to seabed activities, while heritage and outreach each accounted for close to 20%

North-South geoscience cooperation

Significant achievements have resulted under the Framework for Scientific Cooperation (November 2007) between Geological Survey Northern Ireland (GSNI), British Geological Survey (BGS) and GSI. Some key examples in 2009 were:

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Energy/climate change: BGS, GSNI and GSI have commenced constructing a 3D model of the subsurface beneath the Irish Sea as a first phase in assessing its CCS prospects.

Infrastructure/Hazards: Following earlier collaboration on landslides, a successful 2009 seminar on recent landslides research was attended by 80 stakeholders.

Heritage/Outreach: The Geoparks Ireland Forum was established as a valuable networking event for Geoparks stakeholders. Posters on “Climate through time” and “Building Stones” were published.

Strategic Context

“Geoscience - Towards a Smart Economy”, published jointly by the Royal Irish Academy, GSNI and GSI at the end of 2009, describes how the geoscience sector can contribute to economic recovery and describes a vision of the sector in 2020.

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INLAND FISHERIES



CORE POLICY GOAL

To conserve the inland fisheries resource through effective corporate governance of the agencies operating under the aegis of the Department and to facilitate exploitation of the resource on an equitable and sustainable basis

Strategic Objective ONE

Ensure the effective conservation, primarily through the fisheries boards and the Loughs Agency, of inland fish habitats and stocks.

The Department continued to implement Government policy to fully align the management of the wild salmon fishery with scientific advice and to this end a total of 18 Bye-laws and 6 Statutory Instruments were introduced, 10 of the Bye-laws were specific to one or more rivers taking cognisance of individual stocking levels.

The annual report on actions taken under the National Implementation Plan and a report on protection, restoration and enhancement of salmon habitat were approved by NASCO (North Atlantic Salmon Conservation Organisation) at their annual meeting in June 2009. The report was commended by the evaluation committee of NASCO.

The Department continued to defend legal cases challenging the management of the Salmon fisheries.

Payments were made under the Salmon Hardship Scheme, a scheme established for those affected by the compulsory cessation of mixed stock fishing at sea. In 2009 a total of €1.7m was allocated to Bord Iascaigh Mhara (BIM) and the Loughs Agency who administered the scheme.

The associated Community Support Scheme was directed at the development of additional economic opportunities for crews and employees in the processing and ancillary sectors in the communities where commercial salmon fishing had been a well-established activity and where its withdrawal demonstrably impacted on the economic and social fabric. Final payments amounting to €2.9m were distributed to the LEADER companies under this scheme in 2009.

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A national eel management plan, to comply with EU Council Regulation 1100/2007, was approved by the EU Commission in June 2009.

Implementation of the Eel Management Plan in 2009 saw the introduction of a number of measures chiefly the closure of the eel fishery and the commencement of operations to trap and transport eels around ESB hydro-stations in the Shannon and the Erne.

Strategic Objective TWO

Deliver effective legislative and regulatory framework and value for money management for the inland fisheries sector.

The Inland Fisheries Bill 2009 was published in November 2009. This provides for the restructuring of the management of the inland fisheries sector including the creation of a single strengthened national inland fisheries authority, to be known as Inland Fisheries Ireland. This authority will replace the existing Central and seven Regional Fisheries Boards.

The restructuring will result in a more efficient and effective management of the inland fisheries resource, more streamlined, coherent and integrated policy formulation and a better use and allocation of financial resources.

The Minister and Minister of State participated in three meetings of the North South Ministerial Council, Aquaculture and Marine Sector under which the Loughs Agency of the Foyle Carlingford and Irish Lights Commission (FCILC) under the co-sponsorship of the Department operates. Five regulations were approved relating to the management of the fisheries (including the control of oyster fishing, conservation of eels and the regulation of coarse angling).

CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION

HIGH LEVEL GOAL

To position the Department as a knowledge based, inclusive and results focused organisation, operating to the highest public service values and standards of service delivery characterised by continuous improvement and innovation.

Introduction

This area provides support services for the Department as a whole and also administers HR policy and the Department's Budget.

The relevant areas of corporate management are Human Resources, Information Technology, Finance, Internal Audit and Corporate Services.

The role of these areas is to support the Department's line Divisions in achieving the sectoral objectives and to take particular responsibility for cross cutting issues which extend across two or more Divisions. The objectives for each of the five areas listed above are set out below.

HUMAN RESOURCES

Strategic Objective

To continue to support the motivation and well being of staff and underpin organisational performance and continuous improvement in line with best practice in the area.

During 2009 the main challenges facing Human Resources Division were:

- Continuing to manage staffing numbers in line with the Government's recommendations and the Report of the Special Group on Public Service Numbers and Expenditure Programmes; and
- Implementation of schemes such as the Incentivised Scheme of Early Retirement, the special Incentivised Career Break Scheme and the Shorter Working Year Scheme, in order to give effect to Government Policy on public sector numbers.

CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION

Progress was also made on the following strategic issues:

- Planning has started to produce a new HR Strategy taking account of developments in PMDS and the Civil Service Modernisation Programme;
- Continue to support the bedding-in of integrated PMDS within the Department;
- Significant work has been made to secure a recruitment licence from the Commission for Public Sector Appointments so as to provide more flexibility to the Department in terms of the engagement of staff;
- Implement policies and practices that give practical support to disability legislation and best practice and that foster a proactive work environment for staff with disabilities; and
- Ensuring that HR continues to support line Divisions in achieving business objectives.

Staff numbers for the years 2007, 2008 and 2009:

Date	Staff Number
31/12/2007	339
31/12/2008	298
31/12/2009	271

As the above figures show the Department’s full time equivalent numbers have fallen by 68 or some 20% over the 2 years, 2008 and 2009.

INFORMATION TECHNOLOGY

Strategic Objective

To provide high quality stable and secure information and communications infrastructure, technologies and systems in support of the Department’s sectoral and organisational responsibilities.

The Information Systems Division is responsible for the delivery of ICT services to the Department including the implementation and maintenance of business systems as set out in the ICT strategy 2008-2010.

Departmental initiatives completed in 2009 include the roll-out of new computer security software to all PCs and encryption software to all laptops and USB devices. The disaster/recovery

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project continued with the installation of full real-time failover for email, financial and salary applications.

Two new applications were developed and delivered to the Natural Resource Sector. The OPALS application provides a back-office system which supports the staff of EMD in the processing of prospecting licence applications. The IPAS internet website allows visitors to explore technical data (wells, seismic, gravity and magnetic) relating to petroleum exploration and production held by the Department's Petroleum Affairs Division.

In conjunction with GSI work continued on the development of Geographical Information Systems (GIS) data creating meta data to meet obligations under the EU INSPIRE Directive, developing a new spatial data model and provide improvements to the environments which underpin its storage.

Technical Infrastructure

Work commenced in 2009 on a new network design to provide full replication in our Adelaide Road and Beggars Bush offices providing external connectivity (email, government networks etc). Following a tender process this will be completed in 2010.

ICT Capability

Draw down contracts were put in place for all core technical competencies needed to support delivery of ICT services including database administration, software developers, web design, testers and systems analysts.

Financial, administrative and procurement controls are in place to monitor effective use of contract resources.

FINANCE DIVISION

Strategic Objective ONE

To manage the finances of the Department on an ongoing basis in full compliance with financial procedures and to support organisational effectiveness and evidence based policy making with robust business and financial planning, evaluation and foresight.

In 2009, the Department continued to focus on enhancing financial management capability and optimising use of the Financial Management System (FMS) by delivering specially tailored financial training. This continued focused approach contributed to the Department's further strengthening of its business planning,

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financial reporting and risk management processes. The Public Financial Procedures (as published by the Department of Finance) were further embedded, contributing to organisational effectiveness and evidence-based policy decisions.

Strategic Objective TWO

To ensure deployment and prioritisation of financial resources to best effect delivering agreed outputs and value for money.

The gross Voted provision for the Department in 2009 was €527.7 million and the outturn was €473.2 million, a saving of €54.5 million. In the case of the Administrative Budget the saving was €3.5 million as compared to the Budget provision of €28.9 million.

All monthly and yearly financial reporting requirements to the Management Committee, combining key financial and non-financial performance information, were met during 2009. Increased performance analysis capability in measuring outputs, efficiency, and value for money underpinned resource allocation decisions by the Department.

INTERNAL AUDIT

The Internal Audit Unit provide objective assurance regarding the adequacy or otherwise of the systems of internal control to the Department and, where required, provide a consulting activity designed to add value and improve the Department's operations.

Strategic Objective

Ensure the efficiency and effectiveness of the internal control systems in the Department

Implementation

- Scheduled reviews of the Department's system of internal financial control, ensuring that it is improved on an ongoing basis;
- Annual Internal Audit programme developed on the basis of risk analysis;
- Completion, under the guidance of the Department's Audit Committee, of the annual planned programme of audits;
- Audit Committee approves the Annual Audit Plan;

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- The Audit Committee meets 5 times a year to consider audit reports.

Audits were completed during 2009 on a range of issues including:

- National Broadband Scheme;
- Inland Fisheries;
- Consultancy Expenditure;
- Sustainable Energy expenditure.

Assisting the Department to accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and the governance process.

Implementation

- Audits completed on schedule and approved by the Department's Audit Committee;
- Effective and prompt implementation of audit recommendations;
- Confirmation of the quality of controls outlined in the Statement of Financial Control attached to the Appropriation Account; and
- Compliance with the relevant Department of Finance and European Commission guidelines.

CORPORATE SERVICE DIVISION

COORDINATION UNIT

The Unit coordinates cross divisional, interdepartmental, inter jurisdictional and EU issues covering inter alia; domestic, EU, North/South and disability issues.

Strategic Objective

The objective is to provide co-ordination service to Divisions across the broad and wide-ranging array of economic and policy areas within the Department's remit and in addition to represent the Department on a range of interdepartmental and policy groups as required.

Implementation

Issues arising from a wide variety of sources (Government Departments, EU, Local Authorities etc.) are directed to the relevant areas of the Department and the Unit coordinates responses to these from the material returned. During 2009 the Unit handled and completed in excess of 1,000 cases arising from these sources, concerning, inter alia; Strategic Environmental Assessments, PQ's, Memoranda for Government, Briefing documents etc. For efficiency, electronic communication is the principal tool used to disseminate requests and respond to queries in a timely fashion.

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Freedom of Information (FOI)

During 2009 the Department received 52 new requests and carried forward 6 cases from 2008. The outcome is as follows:

No. of requests carried forward from 2008	6
No. of new requests received in 2009	52
Total No. of requests processed in 2009	58

Outcome of requests processed in 2009

Granted	22
Part granted	12
Refused	9
Transferred to other Departments	2
Withdrawn	6
Carried forward to 2010	7

Appeals

The Department received requests for 6 Internal Reviews all of which were completed and upheld the original decision.

At the start of 2009 the Office of the Information Commissioner had 11 cases on appeal in respect of this Department's decisions and 1 new case.

Results	No. of cases
Department's decision upheld	3
OIC varied the Department's decision	5
Carried forward into 2010	4

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CORPORATE SERVICES

Work Environment

The Department continues to monitor, develop and communicate procedures to ensure a safe and healthy work environment of the highest standards of service delivery to Ministers, Secretary General and staff at all Department offices.

Health and Safety training undertaken includes training for the Safety Representative, First Aid, Defibrillator use, Fire Marshal & Evacuation Chair procedures in case of an emergency evacuation.

The Department was at the forefront of the implementation of measures in the workplace to help combat the spread of Influenza A (H1N1) so called 'Swine Flu' during 2009. This involved the dissemination of information, the installation of Hand Sanitizers throughout the Department's buildings and the issue of Biocidal Wipes to each member of staff.

The Department has provided Portable Audio Loops for use in meeting rooms to aid communication for people with a hearing impairment.

Value for Money

Corporate Services Division conducts value for money exercises across a range of areas on an ongoing basis. This initiative yields greater efficiencies and economies and continued to result in significant savings in 2009.

CORPORATE GOVERNANCE / PROCUREMENT POLICY

Strategic Objective ONE

To ensure that the Department's over-arching Corporate Governance structure is robust and effective and based on best practice to facilitate Divisions in their day-to-day governance of the bodies under the aegis of the Department and to ensure reports on Governance activity to Ministers and Management Committee are accurate and timely.

The Unit co-ordinated the overarching Corporate Governance Framework to facilitate Divisions in their day-to-day Corporate Governance responsibilities. Contractual arrangements for CEOs of the State Bodies under the remit of the Department were dealt with expeditiously and in accordance with the Department of Finance guidelines.

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The eGovernance site provides details for the Minister and the Management Committee of the up to date position on membership and vacancies of Boards and Bodies operating under the aegis of the Department.

Strategic Objective TWO

To design and implement a new best practice Procurement Plan which will include measures to reduce the Department's own use of energy, paper and other resources.

A Corporate Procurement Plan has been drafted for the Department. The Unit continued to advise Divisions on all procurement matters particularly compliance issues and the promotion of the value for money imperative.

STRATEGIC CHANGE UNIT

The Unit oversaw the preparation and publication of a number of documents during the year including the Customer Service Action Plan 2009-2011, the Customer Service Charter 2009-2011 and the 2008 Annual Report. The Unit serviced the regular meetings held throughout 2009 under the Partnership process.

The Unit also maintains a Customer Service Helpdesk for members of the public.

Quality Customer Service

The Department's Customer Charter and Customer Service Action Plan 2009-2011 provide details of the commitments to quality customer service (QCS), which the Department's customers can expect. The Action Plan also provides details of the specific service standards which will be put in place across a range of services provided by the Department.

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Compliance levels with specific service standards over 12 month period
1st July 2008 to 30th June 2009

Service Provided	Standards of Service	Compliance Levels (provide reasons if standard not met)
Petroleum Exploration Licences and Authorisations	Decisions on applications within 2 months.	40% (detailed technical analysis and further information were sought in remaining applications)
Minerals prospecting licences	Decisions on applications within 4 months.	In the majority of instances targets have been met.
State Mining Facilities	Decisions on applications within timeframes as agreed between applicants and Department.	Achieved within revised targets agreed with companies.
Geological information and advice	Immediate telephone advice where appropriate, other backup provided within one month.	The service standards were fully complied with.

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STAFF DEVELOPMENT UNIT (SDU)

The main training objective for 2009 was to support the Department’s business requirements through delivery in line with operational demands and priorities identified by management and staff.

Training priorities in 2009 included:

- Financial Management Training;
- Freedom of Information;
- Regulatory Impact Analysis;
- Agresso Training;
- Specialist Technical Training;

The Department successfully provided and facilitated a wide range of staff training in support of its business objectives. This was achieved with a particular emphasis on receiving value for money. SDU undertook a revision of the Staff Development Policy document which is due to be released in early 2010.

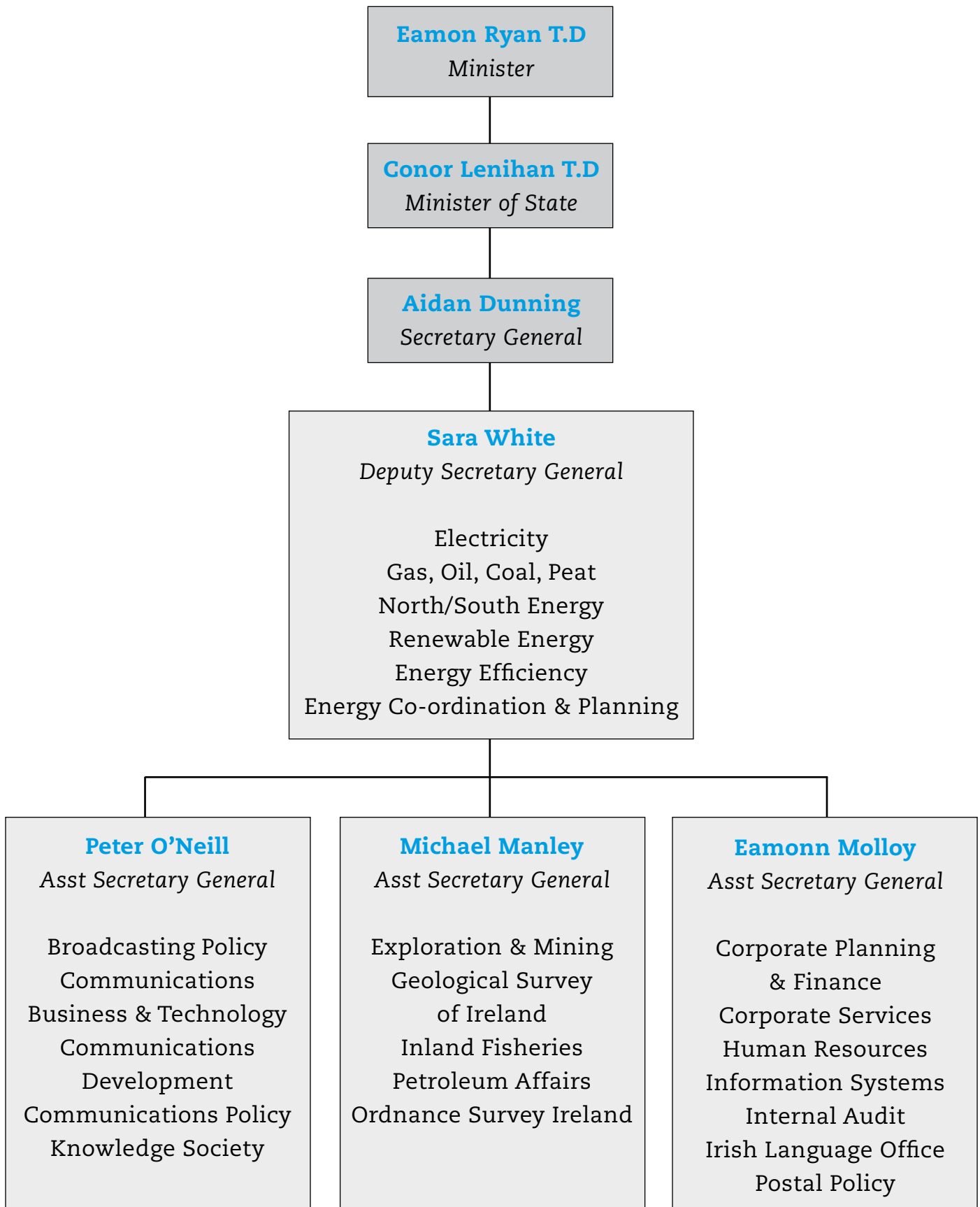
Training and Development for the year 2009 represented 3.44% of the Department salary costs. This training comprised a mix of internally provided and outsourced courses.

OIFIGEACH NA GAELIGE

The Department promotes and assists in the delivery of Irish and bilingual services in accordance with the scheme agreed under Section 11 of the Official Languages Act 2003, as part of the Department’s Quality Customer Service and in the Senior Officials’ Working Group of the Cabinet Committee on Irish and the Gaeltacht.

Details of Training Courses	2008	2009
Courses Delivered	148	86
Numbers of Staff Trained	309	236
Training days delivered	1225.50	765
Average number training days per person	4	3
Total Training Expenditure	€737,078.84	€614,526.78

APPENDIX A: STRUCTURE OF DEPARTMENT AS AT 31.12.2009



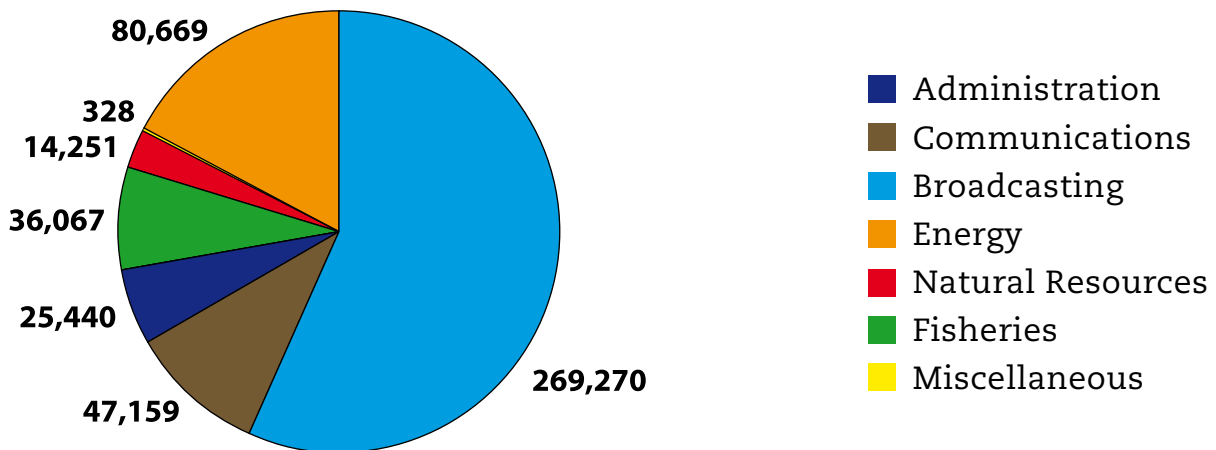
APPENDIX B: VOTE 30: 2009 ESTIMATES AND OUTTURN

Subhead		Estimate €000	Outturn €000
ADMINISTRATION			
A1	Salaries, Wages & Allowances	18,552	17,992
A2	Travel & Subsistence	809	504
A3	Incidental Expenses	1,245	1,151
A4	Postal & Telecoms	720	453
A5	Office Machinery & Supplies	4,655	3,163
A6	Office Premises Expenses	1,500	1,159
A7	Consultancy Services	1,155	739
A8	Equipment, Stores & Maintenance	225	267
A9	VFM & Policy Reviews	42	12
Sub-total		28,903	25,440
COMMUNICATIONS			
B1	Information	46,049	40,021
B2	Multimedia Developments	6,731	5,544
B3	RAPID Programme	1,147	774
B4	Information Society & eInclusion	824	820
Sub-total		54,751	47,159
BROADCASTING			
C1	Grant to RTÉ	207,640	204,255
C2	Payment to an Post	13,714	12,444
C3	BCI	4,550	4,550
C4	TG4	36,133	36,133
C5	Broadcasting Fund	10,804	11,888
C6	Digital Terrestrial Television	-	-
Sub-total		272,841	269,270
ENERGY			
D1	Sustainable Energy Ireland Admin	8,350	8,350
D2	Sustainable Energy Programmes	96,422	59,267
D3	Energy Research Programmes	8,676	12,162
D4	Strategic Energy Infrastructure	1	-
D5	Energy Efficiency Awareness Initiatives	894	890
Sub-total		114,343	80,669

NATURAL RESOURCES			
E1	Petroleum Services	975	755
E2	Mining Services	6,684	3,676
E3	GSI Services	438	157
E4	Geoscience Initiatives	1,228	1,127
E5	National Seabed Surveys	3,363	3,449
E6	OSI	5,087	5,087
Sub-total		17,775	14,251
FISHERIES			
F1	Inland Fisheries	34,046	31,455
F2	Salmon Conservation	4,187	4,612
Sub-total		38,233	36,067
MISCELLANEOUS			
G1	Subs to International Organisation	303	296
G2	Change Management Fund	1	-
G3	Gas Services	32	32
G4	Other Services	501	-
Sub-total		837	328
Gross Total		527,683	473,184
H1	Fines & Forfeitures for Fishery Offences	86	35
H2	Receipts from Mineral & Petroleum Acts	10,685	7,437
H3	Petroleum Infrastructure Support Group	782	740
H4	Broadcasting Licence Fees	229,778	226,207
H5	GSI Receipts	1,000	421
H6	Rent on Properties in GPO	228	224
H7	Rapid Programme	1,147	774
H8	Nora Pension Contributions	98	-
H9	Miscellaneous Receipts	1,500	1,287
H10	Pension Levy	3,880	3,746
Appropriations -in -Aid Total		249,184	240,871
Net Total		278,499	232,313

ADMINISTRATION	25,440
COMMUNICATIONS	47,159
BROADCASTING	269,270
ENERGY	80,669
NATURAL RESOURCES	14,251
FISHERIES	36,067
MISCELLANEOUS	328

2009 OUTTURN



APPENDIX G: LEGISLATION ENACTED IN 2009

ACTS ENACTED AND OTHER BILLS

ACTS

- Broadcasting Act, 2009.
- Gas (Amendment) Act 2009 No. 3 of 2009.

BILLS PROGRESSED OR INITIATED

- Communications Regulation (Premium Rate Services and Electronic Communications Infrastructure) Bill 2009.
- This Bill has passed all stages in the Dáil and will go to the Seanad in early 2010.
- Energy (Biofuel Obligation and Miscellaneous Provisions) Bill 2009.
- Petroleum (Exploration and Extraction) Safety Bill progressed in 2009.
- Inland Fisheries Bill 2009.

EU DIRECTIVES

- Council Directive 2009/119/EC issued 14 September, 2009 imposing an obligation on Member States to maintain minimum stocks of crude oil and/or petroleum products.
- Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC.
- Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC.

STATUTORY INSTRUMENTS MADE

The following Government & Ministerial Orders and Regulations were made in 2009

S.I. No.	Title
76	Taxes Consolidation Act 1997 (Accelerated Capital Allowances for Energy Efficient Equipment) Order 2009
238	Energy Miscellaneous Provisions) Act 2006 (Section 13) (Commencement of Remaining Provisions) Order 2009
393	Taxes Consolidation Act 1997 (Accelerated Capital Allowances for Energy Efficient Equipment) (Amendment) (No. 2) Order 2009
499	European Communities (High Efficiency Combined Heat and Power) Regulations 2009
542	European Communities (Energy End Use Efficiency and Energy Services) Regulations 2009
549	Taxes Consolidation Act 1997 (Accelerated Capital Allowances for Energy Efficient Equipment) (amendment) (No. 3) Order 2009
389	Establishment of BAI
319	Television Licence (Exemption of Classes of Television Set) Order 2009
199	Energy and Natural Resources (Delegation of Ministerial Functions) Order 2009
207	Appointment of Special Advisor (Minister for Communications, Energy and Natural Resources) Order 2009
208	Appointment of Special Advisor (Minister of State at the Department of Communications, Energy and Natural Resources) Order 2009
298	Energy (Miscellaneous Provisions) Act 2006 (Commencement of Section 6) Order 2009
299	Electricity Regulation Act 1999 (Appointment of Person to Calculate Power to Heat Ratios of Combined Heat and Power Units) Order 2009
59	European Communities (Internal Market in Electricity) (Amendment) Regulations 2009
214	National Oil Reserves Agency Act 2007 (Returns and Levy) (Amendment) Regulations 2009
247	European Communities (Repeal of Section 26 (4) of the National Oil Reserves Agency Act 2007) Regulations 2009
358	European Communities (Control of Dangerous Substances from Offshore Installations) Regulations 2009
142	Control of Fishing for Salmon Order, 2009

495	Regional Fisheries Boards (Postponement of Elections) Order, 2009
537	Salmon Rod Ordinary Licences (Alteration of Licence Duties) Order, 2009
538	Special Tidal Waters (Special Local Licences) (Alteration of Duties) Order, 2009
557	Wild Salmon and Sea Trout Tagging Scheme Regulations, 2009
560	Inland Fisheries (Fixed Payment Notice) Regulations, 2009

LEGISLATION ENACTED IN 2009

INLAND FISHERIES BYE-LAWS MADE BY MINISTER OR MINISTER OF STATE.

Bye-Law No.	Title
C.S. 302	North Western Fisheries Region No 11 or Ballina District (Prohibition on Angling with Rod and Line)
C.S. 303	Conservation of Eel Fishing
C.S. 303	Conservation of Eel Fishing
C.S. 304	Conservation of Salmon and Sea Trout (Closed Rivers)
C.S. 305	South Western Fisheries Region (River Bandon) Conservation of Salmon and Sea Trout
853	Shannon Fisheries Region (River Shannon) Conservation of Salmon and Sea Trout (Catch and Release)
854	Eastern Fisheries Region No. 2 or Wexford District (River Slaney)
855	Eastern Fisheries Region Avoca River System (Catch and Release)
856	Salmon and Trout Conservation (Draft Nets and Snap Nets)
857	Salmon and Trout Conservation (Prohibition on Use of Drift Nets and Other Engines)
858	Conservation of Eel Fishing (Prohibition on Issue of Licences) Bye-Law No. 858, 2009
859	Salmon and Trout Conservation (Extension to Draft Nets Season)
860	Salmon and Trout Conservation (Extension to Snap Nets Season) (River Nore)
861	Salmon and Trout Conservation (Extension to Snap Nets Season) (River Nore)
862	Eastern Fisheries Region (Lough Ramor) Conservation of Coarse Fish (Catch and Release)
863	Conservation of Salmon and Sea Trout (Catch and Release)
864	Conservation of Salmon and Sea Trout (Bag Limits)
865	North Western Fisheries Region Conservation of Salmon and Sea Trout (Newport River)
866	Southern Fisheries Region (River Blackwater (Munster) Conservation of Salmon and Sea Trout

APPENDIX D: REGULATORY IMPACT ANALYSIS CARRIED OUT IN THE DEPARTMENT DURING 2009

Title of Bills:

Communications Regulation (Premium Rate Services and Electronic Communications Infrastructure) Bill 2009

Energy (Biofuel Obligation and Miscellaneous Provisions) Bill 2009

Inland Fisheries Bill 2009

Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC

Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC

Where the published RIA's can be accessed:

<http://www.dcenr.gov.ie/NR/rdonlyres/D43D4D7B-9724-466A-A5C6-67A46699D559/0/RIAonRegulationofpremiumrateservices.doc>

<http://www.dcenr.gov.ie/NR/rdonlyres/26358B8D-1DC7-4B0F-B697-2F2FEDA32F46/0/BiofuelsObligationRIAJuly09.pdf>

<http://www.dcenr.gov.ie/NR/rdonlyres/8E02542E-8BC5-4602-8D42-3ED104B2F350/0/RIANOV09Final.doc>

APPENDIX E: BODIES UNDER THE AEGIS OF THE DEPARTMENT

The Department is responsible for 25 commercial, non commercial and regulatory State bodies as outlined below.

BODY	MAIN ROLE
COMMUNICATIONS	
An Post	Ireland's national postal service provider.
Commission for Communications Regulation	ComReg is charged with the regulation of the communications market in Ireland. Its remit covers all kinds of transmission networks from the traditional telephone wire service through to operators providing TV services and from mobile phone networks to the postal service.
Digital Hub Development Agency	Established under the Digital Hub Development Act 2003 to oversee the development of the Digital Hub.
BROADCASTING	
Raidió Teilifís Éireann	The national public service broadcaster and a statutorily independent body.
TG4	The Irish language television channel and an independent statutory body.
Broadcasting Authority of Ireland (BAI)	The Broadcasting Authority of Ireland (BAI) was established on October 1st 2009, as an independent regulator for radio and television broadcasters in Ireland. The BAI has a range of objectives and functions. In carrying out its functions, the BAI must make sure that its approach to regulation is proportionate and takes into account the range and type of broadcasting services in Ireland. The BAI has a responsibility to ensure that broadcast regulation is stable. The Authority also has a role to play in encouraging technological development in the broadcasting sector.

ENERGY	
Electricity Supply Board	ESB is statutory corporation established under the Electricity (Supply) Act 1927. Following the enactment of the Electricity (Supply) (Amendment) Act 2001 a 5% employee shareholding scheme was put in place.
EirGrid plc	EirGrid plc was established to act as the independent Transmission System Operator (TSO), in line with the requirements of the EU Electricity Directive and became operational as the TSO on 1 July 2006.
Bord Gáis Éireann	BGÉ is the owner and operator of the gas transportation network in the State. Its primary activities are gas procurement and supply. The Board supplies over 600,000 residential customers and over 20,000 industrial and commercial customers. BGÉ is also a supplier of electricity.
Commission for Energy Regulation	The Commission for Energy Regulation (CER) is responsible for the licensing and authorisation of energy undertakings, ensuring security of electricity and gas supplies, regulation of certain tariffs and the development of national and regional electricity and gas markets in line with its statutory functions and national and EU requirements.
Irish National Petroleum Corporation	Following the sale of its business and commercial assets (Whitegate Refinery and Bantry storage terminal) in July 2001, the INPC has no operational capacity/ employees. Its current activities are limited to its rights and obligations under the Sale and Purchase Agreement attaching to the 2001 transaction.

<p>Bord na Móna plc</p>	<p>Bord na Móna plc is a supplier of products and services based principally on peat. The Company is also providing products and services in the environmental, renewable energy, electricity generation and waste management business sectors.</p>
<p>National Oil Reserves Agency</p>	<p>Ireland has obligations under (a) EU Directives and (b) International Energy Agency (IEA) rules to hold reserve oil stocks. NORA was established in 1995, as a subsidiary of the INPC, to fulfil this obligation. NORA arranges for the purchase, leasing, and storage of national strategic oil stocks at a level determined annually by the Minister.</p>
<p>Sustainable Energy Authority of Ireland</p>	<p>Sustainable Energy Authority of Ireland (SEAI), formerly SEI, was established in 2002 to promote and assist the development of sustainable energy.</p>
<p>NATURAL RESOURCES</p>	
<p>Central Fisheries Board</p>	<p>Promotion, support and coordination of inland fisheries and development and coordination and direction of the activities of the seven Regional Fisheries Boards.</p>
<p>Regional Fisheries Boards (7)</p>	<p>Conservation, protection and development of inland fisheries.</p>
<p>Loughs Agency of the Foyle Carlingford and Irish Lights Commission *</p>	<p>Its responsibilities include (a) the promotion and development of Lough Foyle and Carlingford Lough for commercial and recreational purposes in respect of marine, fishery and aquaculture matters (b) the management, conservation, protection improvement and development of inland fisheries; (c) the development and licensing of aquaculture; and (d) the development of marine tourism.</p>

Mining Board	An independent board set up under the Minerals Development Act 1940. Its function is to determine compensation in various cases. It is also charged with deciding what minerals are to be accepted from the State's exclusive right to work minerals under that Act.
Ordnance Survey Ireland	Ordnance Survey Ireland provide quality mapping and geographic information services to meet society's needs.

* *Implementation Body under the British-Irish Agreement Act 1999.*

APPENDIX F: COMMERCIAL STATE SPONSORED BODIES

The Department's accounts do not consolidate the accounts of the State Sponsored Bodies under its aegis. However the Minister and through him the Department, had responsibility in 2009 for seven commercial State Sponsored Bodies. Financial details in relation to these Bodies are available on the following websites.

www.anpost.ie

www.esb.ie

www.bordGais.ie

www.bnm.ie

www.RTE.ie

www.eirgrid.com

www.tg4.ie

APPENDIX G: GLOSSARY OF ABBREVIATIONS USED

ACA	Accelerated Capital Allowances
BAI	Broadcasting Authority of Ireland
BCC	Broadcasting Complaints Commission
Bcf	Billion cubic feet
BCI	Broadcasting Commission of Ireland
BER	Building Energy Rating
BGE	Bord Gáis Éireann
BGS	British Geological Survey
BIM	Bord Iascaigh Mhara
CAG	Common Arrangement for Gas
CCGT	Combined Cycle Gas Turbine
CCS	Carbon-capture-and-storage
CEO	Chief Executive Officer
CER	Commission for Energy Regulation
CHP	Combined Heat and Power
CLCS	Commission on the Limits of the Continental Shelf
COMREG	Commission for Communications Regulation
DCENR	Department of Communications, Energy and Natural Resources
DETINI	Department of Enterprise, Trade and Investment, Northern Ireland
DHDA	Digital Hub Development Agency
DSO	Distribution Systems Operator
DTT	Digital Terrestrial Television
ECAS	Emergency Call Answering System
ED	Electoral Division
EDRT	Energy Demand Reduction Target
EERP	European Economic Recovery Plan
EMD	Exploration and Mining Division
EPA	Environmental Protection Agency
ESB	Electricity Supply Board
EWIC	East West Interconnector
EU	European Union
EVs	Electric Vehicles
FCILC	Foyle, Carlingford and Irish Lights Commission
FMS	Financial Management System
FOI	Freedom of Information
GIS	Geographical Information Systems
GPO	General Post Office
GSI	Geological Survey of Ireland
GSNI	Geological Survey of Northern Ireland

HES	Home Energy Savings
HR	Human Resources
ICT	Information and Communications Technology
IEA	International Energy Agency
INPC	Irish National Petroleum Corporation
ITGWU	Irish Transport and General Workers Union
MAN	Metropolitan Area Network
Mb/s	Megabits per second
MSE	Management Services Entity
MW	Megawatt
NASCO	North Atlantic Salmon Conservation Organisation
NBS	National Broadband Scheme
NDRC	National Digital Research Centre
NEEAP	National Energy Efficiency Action Plan
NGB	Next Generation Broadband
NIAUR	Northern Ireland Authority for Utility Regulations
NORA	National Oil Reserves Agency
NTCC	North Tipperary County Council
OIC	Office of the Information Commissioner
OJEU	Official Journal of the European Union
OPALS	Online Prospecting Application Licensing System
OSi	Ordnance Survey Ireland
PMDS	Performance Management Development System
PQ	Parliamentary Question
QCS	Quality Customer Service
RIA	Regulatory Impact Analysis
REFIT	Renewable Energy Feed In Tariff
RTDI	Research, Technology, Development and Innovation
RTÉ	Raidió Teilifís Éireann
SDU	Staff Development Unit
SEAI	Sustainable Energy Authority of Ireland
SEM	Single Electricity Market
SEPIL	Shell Exploration & Production Ireland Ltd
SLA	Service Level Agreement
SI	Statutory Instrument
SME	Small and Medium Enterprises
SONI	System Operator in Northern Ireland
USB	Universal Serial Bus
WFD	Water Framework Directive
WHS	Warmer Homes Scheme

