



An Roinn Cumarsáide
Fuinnimh agus Acmhainní Nádurtha

Department of Communications,
Energy and Natural Resources

Communications

Energy

Natural Resources

Annual Report 2010



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.”

Contents	Page
Foreword by the Minister	04
Introduction by the Secretary General	05
Summary of key outputs	06
PART I: SECTORAL REPORTS	
COMMUNICATIONS	11
ENERGY	26
NATURAL RESOURCES	39
PART II:	
CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION	53
APPENDICES	
A: Structure of the Department	64
B: Vote 30: 2010 Estimates and Outturn	65
C: Legislation enacted in 2010	68
D: Regulatory Impact Analysis carried out in the Department during 2010	71
E: Bodies under the aegis of the Department	72
F: Commercial State Sponsored Bodies	75
G: Glossary of Abbreviations Used	76

Ministerial Foreword



Pat Rabbitte, T.D.



Fergus O'Dowd, 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 2010. It details the progress made towards the achievement of the high-level goals and objectives set out in the Department's Statement of Strategy for the period 2008-2010.

The Department will be preparing in the autumn a new Statement of Strategy for the period 2011-2014. The new Statement of Strategy will be grounded in the implementation of the Programme for Government 2011-2016 insofar as it impacts on the areas of responsibility of the Department. The Department is responsible for delivery of critical aspects of the Government's policy agenda, particularly in energy, communications and broadcasting sectors which are areas of key economic impact under its remit. The Department will be required to discharge this agenda against the background of constrained resource availability and in the wider context of the public sector reform agenda. My colleague Minister of State Fergus O'Dowd TD and I look forward to providing the policy leadership and working with the Department as it tackles this very challenging agenda.

I wish to pay tribute to the staff of the Department for their evident commitment and dedication as exemplified in the outputs set out in this Annual Report.

A handwritten signature in black ink that reads "Pat Rabbitte". The signature is written in a cursive style and is positioned above a horizontal line.

Pat Rabbitte, T.D.

Minister for Communications, Energy and Natural Resources

Introduction By The Secretary General

This is the third and final annual progress report on the implementation of the Department's Statement of Strategy 2008-2010. This report details progress made during 2010 covering the wide ranging remit of the Department's responsibilities: Part I details progress in the major policy areas of energy, broadcasting, telecommunications and natural resources while Part II outlines developments on corporate management, financial management and public service modernisation issues.



Aidan Dunning
Secretary General

I would like to acknowledge the dedication, effort and commitment to high standards of all my colleagues in the Department and to thank them for their contribution towards achieving our objectives in 2010. The Department is continuing to deliver on its responsibilities against a background of significant contraction in resources over recent years. We face a very challenging agenda over the coming years as will be set out in our new Statement of Strategy which will be published in the autumn. The Department is small in numbers but has policy responsibility in areas which are key to future economic and social development and more generally to national economic recovery.

We are committed to implementation of our Action Plan under the Croke Park Agreement on Public Service Reform. The first progress report on our Action Plan indicated solid progress and we intend to continue to deliver on the reform agenda.

In the course of our work we interact intensively with many stakeholders in the public and private sectors. I wish to acknowledge the importance of this engagement in the pursuit of policy goals and look forward to continuing constructive engagement in the future.

In conclusion, the Department looks forward to working under the leadership of Minister Pat Rabbitte T.D. and Minister of State Fergus O'Dowd T.D., as we tackle the challenges ahead.

A handwritten signature in black ink, which appears 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 2010 included:**Communications and Broadcasting**

- Broadband services under the National Broadband Scheme were made available to 100% of designated Electoral Divisions in the NBS coverage area.
- Plans for a Rural Broadband Scheme were developed to enable a basic broadband service to be provided to individual rural premises which are not capable of obtaining a broadband service from an existing internet service provider. The Scheme was subsequently launched in 2011.
- 100Mb/s broadband connectivity was delivered to 78 post primary schools participating in a pilot project.
- 86 Metropolitan Area Networks (MANs) in 92 towns were completed. e|net, the management services entity, is operating and managing these MANs on behalf of the State. The Department continued to fulfil its oversight role of e|net.
- The International Connectivity Project (Project Kelvin) was completed with the fibre optic network fully completed and tested, providing a direct international telecommunications link between the North West of Ireland and North America and Europe.
- The Exemplar Test-bed, the first phase of the Exemplar Smart Communications Network, was officially opened in July 2010 and to date has approved projects from 9 industry partners and 7 academic research partners.
- A new Emergency Call Answering Service 999 was launched and is fully operational.
- The Communications Regulation (Premium Rate Services and Electronic Communications Infrastructure) Act 2010 came into force in March. This Act provided for the transfer of the regulation of premium rate services from Regtel to the Regulator for Communications, ComReg effective from 12 July 2010.
- Drafting of the Regulations required for transposition of the revised EU regulatory framework for electronic communications services and networks continued during 2010.

- A policy paper on Ireland's radio spectrum was finalised in September 2010 and was published on the Department's website.
- The Digital Hub continued to discharge its important functions with a focus on the development of world class Irish based digital products and services. At the end of 2010 there were 85 companies based at the Hub, employing 830 people.
- At the end of 2010 the National Digital Research Centre had 16 translational research projects under development and 8 short term and feasibility projects completed.
- A €351,000 grants scheme (BenefIT 2) was administered involving the community and voluntary sector, to provide digital training for groups at risk of digital exclusion including older people, the unemployed and people with disabilities.
- Emergency planning was further enhanced in 2010 through participation in EU and national exercises and co-ordination on cross sector issues which impact on critical infrastructure such as communications and energy.
- The Communications Regulation (Postal Services) Bill was published.
- Consultants to implement and manage the delivery of a working National Postcode System (NPS) were appointed. A Government Decision was made authorising the first stage of procurement for the National Postcode System.
- The Government confirmed the switchoff of the analogue broadcasting system by not later than end 2012; this will be replaced by Digital Terrestrial Television system (DTT) and will release valuable spectrum which will improve the quality of mobile broadband.
- The Order requiring RTÉ to launch its DTT service to 90% of the population was signed. The service was launched on 29th October 2010 on a trial basis.
- An agreement was signed with the UK in respect of co-operation on digital switchover between Ireland and Northern Ireland. This agreement also provides for TG4, RTÉ 1 and RTÉ 2 to be carried over the DTT network in Northern Ireland from the end of 2012.
- The transposition of Audiovisual Media Services Directive was completed in 2010 with the enactment of the European Communities (Audiovisual Media Services) Regulations 2010.

- New contractual terms were devised and applied to An Post in its role as the agent in the issuing of television licences and the collection of fees in respect of those licences.

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.
- The Electricity Regulation (Amendment) (Carbon Revenue Levy) Act 2010 was passed; this provides for levy on windfall revenue from free carbon emission allowances for generators and was initialised to mitigate electricity prices for Large Energy Users.
- In May 2010, the Minister and his counterpart in the Northern Executive, committed to progressing the Common Arrangements for Gas project aimed at improving the key gas market on the Island.
- A Ministerial decision on the unbundling of Bord Gáis Éireann's (BGÉ) Transmission System Operator arrangements was made, in line with the unbundling decision required to transpose the EU third energy package.
- A Statutory Instrument on regulatory function of market monitoring was signed by the Minister to transpose the EU third energy package and enhance CER's functions to underpin electricity market deregulation.
- Sustainable Energy Authority of Ireland (SEAI) delivered an array of schemes to promote energy efficiency and the use of renewables, including the Home Energy Savings Scheme, the Warmer Homes Scheme and the Greener Homes Scheme; total expenditure was €115.140m and the total number of grants approved was 102,410.
- Significant progress was made in energy emergency planning on a national, all island and regional basis including cooperative emergency Planning Groups established with both Northern Ireland and UK which will assist with the obligations on measures to safeguard security of gas supply.

- 7 Smart meter trials in respect of electricity customer behaviour and communications and metering technology in the Smart Meter Pilot Phase were completed as scheduled by December 2010.
- The Department continued to work closely with the commercial state energy companies and continued to assist delivery of their commercial and strategic remits; all Commercial Energy State companies remained strongly profitable in 2010 and delivered cumulative dividends to the Exchequer of some €106.3m.

Natural Resources

- Two licensing options were granted during 2010, in respect of an area in the Celtic Sea and in respect of an area in the Kish Bank. A prospecting license was also issued in respect of the Irish offshore.
- The Department introduced and implemented new measures to intensify the oversight of oil and gas operations in Irish waters; in this context the Petroleum Exploration and Extraction (Safety) Bill 2010 was passed by both Houses of the Oireachtas and was signed into law on 3rd April 2010.
- The Department continued to deliver an intensive and focused promotional campaign directed at informing the international oil and gas industry of the exploration and development opportunities offshore Ireland.
- 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 and work on the Geothermal Energy Bill was also advanced. It is expected that both Bills will be published in 2011.
- Work continued on the rehabilitation of former mine sites at Silvermines, County Tipperary, with the commencement of a Health and Safety Works Programme for Silvermines.
- The Inland Fisheries Act 2010 was enacted with effect from 1st July 2010. This Act established a single national authority, Inland Fisheries Ireland, in place of the 8 Fisheries Boards, the National Salmon Commission and 8 Fisheries Co-operatives Societies.

- Extensive seabed surveying continued under the INFOMAR programme, undertaken jointly by Geological Survey of Ireland (GSI) and the Marine Institute.

Corporate & Financial Services

- Gross Expenditure for 2010 was €500.215 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 continues to manage staffing numbers in line with the Employment Control Framework, and at year end, the Department's full time equivalent numbers were 264. This represents a reduction of 75 over end 2007 numbers. Notwithstanding this, output and policy delivery has been maintained to a very high standard.
- The Department submitted its Action Plan under the Public Service Agreement 2010-2014. Staff representing all grades have participated in a number of subgroups that will develop and implement initiatives aimed at securing significant monetary and efficiency savings across the Department.
- 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 emphasis on the areas of staff development and training.

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 continued to pursue a very active agenda under the Communications heading during 2010. Targeted funding initiatives were progressed and the policy framework for investment and development was advanced. The key outputs were as follows:

Strategic Objective ONE

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

Transposition of the revised EU Regulatory Framework for electronic communications

The electronic communications sector, which underpins the wider economy, is governed by the EU regulatory framework. That framework consists of five Directives which were agreed in 2002 and entered into force in Ireland in 2003. To ensure that the

regulatory framework continues to serve the best interests of consumers and industry, improvements to the 5 Directives were agreed by the European Parliament and the Council of Ministers and came into force in 2009 and were required to be transposed in 2011. This consists of 2 Directives, amending the original 5, which was subsequently transposed into Irish law in June 2011.

Consultation with industry, ComReg and the Data Protection Commissioners took place throughout 2010 and work on drafting the amending Regulations was substantially progressed.

Regulation of Premium Rate Services

The Communications Regulation (Premium Rate Services and Electronic Communications Infrastructure) Act 2010 came into force in March 2010. The Act provides for the transfer of the

COMMUNICATIONS

regulation of premium rate services from “Regtel” to “ComReg” and that transfer took effect from 12 July 2010.

Spectrum

The Department continued to work with international bodies including the Radio Spectrum Policy Group and the Radio Spectrum Committee to develop an international Spectrum Policy to meet National and International objectives.

Following on from a public consultation on the principles that should underpin spectrum management, a policy paper on Ireland’s radio spectrum was published in 2010. The policy underpins a national spectrum management approach, implemented by ComReg, that is sufficiently flexible to accommodate technological developments, as well as supporting and promoting innovation, research and development.

Exemplar Smart Communication Network programme

The Exemplar Smart Communication Network programme was published in *Technology Actions to Support the Smart Economy* (2009). A contract was signed in April 2010 between DCENR and Intune Networks to establish the Exemplar Test-bed, the first phase of the

Exemplar Smart Communications Network. The technology behind the Exemplar (Optical-burst Packet Switching and Transport - OPST) is an Irish developed technology which places Ireland in a leading global position in this aspect of energy-efficient, fast data and image transfer using photonics (light). The Test-bed, a next generation, optical communications test infrastructure, which is 100% owned by the State, is now being used by multinational and indigenous companies to test and develop a wide range of next generation products and services in areas such as data centre services, cloud computing, virtualisation, smart grids, next generation video and high speed, high bandwidth on demand services. The Test-bed was officially opened in July 2010 and several projects from industry partners and academic research partners were approved for use of the Test-bed facility.

National Digital Research Centre (NDRC)

The NDRC collaborates with Third Level Institutions, research bodies and commercial companies on collaborative translational research projects in the development of innovative new digital products with commercial potential. The NDRC continued the development of commercially oriented projects in

COMMUNICATIONS

2010 and launched new small scale “Launchpad” projects. At the end of 2010 the NDRC had 16 collaborative translational research (“CTR”) projects between commercial and research partners, and 31 small scale and feasibility Launchpad projects under development. From the CTR projects there were two major start ups, in software for video game developers and in a mobile gaming platform. A total of 12 start up companies were set up from the small scale Launchpad projects, attracting total initial private investment of €337,000.

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. At the end of 2010 there were 85 companies based at the Hub employing over 830 people. From a social and community perspective the DHDA has concentrated its work in the area of 21st century digital literacy. Over 1,210 people participated in training programmes supported by the Digital Hub during 2010.

Development of the Digital Court building was completed in mid 2010

and it now houses ten Hub companies. In partnership with the Digital Hub, the Digital Skills Academy rolled out a “WebActivate” project in the latter half of 2010 – drawing on funding support from the Labour Market Activation Fund. The objective was to provide SMEs with an effective on-line presence. Approximately 200 unemployed people availed of training under the programme, with many progressing to employment as a result and helping almost 600 small businesses to develop or expand their on-line presence.

The effect of the economic downturn on the property market continued to adversely impact, in 2010 on the DHDA. As a consequence it has not yet been possible for the DHDA to develop the quantum of accommodation to generate a revenue stream that would sustain the Agency’s work.

Consequently, the DHDA has yet to achieve its objectives of becoming self financing. A review of the DHDA is being undertaken by the Department and will be concluded in 2011.

Emergency Call Answering Service (ECAS)

The Department launched a new and modernised Emergency Call Answering Service 999 (ECAS) in 2010. The new service is now fully

COMMUNICATIONS

operational and involves a 5 year concession agreement with BT.

Emergency Planning

The Department continued to participate at the Government Task Force on Emergency Planning and the various sub-groups under its aegis.

Cyber Exercise

The Department participated in the first EU cyber exercise which was organised by the EU commission and the European Network Information Security Agency (ENISA).

Energy and Telecommunications Structured Exercise

The Department organised and delivered the first Emergency Planning Structured Exercise between the Energy and Telecommunications Critical infrastructure operators.

e-Signatures

The e-Commerce Act 2000 required the Minister to prescribe a scheme of supervision of e-Signature certification service providers established in the State who issue qualified certificates to the public. The Scheme of supervision of Certification Service Providers, SI 233 of 2010, was published in 2010 under the e-Commerce Act 2000.

Emerging Technologies

The Department participated in the Royal Irish Academy Committee on Communications and Radio Science and organised an inaugural academy workshop on “*Evolving Communications Networks: Education in the Service of Ireland’s Next Generation Network Infrastructure Needs*”. This event was the first of its kind at the academy and brought educators and industry together to identify opportunities for closer linkages in skills development.

Communications Research Programme

The Department and ComReg are jointly funding a three year “*Programme of Research in Communications*” (2010-2012) by the ESRI. The detailed work programmes are agreed annually in “performance measurement agreements”. The high level research topics are -

- i) modelling the market for broadband services;
- ii) economic and social aspects of broadband availability and adoption;
- iii) effects of electronic communications services on company performance; and
- iv) implications of behavioural economics for economic regulation and consumer protection.

COMMUNICATIONS

The programme commenced in 2010 and concentrated on start up projects including data collection arrangements. The reports generated are peer reviewed and published. The programme runs to end 2012 and will provide guidance to policy and regulatory authorities and should encourage commercial investment in next generation broadband.

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.

At the end of 2007 there were 886,300 broadband subscribers in Ireland with average speed of 1mb/s. By the end of 2010, the number of subscribers had increased to 1,665,107 and 78.9% of residential and 87.8% of businesses were using products in the 2mb/s – 10mb/s category.

Broadband Availability

Improvements in the availability, take-up and quality of broadband continued in 2010, through targeted State investment. This includes the continued roll out of the National Broadband Scheme, preparations for the

Rural Broadband Scheme and ongoing development and administration of the Metropolitan Area Networks (see Strategic Objective 3). Preliminary steps were taken during 2010 to establish a Next Generation Broadband Taskforce (NGBT) following clearance by the EU Commission, in September 2010, of cooperation among network providers to accelerate the delivery of next generation broadband access. The NGBT will focus on issues, which if resolved, would facilitate and expedite the roll out of Next Generation Broadband.

The International Connectivity Project (Project Kelvin)

Project Kelvin is a major (€30m) North/South joint project, under the EU funded Interreg IVA Cross Border Co-operation Programme, to provide a direct international telecommunications link between the North West of Ireland and North America and Europe by bringing a transatlantic telecomms cable ashore in Portrush.

The contract for the construction of Project Kelvin was signed with Hibernia Atlantic in December 2008, and construction commenced in early 2009. Construction was completed in 2010 and the network is now live.

COMMUNICATIONS

The Kelvin international connectivity is provided at a very competitive cost to all the towns on its route, including guaranteed backhaul costs, to Letterkenny, Monaghan, Castleblayney, Dundalk and Drogheda, which are connected to the Kelvin connectivity by high capacity broadband fibre which will travel onwards to Dublin. This will also improve the resilience of Ireland's international telecoms connectivity, as international broadband traffic can be routed from Dublin via the Kelvin link if necessary.

Using State-owned infrastructure to facilitate high speed networks

Existing State owned infrastructure is already being used for high speed telecommunications networks (for example the roll-out of fibre networks along Ireland's railway, electricity and gas networks). The Communications Regulation (Premium Rate Services and Electronic Communications Infrastructure) Act 2010 facilitates the National Roads Authority (NRA) in making its ducting on national roads and motorways available to telecom operators. The Department worked with all of the relevant State agencies and companies in 2010 to promote optimum use of State resources and this will now form a workstream for the Next Generation Broadband Task Force (see above).

Strategic Objective THREE

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

The National Broadband Scheme (NBS)

The National Broadband Scheme (NBS) achieved its target of making broadband services available by Autumn 2010 to all premises within each of the 1,028 designated NBS Electoral Divisions.

The NBS represents an important infrastructural investment in the future by the Exchequer, the EU and Hutchison 3 G Ireland Ltd (trading as "3"). This broadband investment is future-proofed which effectively means that the technology is ready to move to enhanced quality and speeds in the coming years. Broadband has a transformative and enabling effect and since the completion of the rollout of the NBS, there is now at least one service provider offering a broadband service across every part of Ireland.

Rural Broadband Scheme

Proposals for a Rural Broadband Scheme were advanced. The scheme will enable a basic broadband service to be provided to individual rural premises which are not capable of obtaining a broadband service from an existing internet service provider.

COMMUNICATIONS

This scheme was subsequently launched in April 2011. It will utilise funding from the European Agriculture Fund for Rural Development and will operate as a measure under the Rural Development Programme in conjunction with the Department of Agriculture, Fisheries and Food. The Scheme is opened for applications in April 2011 and it is expected that roll-out of services will commence early in 2012.

Metropolitan Area Networks (MANs)

86 MANs in 92 towns nationwide have been completed under the *Metropolitan Area Networks Programme*. e|net, the Management Services Entity (MSE), is operating and managing these MANs on behalf of the State.

100Mb/s Schools Programme

The Department launched the first phase of the 100Mb/s to post-primary schools project as a pilot phase in June 2009. This phase is now completed with the 78 participating schools having their enhanced broadband capacity successfully installed. This project is being run in conjunction with the Department of Education & Skills, HEAnet and the National Centre for Technology in Education. An evaluation of the impact of the pilot is being undertaken.

eInclusion (digital participation)

The Benefit 2 scheme, which launched in 2009, was successfully implemented by the Department during 2010 in conjunction with partners in the community and voluntary sector. Through the scheme, the Department allocated €351,000 to selected projects fulfilling eInclusion (training) objectives. The average cost to the Department per person trained was estimated at approximately €50, a sum substantially less than that of previous schemes.

A review of the Benefit 1 scheme was completed in 2010. The scheme reached into all areas of the country with over 32,000 people directly benefiting, mostly in the form of training. The scheme also significantly helped to grow the market for hardware, software and other related goods and services.

Data Centres and Cloud Computing

The Department chaired a strategic workshop on energy-efficient data centres and cloud computing, and provided technical advice on ICT & Sustainable Development issues relating to the development to the knowledge society.

Fibre to the Home

A consultation was held on “*Recommendations for Open Access Fibre Ducting and Interior Cabling for New*

COMMUNICATIONS

Residential Buildings – Making Homes Fibre Ready". These recommendations were prepared by the Department in consultation with key stakeholders and are available for all future residential developments.

Digital Agenda for Europe (DAE)

The Digital Agenda for Europe (DAE) was published on 19th May 2010 by the European Commission and is one of seven flagship initiatives under the Europe 2020 strategy for smart, sustainable and inclusive growth. The DAE focuses on the 21st century technologies and online services that will enable Europe to boost job creation, promote economic prosperity and improve the daily lives of EU citizens and businesses in a variety of ways. The Department has assumed responsibility for co-ordination of reports and briefing on progress on implementation of the DAE across Government.

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.

Communications Regulation (Postal Services) Bill

In 2010 the Communications Regulation (Postal Services) Bill was published and passed through all stages of the Seanad by the end of the year.

The aim of the Bill is to give full effect to the 3rd Postal Directive which provides for the final phase of opening the postal services market to competition by 1st January 2011. The Bill sets out the regulatory framework for the liberalised sector, the main elements of which are guaranteeing the provision of a basic suite of postal services to everyone (universal service) and enabling the development of competition and innovation in the sector.

Strategic Objective TWO

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

Consultants were appointed to assist in selecting a body to implement and manage the delivery of a working National Postcode System (NPS). The consultants worked with the Department's Steering Group to prepare tender documentation for release early in 2011. A consultation process was conducted with 61 interested parties. A Government Decision on 21st December 2010 authorised the Department to proceed with the first stage of procurement.

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.

POSTAL

Challenges for An Post

The State owned postal company is operating in a very challenging environment. Due to electronic substitution and difficult and uncertain economic environment, mail volumes continued to decline and were 7% lower in 2010. A significant portion of An Post's revenue is now dependent on State funded contracts.

To meet this challenge An Post continued to focus on remaining a competitive and innovative customer-focused company. It continued to reduce labour costs through the voluntary severance package introduced in the previous year. Successful implementation of the strategy to reduce labour costs over the next five years will be critical if the company is to meet the challenges it faces.

Postbank closure and Acquisitions

Early in 2010 An Post and its partner in Postbank, BNP Paribas, agreed to wind down operations and Postbank ceased to trade on 31 December 2010. Both Postpoint and One Direct - An Post's contribution to the joint venture - were reacquired by An Post as part of the closure.

Stamp Programme

The Government-approved stamp programme for 2010 included stamp issues to celebrate the Irish Wheelchair Association, Irish Fashion Designers, the Chinese New Year, St. Patrick's Day and Christmas. Also commemorated in stamp form were a number of historical events including the Centenary of the Irish Country Women's Association and AA Ireland Ltd. along with the 25th anniversary of Gaisce – the President's Award.

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 the public service broadcasting corporations, RTÉ and TG4. In addition, the Department worked with the Broadcasting Authority of Ireland (BAI), RTÉ and TG4 to ensure effective implementation of the Broadcasting Act 2009.

Significant developments in broadcasting in 2010 included those in regard to the provision of Digital Terrestrial Television (DTT) in Ireland. In February, the Minister signed an Order requiring RTÉ to launch its DTT service to 90% of the population and this service launched on 29th October 2010 on a trial basis. In addition, the Minister signed an agreement with the UK in respect of co-operation on digital switchover between Ireland and Northern Ireland, including enabling

the provision of TG4 and RTÉ television services on the Northern Ireland DTT platform.

The transposition of Audiovisual Media Services Directive was completed in 2010 with the enactment of the European Communities (Audiovisual Media Services) Regulations 2010.

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 2010, the Department reviewed and approved several of RTÉ's statutorily

BROADCASTING

required corporate governance documents in respect of the Broadcasting Act, 2009. These included the RTÉ Statement of Strategy, the RTÉ Annual Statement of Performance Commitments, RTÉ Review of the Provision of Television & Sound Broadcasting and the RTÉ Report on Independent Programme Commissioning. RTÉ's Funding Review was carried out for the first time by the BAI in 2010 as was required under the Broadcasting Act, 2009. RTÉ was impacted by the continued downturn in advertising revenue in 2010 and took appropriate action on its costs base in response. In 2010, commercial income totalled €175.7 million compared to €174.7 million in 2009 but significantly down on commercial income totalling €239.9 million in 2008.

In 2009 RTÉ identified savings of 41m (in addition to savings of €27m already identified in Q1, 2009). These savings included pay cuts across the corporation and the non-payment of any performance related-payments. RTÉ consolidated these savings in its 2010 budget.

Television Licence Fee Issues

The terms of the 2010 agency fee payments to An Post in respect of the collection of television licence fees were established and applied in 2010. This

contract provides that An Post, as agent for the Minister, is recompensed for the direct costs incurred in carrying out this role. It also ensures that An Post is encouraged to achieve maximum sales.

Broadcasting Funding Scheme

The Broadcasting Act, 2009 assigned responsibility to the Broadcasting Authority of Ireland (BAI) to develop and administer funding schemes designed to support the production and transmission of high quality programming based on Irish culture and heritage. The Act provides that these schemes are to be funded from an allocation of 7% of the net television licence fee receipts. Current EU approval for the Scheme exists until 2014. An allocation of €14.7m was paid to the Broadcasting Authority of Ireland in 2010 to fund and administer schemes under the Broadcasting Fund.

EU approval was sought during 2010 in respect of a new funding scheme for the archiving of programme material. The purpose of the Scheme is to develop an integrated approach to the archiving of programme material to include the promotion, development and safeguarding of Ireland's broadcasting heritage, to develop suitable storage processes and formats and to provide for fast and accurate access to programme materials by interested

BROADCASTING

parties. The Department continues to engage with the European Commission on this issue.

TG4

The Department worked with TG4 in 2010 to provide continued service delivery and the smooth operation of corporate governance requirements. The Department reviewed and approved TG4's Statement of Strategy and the corporation's Annual Statement of Performance Commitments in 2010.

Broadcasting Authority of Ireland (BAI)

2010 was the first full year of operation of the BAI in which the Authority was funded exclusively by an industrial levy on broadcasters. The BAI has been charged with responsibility for a range of new functions in relation to public service broadcasters including the responsibility for carrying out a funding & performance review of the corporations, which it conducted in 2010. The Authority also has overall responsibility for the strategic direction of the organisation, tasks such as the preparing of codes and rules for broadcasters, the operation of the 'Broadcasting Fund' and certain oversights in relation to public service broadcasters and the setting and collection of a levy on the sector to fund the costs of the BAI. The Department worked with the BAI to ensure

adherence to the new reporting requirements under the Act and the revised Code of Practice for the Governance of State Bodies.

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.

Audiovisual Media Services Directive

The transposition of Audiovisual Media Services Directive was completed in 2010 with the enactment of the European Communities (Audiovisual Media Services) Regulations 2010. The Directive covers all audiovisual media services - that means traditional television (linear service) and on-demand (non-linear services) irrespective of the technology used to deliver the content.

The on-demand provisions of the Directive are addressed in the European Communities (Audiovisual Media Services) Regulations 2010. The legislation provides for media service providers of on-demand audiovisual media services to develop advertising codes of conduct in co-operation with the Broadcasting Authority of Ireland.

BROADCASTING

Review of Major Events Designated as Free-to-air

The Minister proposed on the 30th April 2010 to add some specific, in the sports of GAA, Rugby Union and Horseracing, events to the current designated to the list of designated events and invited comments from the public and interested parties.

To assist evaluation of the submissions received, the Minister appointed Indecon International consultants to examine the proposal on the revision of the list of sporting events available as free-to-air. Indecon provided their report in December 2010. It was subsequently decided in 2011 to leave the current list unchanged.

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

Minister set October 2010 as the date for launch of DTT services and, on 29th October, RTÉ launched the service on a trial basis to 90% of the population. RTÉ continued to roll-out the planned national DTT network through the remainder of 2010 and is on target to launch the national DTT service in Q2 2011.

The Minister also confirmed in 2010 the date for switch-off of the analogue TV network in Ireland as the end of 2012.

The BAI competition for the provision of three commercial pay-TV DTT multiplexes, which started in April 2008, ended in 2010 without any licence being granted. Commercial DTT services are not now expected to be rolled-out until at least after analogue switch-off. This will not impact on the deadline for switching off the analogue TV network.

A Digital Switch-Over Steering Group (DSOG), chaired by the Department, was established in September 2010, comprising representatives from the Department and members from RTÉ, BAI, ComReg and other stakeholders. The task of the DSOG is to oversee digital switchover and the switching off of the analogue TV network and to ensure that information and advice is made available to TV viewers in a timely and cost-effective manner.

BROADCASTING

Under a new agreement signed with Northern Ireland in February 2010, TG4, RTÉ 1 and RTÉ 2 are expected to be carried over the DTT network in Northern Ireland from the end of 2012. This provides for the availability of Irish public broadcast services on an all island basis for this first time in Irish history.

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 Houses of the Oireachtas may fund and establish a free-to-air television in respect of 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 2010. This was especially evident in the areas of infrastructure development and promotion of sustainable energy. 2010 was marked by a continued fall in electricity and gas prices over the preceding twelve months, as Ireland's electricity and gas prices reflected an improved competitive position relative to other EU Member States. Both householders and businesses have benefited from falling energy costs in the twelve month period. Most householders experienced a fall in electricity prices of 12% bringing prices in line with the Eurostat EU average figures. For medium and large business customers, prices fell between 20% and 35%, compared with the EU average of 4%.

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.

2010 Electricity demand

2010 electricity demand figures increased slightly over 2009 figures and this slight increase can be attributed to the extreme weather conditions experienced during the first four months of the year. Reduced demand, the commissioning of new plant and the transparency provided by the Single Electricity Market has ensured that there is adequate generating capacity to meet Ireland's demand for electricity for the foreseeable future.

2010 Generation availability

There was a marked improvement on recent years when levels remained at

ENERGY

around 77% and below. In 2010, generation availability was consistently above 80% which can be attributed to newer more efficient plants being commissioned and older, less reliable plants being decommissioned.

New Generation Capacity

A number of new additional plants were added to the generation portfolio. The Bord Gáis Whitegate Power Plant was officially opened in December 2010. The power station is a Combined Cycle Gas Turbine (CCGT) and with an efficiency of 58.5% is the most efficient power station in Ireland. The 445MW gas-fired power plant can provide electricity for 445,000 homes. The ESB's 435MW Combined-Cycle Power Plant was opened at Aghada on 31 May 2010 after upgrading the existing four 430MW generating units. The plant's installed capacity has now increased to 963MW. The four units now generate 528MW. Two new Open Cycle Gas Turbine (OCGT) plant have been commissioned at Edenderry with a combined capacity of 116MW.

The addition of these plants to the generation portfolio is a key development for the State as it enhances the country's security of supply and energy mix.

East West Interconnector (EWIC)

At the Government's request, EirGrid the State owned transmission system

operator is building the East West Interconnector between the electricity grids of Ireland and Britain. The total budget for the project is €601 million.

Work on the project, involving the development of a 500MW high voltage direct current (HVDC) Interconnector to Great Britain, advanced throughout 2010. Having obtained the relevant planning consent from An Bord Pleanála for the Irish element of the project during 2010, full notice to proceed was issued to ABB, the engineering company awarded the contract to design, manufacture and install the EWIC. The project is on target for completion in 2012, within budget. The Minister for Environment and Local Government approved the Irish Foreshore licence in 2010 allowing the EWIC to be constructed in Irish territorial waters.

The EWIC is a strategically important interconnector project in the 2009 European Energy Programme for Recovery [EEPR] with a grant award of €110 million. In 2010, the EU Commission formally approved the grant for the interconnector.

Transmission Grid Development

Progress on the implementation of a significant transmission development programme, as part of EirGrid's "GRID25" Development Strategy, continued

ENERGY

throughout 2010. A Planning Application was submitted to An Bord Pleanála in respect of the Finglas station which will see a €60 million investment project being undertaken. Public consultation has also taken place in the South West region and significant grid and network development will take place subject to planning approval. This investment will support renewable integration and accommodate the additional electricity generated by new power plants at Aghada and Whitegate. Eirgrid continues to host public meetings in each region outlining its plans for network and grid development in the area and addressing public concerns.

During the year, progress was made both on building new transmission circuits and on updating existing circuits. Approximately 150km of new line circuits, were either completed or have been substantially completed. Approximately 300km of existing transmission circuits, representing about 5% of the total transmission circuit length in the country were updated during 2010.

2nd North-South Interconnector

Work on the Meath-Tyrone electricity interconnector project continued in 2010. This project is being jointly developed by EirGrid and NIE. EirGrid lodged the original planning application in December 2009, but due to an error in the

public notice relating to the tower height, had to withdraw that application. EirGrid are committed to introducing a new application for this project in 2011.

Emergency Energy Planning

Significant progress was made during 2010 in Energy Emergency Planning. This was, in part driven by an EU Regulation, which came into force in 2010, which aims to ensure that each Member State has a certain level of preparedness for an emergency in terms of infrastructure and supply obligations and emergency response plans. UK/Ireland and All Island Gas and Electricity Emergencies Planning Groups have been established to progress and enhance existing emergency planning and response arrangements and these groups will facilitate the regional co-operation required under the Regulation.

In June, Ireland and Northern Ireland participated in a UK led National Tier 1 emergency exercise, Exercise Avogadro. This exercise focussed on the strategic response to an emergency. Operational response is tested by system operators in Ireland, Northern Ireland and UK on an annual basis.

The Department has initiated contact with the Department of the Environment to progress emergency planning on a national basis using the Major Emergency

ENERGY

Management Framework as a basis for initiating discussion with relevant parties.

Strategic Objective TWO

To ensure the security and reliability of gas supplies.

Gas Capacity Statement

The 2010 Gas Capacity Statement was published in July. It is the second joint statement published by Energy Regulators North and South presenting an analysis of the impact of forecast gas supply and demand on the transmission systems on an All Island basis. The study concluded that the network has sufficient capacity to meet forecast demand to 2019. This forecast includes the scenario of one in fifty peak demand. Such record demand was experienced twice in 2010 (January and December during the exceptionally cold conditions) highlighting the critical importance of maintaining network investment in times of falling demand and ensuring its availability and resilience on an ongoing basis.

Extension of the Gas Network

At the end of 2010, Bord Gáis Networks had 10,856km of distribution network through which it delivered gas to circa 641,500 premises. Over 74km of new distribution mains were laid in 2010 to meet growing demand for natural gas.

In 2010, Bord Gáis Networks continued with its programme of development works, improving the security of the network, enhancing the capacity of the system and ensuring that safety remains the top priority for the business. A new 12.3km transmission pipeline between Kernan and Derryhale in Co. Armagh was constructed in 2010. A transmission pipeline project to replace the 12.3km Dublin 4 light wall pipeline also commenced in 2010. This project will enhance gas capacity in the area and is due to be completed in 2011.

In April 2010, Gaslink, the independent operator of the natural gas network, announced that, following approval by the CER of phrase 3 of the “new Towns Study”, four new towns were found to qualify for connection to the natural gas network. The towns are Tipperary town, Kinsale and Innishannon in County Cork and Kells, County Meath. Construction of gas mains extensions to all of these towns, and to the Phase 2 approved town Cahir, County Tipperary, commenced in 2010. In addition Macroom, County Cork was also resubmitted to the CER and approved on the basis of a large new production development adjacent to this town.

Gas pipeline extensions were also commissioned to the two new gas-fired power stations in the east Cork area, at

ENERGY

Aghada and Whitegate. Both stations went into full commercial operation in 2010.

Gas Storage

Work commenced on the drafting of a public consultation paper for a regulatory framework for commercial offshore gas storage. It is envisaged that a Consultation Paper will be published in early 2011. The consultation will assist the Department formulate its position on the design of a legal framework for offshore gas storage.

Strategic Objective THREE

To enhance the diversity of energy sources for power generation.

Renewable Energy Target

Throughout 2010 work continued to progressively increase the percentage of renewable energy sourced electricity (mainly wind sourced) on the system. Ireland has exceeded the national target of 13.2% by 2010 that it was set under EU Directive 2001/77/EC on the promotion of renewable energy sources in electricity consumption. Ireland is one of only 7 countries to have met its target.

Bioenergy

During 2010, 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 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)

The National Grant Scheme for Electric Vehicles was announced by the Minister in April 2010. A Cost Benefit Analysis (CBA) was undertaken during the year with a view to finalising the scheme in 2011. Overall it is the aim of the government to have 10% of vehicles (approximately 220,000) powered or part powered by electricity from the grid by 2020.

In addition, the ESB is currently rolling out 1,500 publicly accessible charge points for electric vehicles to be in place by end 2011. These will be located in every city and town with a population of more than 1,500. 2,000 domestic charge points will also be installed. As well as the above, 30 fast chargers will be built 60 km apart along all major inter urban routes.

Strategic Objective FOUR

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

ENERGY

Strategic Oil Reserves

During 2010 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 (IEA) requirement, thus ensuring that stocks were available in the event of a national or international oil supply disruption.

In 2010, NORA developed new storage facilities at Ringsend in Dublin and Kilroot in County Antrim and commenced planning for additional facilities at Tarbert in County Kerry.

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

Grants of €9 million were provided to the business and public sectors in 2010 under this programme. The business programme allowed important

cost-cutting energy efficiency measures to be installed at a significantly reduced cost to businesses across the country.

Strategic Objective TWO

To accelerate the growth of renewable energy technologies.

Renewable Energy - Electricity

Ireland completed its National Renewable Energy Action Plan in June 2010 and submitted it to the European Commission. This plan sets out the pathway towards achievement of Ireland's 16% binding target. The target will be achieved through approximately 40% of electricity being consumed from renewables, 10% in transport and 12% in heat.

The achievement of this 16% target will be challenging and represents more than a five fold increase in renewable energy consumption on 2005 (3.1%). However, Ireland's National Renewable Energy Action Plan sets out a solid basis on which this can be taken forward.

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.

ENERGY

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 committed to achieving a 33% energy saving across public sector institutions by 2020. Significant progress towards energy efficiency is being made across the public, business, residential and transport sectors, while the energy supply sector is expanding demand side management initiatives. An inter-Departmental steering group was convened to coordinate the second National Energy Efficiency Action Plan, which will build on the successes of the energy saving measures outlined in the first plan. The second Action Plan is due to be published in June 2011.

Home Energy Savings (HES) Scheme

The Home Energy Savings scheme (HES) is administered by the SEAI and provides grant assistance to homeowners for energy efficiency retro-fitting measures, including attic and wall insulation, high-efficiency boilers, heating controls and Building Energy Rating (BER) assessments. 46,000 homeowners received HES grants resulting in 102,431 energy saving

measures being installed in 2010.

Estimated annual energy savings for these measures amounts of 300GWh, and savings of €16 million.

Warmer Homes Scheme (WHS)

The Warmer Homes Scheme (WHS) programme targets homes that experience energy poverty and is aimed at improving the energy efficiency and comfort conditions of affected homes. The scheme includes measures such as attic insulation, cavity wall insulation, draught proofing, lagging jackets, energy efficient lighting, and energy advice. Over 24,000 homes were upgraded in 2010 under the WHS with a total spend of €30 million. Estimated annual energy savings for these measures amounts to €3 million.

National Retrofit Programme

Following on from the 2009 consultation on an energy demand reduction target for Ireland, a second consultation exercise concluded, which identified the mechanisms necessary to retrofit one million residential, public and commercial buildings in Ireland. This programme will make discounts on retrofit work available up front rather than having to wait for retrospective grant payments, and will make energy efficiency measures more accessible to homes and businesses.

ENERGY

It is estimated that the retrofit of one million public, private and commercial buildings could lead to lifetime energy savings worth €16 billion and this programme has the potential to be the most innovative, ambitious, energy-related initiative ever introduced in Ireland.

Accelerated Capital Allowances (ACA)

The Accelerated Capital Allowances (ACA) scheme allows companies to write off the full capital cost of registered energy efficient equipment in the year of purchase, unlike non-ACA equipment which is typically written off over 8 years. By encouraging companies to purchase energy efficient equipment, the ACA aims to improve the energy efficiency of Irish companies and assist the Government in meeting its energy efficiency and greenhouse gas emission reduction targets. There are now almost 7,000 products on the ACA register, covering 49 technologies. The scheme has been extended until October 2014.

It is now estimated that up to 85% of any company's equipment procurement needs can be sourced through the ACA list of highly energy efficient products.

Public Sector Programme

The Public Sector Programme has been established to lead, inspire and support the public sector in adopting and

maintaining exemplary standards of energy management and the achievement of aggressive NEEAP targets. Significant savings have been achieved through the Public Sector Programme, resulting in avoided energy costs of over €10 million. Almost 70 demonstration projects have been supported in recent years to demonstrate the potential to achieve economic savings within the public sector – many of the projects supported are directly applicable to the private sector. In 2010, financial support was offered to 20 projects under the public sector and Industry Energy Efficiency Fund.

Large Industry Energy Network and Energy Agreements Programme

The LIEN and the Energy Agreements Programme is a well-established networking and information programme for large industrial energy users. Now in operation for 16 years, it engages 150 of the largest energy users in ongoing relationships, including site visits, workshops and annual performance reporting. LIEN members share information on energy-saving technologies and techniques to maximise savings and maintain competitiveness. Energy spend across the LIEN is approximately €900 million and accounts for approximately 70% of industrial energy usage and for more than 14% of national primary energy usage. The

ENERGY

Energy Agreements Programme supports large industry to implement an energy-management system through the EN 16001 standard.

SME Programme

A dedicated support programme has also been established by the Sustainable Energy Authority of Ireland (SEAI) offering free energy management, mentoring, training, advice and other support services to any business willing to show a commitment to becoming more energy efficient. Over 1,600 businesses have already availed of this programme, with 10% savings routine in the first year. The Small Business Programme activities in 2010 will result in projected total annual energy savings of €7 million.

Smart Meters

The customer trials phase of the pilot phase of the Smart Metering Programme, which was launched in 2008, commenced on 1 January 2010. The electricity Customer Behaviour trials were completed in December 2010. The gas Customer Behaviour trials, households, will conclude in May 2011. The separate Communications and Metering Technology Trial element of the pilot phase took place in 2010 and an initial assessment of results was undertaken during this period. An interim Cost Benefit Analysis, building on the

customer and technology trials, was initiated by the CER during 2010. The interim results will be published in the first half of 2011. The analysis will then be finalised following the completion of the gas trials in mid year.

Affordable Energy Strategy

The Department's efforts to redress the effects of energy poverty have focused on improving the thermal efficiency of privately-owned homes, with other Departments such as the Department of Social Protection responsible for providing income supports. Since 2000, over 60,000 low-income homes have received an energy efficiency upgrade.

The Affordable Energy Strategy was the subject of a public consultation exercise in 2010. The Strategy will build upon lessons learnt to date to create a framework that will ensure households can achieve affordable access to their energy requirements through a range of practical initiatives and programmes designed to reduce the demand for energy, while protecting those considered most at risk of energy poverty.

ENERGY

Strategic Objective FOUR

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

Ocean Energy

The Ocean Energy Development Unit (OEDU) was established in SEAI in 2008 and full implementation of the Ocean Energy programme commenced in 2009. SEAI is working in conjunction with ESB International (ESBI), the Marine Institute and other stakeholders to establish a grid connected ocean energy test facility off Annagh Head, County Mayo.

SEAI operates an Ocean Energy Prototype Development Fund. The funding support is designed to stimulate the commercial development and deployment of ocean energy devices that can generate renewable electricity. Additional projects are being assessed on an ongoing basis.

Offshore Renewable Energy Development Plan (OREDPP)

In 2010, Ireland's first draft of the National Offshore Renewable Energy Development Plan was published for public consultation along with a Strategic Environmental Assessment Environmental Report. A Natura Impact Statement is due to be published shortly.

MERC3

The MERC3 project aims to position Cork at the hub of national and international ocean energy R&D activities. The relocation of UCC's Hydraulic and Maritime Research Centre (HMRC) and the concentration of UCC's energy department to a new maritime and energy research facility in Ringaskiddy adjacent to the National Maritime College of Ireland (NMCI) forms part of this process.

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.

Single Electricity Market

During 2010, the SEM completed three years of successful operation under the auspices of the SEM Committee, since its launch in November 2007. The emergence of new market entrants to generation ensures continual competitive pressure for lower global prices to be passed onto consumers and thereby contributes to enhanced energy competitiveness.

Common Arrangements for Gas

In May, the Minister and his counterpart in the Northern Executive

ENERGY

formally confirmed their agreement to proceed with the Common Arrangements for Gas project and for the two Regulators to develop the structural arrangements in line with a Joint Venture model, and also finalise the tariffing and other market arrangements. During the year the regulators further developed a number of work-streams required to underpin All-Island gas market arrangements.

Electricity

In December, ESB concluded the purchase of Northern Ireland Electricity (NIE) from Arcapita Plc.

Energy Market - Legislative Package

The Third Energy Market Legislative Package, which entered into force on 3rd September 2009, requires in the case of vertically integrated energy utilities, that customer supply be separated from the transmission and distribution business. A decision was made by the Minister to adopt the Independent Transmission System Operator (ITSO) model for gas. Work commenced on transposition of the provisions of the Third Energy Package into Irish law by the due date of March 2011 with the first SI signed in September 2010, giving effect to the enhanced market monitoring regulator function in the package and with further Statutory Instruments implementing the package expected during 2011.

Regulation of Energy Efficiency and Gas and Electrical Safety

In July the Government gave approval for the drafting of an Energy (Miscellaneous Provisions) Bill. The Department worked with the Office of the Attorney General on progressing the text of the Bill in line with the Government Decision. It is envisaged that the Bill will be published in the first half of 2011.

Strategic Objective TWO

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

Transmission Assets

In 2010, Frontier Economics Limited was appointed to complete the electricity transmission assets analysis. The Frontier report was completed in late 2010 and a final government decision is awaited.

Competition and Price in Energy Markets

Ireland has a stable energy regulatory environment with a strong independent regulator. During the course of 2010, as competition developed in the business categories of the market, the CER agreed that in the electricity market, price regulation should be removed for all categories of business customers with effect from 1 October 2010. In October 2010, all business categories of the electricity market were accordingly deregulated, with the expectation that

ENERGY

price regulation of tariffs for domestic customers would cease during 2011 if the relevant requirements for the domestic sector outlined in the roadmap were met.

SEAI's annual review and analysis of Electricity and Gas Price trends highlighted the continued fall in electricity and gas prices over the preceding twelve months, as Ireland's electricity and gas prices reflected an improved competitive position relative to other EU Member States. Both householders and businesses have benefited from falling energy costs in the twelve month period. Most householders experienced a large fall in electricity prices of 12% bringing prices in line with the Eurostat EU average figures. For medium and large business customers, prices fell between 20% and 35%, compared with the EU average of 4%.

A European Commission study on the functioning of the Retail Electricity Markets for Consumers, found that Ireland has experienced the highest rate of customer switching in the EU during 2009 and 2010.

Given that the Government had previously signalled it would take action arising out of the SEM Committee decision in 2008 to allow generators pass through carbon costs, the Oireachtas

enacted the Electricity Regulation (Carbon Revenue Levy) Act, 2010. This legislation imposes a levy on electricity generators designed to capture a portion of the carbon "windfall" revenues arising from the receipt of carbon revenue from SEM in respect of ETS carbon allowances used in generation. This levy accrues to the Carbon Revenue Fund administered by CER to be used for the benefit of the Exchequer. At the end of 2012, the free allocation of the carbon allowances ends, eliminating the windfall caused by the interaction of the 2008 SEM Committee decision with the ETS free allowances.

During 2010 the Large Energy Users continued to avail of rebates, which were funded up to September 30th 2010 by a special dividend from ESB following an exceptional profit from the sale of certain generating stations. Thereafter, the rebates are being funded by the Carbon Fund and the total level of rebate has been on a reducing glidepath basis from its inception until the end of 2012. This rebate is administered by way of customer credits enabling large users reduce their overheads during the economic downturn.

Strategic Objective Three

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

ENERGY

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 reductions, renewables, energy efficiency and smart distribution networks. The Board of ESB are recommending a final dividend of €77 million for 2010, which will result in the Exchequer receiving €73 million as 95% shareholder (The remaining 5% is attributable to the ESOT).

Bord Gáis Éireann

BGÉ's Plan for the period 2010-2014 envisages an investment programme of €1.4 billion on the extension of its transmission and distribution natural gas network, developing new renewable wind generation assets and continuing to build its integrated energy business. BGÉ paid a dividend to the Exchequer in 2010 of €30 million.

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. Bord na Móna paid a dividend of €3.3 million in 2010.¹

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.

¹ Note Bord na Móna's financial year ended on 31st March 2011.

NATURAL RESOURCES

CORE POLICY GOALS

PETROLEUM EXPLORATION DEVELOPMENT & PROTECTION

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 & PROTECTION

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

Two licensing options were granted during 2010, one to Providence Resources plc and Nautical Petroleum Plc in respect of an area in the Celtic sea and the other to Albativ Resources Ltd in respect of an area in the Kish Bank. A prospecting licence was also issued to Providence Resources Plc in respect of the Irish offshore.

Exploration

One well was drilled offshore Ireland during 2010. Shell E&P Ireland Limited drilled an exploration well on their ‘Corrib North’ prospect, located approximately 7km to the north of the Corrib Gas Field, in the Slyne Basin. The well was unsuccessful and accordingly, it was plugged and abandoned.

In the aftermath of the Deepwater Horizon incident in the Gulf of Mexico the Department introduced new measures to intensify the oversight of oil and gas operations in Irish waters. These ‘Special Oversight’ measures are to support the rigorous implementation of the existing strong regulatory approach that is applied in the case of each well drilled in the Irish offshore. The measures provide for more frequent inspections and

NATURAL RESOURCES

engagements with the Operator throughout a drilling operation by the Department's independent engineering and environmental advisors and by other agencies with key roles in health, safety and the environment.

Seismic data acquisition was at a low level in 2010 with just one 3D survey acquired in the Slyne Basin during the year.

Kinsale Area Development Operations

The total sales gas volume in 2010 from the Kinsale Area gas fields (Kinsale Head, Ballycotton, SW Kinsale and Seven Heads), which are operated by PSE Kinsale Energy Ltd, was 14.21 billion cubic feet (bcf), which includes gas from storage. The total volume of gas injected into SW Kinsale storage for the same period was 8.59 bcf of which 3.3 bcf was of PSE Kinsale Energy's own gas from the Kinsale Area gas fields.

Promotion Campaign

During 2010 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 main focus of the campaign was to promote and technically support the 2011 Atlantic Margin

Licensing Round and in early 2010, the 2010 Onshore Licensing Round. The campaign was also aimed at attracting new entrants into Ireland via open door applications and existing licence authorisations.

Petroleum Research

During 2010 a number of major applied petroleum research projects were sponsored to promote exploration by improving the level of knowledge about the sector. In June 2010, the Irish and Newfoundland-Labrador governments launched a jointly sponsored two-year 'dynamic kinematic plate reconstruction modelling' project designed to promote frontier exploration. This research undertaking involves leading international researchers and is unprecedented in its scale and complexity.

Corrib Gas Project

In November 2009, An Bord Pleanála advised the developer, Shell E&P Ireland Limited (SEPIL), that the application it submitted in February 2009 did not adequately demonstrate that the pipeline would not pose an unacceptable risk to the public and invited SEPIL to modify the pipeline route.

The developer complied with the Board's recommendation and on 31 May,

NATURAL RESOURCES

2010 submitted parallel applications to both the Minister for Communications, Energy and Natural Resources and to An Bord Pleanála to construct a pipeline along a revised route under Sruwaddacon Bay. An Oral Hearing to examine the modified route of the pipeline was convened by An Bord Pleanála at the end of August and concluded in early October 2010. On 18 of January 2011, An Bord Pleanála approved the developer's revised pipeline route, subject to 58 conditions.

The new application received by the Department on 31st May 2010 was assessed by the Department with assistance from safety and environmental consultants. A public consultation period was initially undertaken between 30th June and 30th July 2010. Following receipt of additional information from the developer a second period of public consultation was held between 9th November and 10th December 2010.

The construction of the Corrib Gas Terminal at Bellanaboy is continuing and is now nearing completion.

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 one occasion during 2010. The meeting was chaired by Mr. Joe Brosnan. Attendance included, Ministers, representatives from local groups, Government Department's and other Public Bodies along with Shell and representatives of its local workforce.

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

The Petroleum Exploration and Extraction (Safety) Bill 2010 was passed by both Houses of the Oireachtas on 30th of March, 2010. It was signed into law on 3rd April, 2010 and has been published.

This Act confers responsibility on the Commission for Energy Regulation (CER) for the regulation of upstream

NATURAL RESOURCES

petroleum activities with respect to safety. The CER is required to establish and implement a risk-assessment Petroleum Safety Framework (the Safety Framework) in line with international best practice as recommended by the Advantica Report.

In May, Sections 1, 2 and 4, together with Sections 13A, 13B, 13C, 13G, 13H and 13K inserted by Section 3 of the Petroleum (Exploration and Extraction) Safety Act, 2010 were commenced for the purpose of allowing the Commission to make preparatory arrangements for the introduction of the Safety Framework. The remainder of the provisions of the 2010 Act will be commenced as required in line with progress in the development of the Safety Framework.

Strategic Objective THREE

To maximise the area of Continental Shelf under Irish jurisdiction.

Following the receipt of favourable recommendations from the United Nations Commission on the Limits of the Continental Shelf (CLCS) with respect to the outer limits of the Celtic Shelf/Bay of Biscay area in 2009, delimitation discussions between the four States involved (France, Ireland, Spain and the United Kingdom) began with a meeting in London in October

2010.

Ireland made its third and final submission, in relation to the Hatton-Rockall area, to the CLCS in 2009. The submission is number 20 in the queue of submissions awaiting consideration by the CLCS and is unlikely to be dealt with until 2011 at the earliest.

EARTH AND HYDROCARBON RESOURCES

Industry Performance/Trend Indicators

Gross value of metal production (Lead & Zinc) in Ireland in 2010 was €400 million. This compares with €329 million in 2009, €340 million in 2008, €676 million in 2007, and €731 million in 2006. While the increase in value in 2010 is to be welcomed, it is still significantly down on the high levels experienced in 2006 and 2007. This was due to a fall in metal prices and a decrease in production. Future zinc production in Ireland will continue to be reduced with the closure of the Galmoy mine which ceased underground operations in June 2009. Galmoy is effectively in its closure phase although some peripheral ore continues to be extracted and processed at the neighbouring Lisheen mine. This is expected to continue in the next year.

NATURAL RESOURCES

In 2010, there were approximately 1,300 personnel directly employed in the exploration and development of minerals within the meaning of the Minerals Development Acts 1940 to 1999.

Exploration Activity

	2008	2009	2010*
Exploration in Ireland	€20.20m	€11.7m	Awaited
Proportion of global expenditure	0.15%	0.15%	Awaited
Number of current prospecting licences held at year end	472	486	500

* 2010 Data returns received from exploration companies is currently being compiled.

Mining Activity (Thousands of Tonnes of Metal in Concentrates)

	2008	2009	2010
Zinc			
a) Output in Ireland	398	386	340
b) Proportion of global output	4%	3.4%	3%
c) Proportion of European output	38%	38%	32%
Lead			
a) Output in Ireland	50	49	40
b) Proportion of global output	1.2%	1.3%	1%
c) Proportion of European output	16%	15%	11%

(Source: International Lead & Zinc Study Group)

TABLE: RECEIPTS²

Item	2008 (€)	2009 (€)	2010 (€)
Mining Receipts (Dead Rent and Royalties)	6,169,742	3,690,229	6,911,648
Exploration Receipts (Prospecting Licence fees)	334,466	200,765	300,875
Other	*1,682	*1,005,502	*670,315
TOTALS	€6,505,890	€4,896,496	€7,882,838

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

² Revenues received in 2008, 2009 and 2010 have been restated in order to more accurately represent exploration and mining activity.

NATURAL RESOURCES

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. The latter half of 2006, and early 2007, saw a brief recovery with prices more than doubling as physical shortages developed. However, metal prices fell substantially in 2008 before recovering again towards the end of 2009.

Unfortunately, this volatility has had a significant effect on the three main

operating mines 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 at Galmoy effectively ceased in June 2009 and dismantling of surface processing plant commenced. However, extraction of some peripheral high grade ore subsequently proved possible and this is being processed by the neighbouring Lisheen mine on a profit sharing basis. This is expected to continue in 2011.

DCENR worked closely throughout 2010 with the local authority and the EPA in relation to closure of the Galmoy mining operation and agreement was concluded with the mine on the arrangements for management and drawdown of secure funds set aside for implementation of the mine closure plans.

In a separate development, as a result of a global corporate restructuring, the parent of the Lisheen mine, Anglo American PLC, announced in early 2010 that it had reached agreement with Vedanta Resources plc on the sale of its zinc division, including Lisheen and two other mines in Africa. The transaction required statutory consents

NATURAL RESOURCES

and competition clearance in the relevant jurisdictions, including the consent of the Minister under the terms of the State Mining Lease. All these consents have been received and the acquisition of Lisheen took place in February 2011. At present, Lisheen Mine is planning to continue its mining operations until at least 2012.

Exploration in Ireland increased in 2010. 500 licences were held at the end of 2010, an increase of 14 licences on 2009. The main focus was on zinc/lead but there was also interest in gold and other base metals.

Where prospecting leads to a viable commercial discovery, Prospecting Licence holders may apply for a State Mining Facility (Lease or Licence). Terms for these facilities 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-focused 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 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 2011.

Geothermal Energy Bill

Work on the development of geothermal energy legislation was prioritised in 2009 on foot of a Ministerial directive. Intensive consultation with industry and other stakeholders was undertaken and draft Heads of a Bill were approved by Government in 2010. In the interests of transparency and to facilitate any further consultations, both the General Scheme and the Regulatory Impact Statement were published on the Department's website. Publication of the Bill is expected in 2011.

Strategic Objective THREE

To require and facilitate sustainable practices in the minerals sector.

The Environmental Protection Agency is the primary competent authority for the

NATURAL RESOURCES

treatment of waste generated under the provisions of the EU Extractive Industry Waste Directive published in 2008.

However, this Department is the competent Authority in respect of prospecting and work is underway to address this aspect of the Directive in consultation with the Department of the Environment, Heritage and Local Government.

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) acts as the Minister's agents.

Building on the successful completion of Phase 1 and Phase 2 works at the Garryard Site in 2008 and 2009, a Health and Safety Works programme for Silvermines commenced in 2010. An Environmental Impact Statement permitting process was entered into with the Environmental Protection Agency and the Planning Authority. This process is ongoing.

Volume 1 of an Environment Protection Agency (EPA) funded inventory of abandoned mine sites, which includes the inventory of certain waste facilities required under the EU Extractive Industry Waste Directive, was published in March 2010. The Directive requires that the full inventory is made public by the 12th May 2012. Work is continuing in relation to preparation of a second volume of the Inventory which will address physical hazards.

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.

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 whereby it will carry out certain tasks, perform functions or adhere to standards in the performance of its functions in the public interest.

While 2010 was a challenging year due to the economic recession OSi nevertheless finished the year in a financial surplus position and is focussing on developing new commercial opportunities for the future.

NATURAL RESOURCES

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 Mapping our Seabed

INFOMAR, the nearshore programme of seabed mapping being undertaken jointly with the Marine Institute, had another successful season in 2010. It was designed to create integrated knowledge of the physical, chemical and biological resources of our extensive seabed. Commenced in 2007 as part of the National Geoscience programme (2007 - 2013), it reached the mid-point of Phase 1 in 2010 with the mapping of 13 priority bays and half of the designated priority areas successfully completed on target. A combination of airborne lidar surveys, RV Celtic Voyager surveys in the Irish Sea and RV Keary surveys in Kinsale

harbour, Mannin Bay and the wider Dublin Bay area contributed to this coverage.

The open access to INFOMAR data continues to support an impressive range of spin-off research projects and serves to underpin new business development in the marine area. Much of this work was showcased at the Geoscience 2010 conference in November at Dublin Castle when an entire day was devoted to INFOMAR and marine-related presentations. An *Atlas of the Deep Water Seabed: Ireland*, authored by scientists at University College Cork and GSI was published by Springer and launched at the

NATURAL RESOURCES

conference.

Enhancing Geoscience Research Capacity

The Griffith Geoscience Research Awards programme reached its mid-term in late 2010 and an independent external review of the scheme was concluded by Indecon international economic consultants. Their review found that the scheme has had considerable success to date both in terms of programme outputs and also in terms of leveraging non-Exchequer funding. When fully implemented, the Griffith programme is likely to achieve significant outputs which will be of lasting benefit. Research groups funded under the Griffith programme also made a series of presentations at the Geoscience 2010 conference.

Securing Clean Water Supplies

The national mapping programme for groundwater protection, an important advisory service to local authorities, continued on schedule in 2010. Groundwater Protection Schemes for Counties Carlow, Limerick, Offaly, Wexford, Longford, Dublin and Westmeath were completed. Draft groundwater protection zone maps were produced for Phase 2 Counties (Carlow, Limerick, Offaly, Waterford and Wexford) and drilling was commenced

in Phase 3 Counties (Tipperary, Mayo). Progress was made on the national Aquifer Report and national Aquifer Map.

Urban Soils and Public Health

The Dublin SURGE (Soil Urban Geochemistry) Project aims to create a first-ever baseline dataset of persistent organic pollutants and heavy metals in Dublin topsoil. The project is being carried out in conjunction with all of the Dublin local authorities, the EPA and HSE. It will provide information on soil geochemistry in the Irish urban environment relevant to the protection of human health, compliance with environmental legislation, land-use planning and urban regeneration.

Storing Carbon Dioxide Underground

In the present context of climate change fuelled by greenhouse gas emissions, it is important that Ireland should assess its potential for carbon-capture-and-storage (CCS) both onshore and offshore. To that end, a conference focussed specifically on CCS was organised by RIA, GSI and GSNI at Dublin Castle in March 2010. An EPA-GSI study of the Moneypoint area found no significant storage potential in the geological formations underlying the district. GSI, BGS and GSNI engaged in a collaborative initiative to assess CO₂ storage potential under the Irish

NATURAL RESOURCES

Sea. GSI joined CGS Europe, a European CCS network funded by the Commission to facilitate exchange of knowledge on CCS.

Infrastructural Support

Several strategic GSI-led projects, currently assist infrastructure development by providing geoscience information on ground conditions, aggregates supply and soil quality. The Dublin GeoUrban project is creating a 3D model of the city's subsurface which will contribute to future major tunnelling, transport and construction projects in helping to minimise costs and reduce delays. Ground motion (subsidence and heave) is being investigated under the ESA-funded project 'Terrafirma' in which GSI is an associated partner. The landslides susceptibility mapping inventory neared completion in east Leinster and the greater Cork area and 397 previously unrecorded events were identified. GSI handled 120 statutory notifications under EIS and the Planning Acts and contributed to 3 County development plans in the context of geoheritage. The EU-funded Atlanterra project on mine heritage got underway with GSI as a partner.

GeoEducation and Public Awareness of Geoscience

It is vitally important that the

community understands the value of our geological resources and the contribution that they make to our economic development and quality of life. This helps to ensure that investment in the Geoscience sector is maintained and that we continue to educate and train high-quality geoscience graduates to underpin that contribution to our economic recovery in the decade ahead. With this as a goal, GSI undertakes ongoing outreach and educational activities. The EU-funded NEED project (www.geoneed.org) concluded with the successful delivery of teaching modules for primary school pupils. GSI organised the Cunningham Awards (for best field mapping projects at undergraduate level) and the Du Noyer Photo Competition aimed at the general public.

North-South Geoscience Cooperation

Significant achievements have resulted under the Framework for Scientific Cooperation (November 2007) signed jointly by GSNI, BGS and GSI. Some key examples in 2010 were:

- **Tellus Border Project:** This will acquire high resolution airborne geophysical and ground geochemical data for much of the six border counties of the Republic to support environmental objectives and underpin mineral resource

NATURAL RESOURCES

assessment in the region.

- **Minerals Map of Ireland:** A draft all-island Minerals Map of Ireland was prepared by GSI-GSNI and distributed to over 200 delegates at the IAEG Zinc 2010 Conference in September. A final version will be published in time for the Prospectors & Developers Association of Canada (PDAC) Convention in March 2011 in Toronto to help promote Ireland as an inward exploration investment destination.
- **The Classic Geology of the North of Ireland:** A new book on the classic geology of Northern Ireland and the border counties was published jointly by GSNI and GSI.

NATURAL RESOURCES

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 12 bye-laws and 8 Statutory Instruments were introduced, 8 of the bye-laws were river-specific, taking cognisance of individual stocking levels. The suite of regulations for the 2011 salmon season was put in place by the end of 2010. The annual report on actions taken under the National Implementation Plan was endorsed by NASCO (North Atlantic Salmon Conservation Organisation) at their annual meeting in June 2010.

Implementation of the national eel management plan, to comply with EU Council Regulation 1100/2007 continued including operations for the trapping and transporting of eels around ESB

hydro-stations in the Shannon, Lee and the Erne and the undertaking of scientific sampling as provided for in the plan.

The Department exercised corporate governance over Inland Fisheries Ireland and the Lough Agency ensuring compliance with the relevant codes of practice, adherence to budgetary profiles and the achievement of targets specified in agreed performance contracts.

Strategic Objective TWO

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

As part of the overall rationalisation of State agencies that the Minister for Finance announced in Budget 2009, a single national inland fisheries body, known as Inland Fisheries Ireland (IFI), was established on 1st July 2010 in accordance with the Inland Fisheries Act, 2010.

NATURAL RESOURCES

IFI replaced 17 separate agencies involved in the management of the national inland fisheries resource. The agencies which were replaced are the Central and seven Regional Fisheries Boards, the National Salmon Commission and eight Fisheries Co-operatives.

The establishment of IFI provides for a more efficient and effective management of the inland fisheries resource along with an improved national perspective in the formulation of inland fisheries policy which is more streamlined, coherent and integrated. The change has ensured there is a better use and allocation of financial resources.

In recognition of the need for a complete overhaul of the legislation governing the inland fisheries sector, the Department began a detailed review of the Fisheries Acts 1959-2006 with a view to producing one modern statute governing the sector. It is expected that the draft heads for the proposed statute will be submitted to Government early in 2012.

The Minister and Minister of State both attended two 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. Four regulations were approved relating to the management of the fisheries.

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.

Implementation in 2010:

- The division continued to provide advice and support to staff and managers in the Department on all aspects of human resources.
- The division prepared the Department's Action Plan under the Public Service Agreement 2010-2014 and is facilitating cross-department involvement in the implementation of actions. Staff representing all grades have participated in a number of subgroups that will develop and implement initiatives aimed at securing significant monetary and efficiency savings across the Department.
- The division has recruited 8 graduates under the FÁS Graduate Work Placement programme commenced in 2010. The graduates have been fully integrated into various communications, energy and natural resources divisions making a valuable contribution to

CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION

the work of the Department and are gaining good work experience.

- The division continues to 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.
- The division continues to manage staffing numbers in line with the Employment Control Framework, and at year end, the Department’s full time equivalent numbers were 264.

Staff numbers for the years 2007-2010:

Date	Staff Number
31/12/2007	339
31/12/2008	298
31/12/2009	271
31/12/2010	264

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 2010 include the development of MapStore, the centralised repository for Geographic Information Systems (GIS) data.

In February the Department was nominated for an eGovernment award for the Integrated Petroleum Affairs system Internet application. This is a new website that makes information relating to petroleum exploration and production authorisations (licenses, leases etc) held by the Department’s Petroleum Affairs Division available to the public. The website is integrated with the Division’s internal database system, enabling information to be publicly released at the click of a button.

The Rural Broadband Application system was developed during the second half of 2010. This system will support the launch of the Rural Broadband scheme by providing an online application facility and assist the administration of the scheme.

Under a Memorandum of Understanding with the Department of

CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION

Agriculture Fisheries and Food that Department will, from mid-2011, manage the technical IT infrastructure of DCENR, providing support for PCs, servers, printers, network security, etc. as well as a Helpdesk facility which tracks and resolves user issues. The Department of Agriculture has also agreed to host the DCENR internet servers on their networks. The service will be provided on a “recovery of identifiable cost” basis. A number of permanent and contract staff will be moving to the Department of Agriculture, Fisheries and Food as part of the agreement. While some Departments have shared applications such as payroll, this is the first time that any Government Department will provide a full managed service of all network services to another Department. This is a shared services initiative in line with a important theme of the Croke Park Agreement on Public Sector Reform.

Technical Infrastructure

An upgraded fibre connection was procured and installed between the Department’s Adelaide Road and Beggars Bush sites.

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.

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 approach contributed to the Department’s further strengthening of its business planning, 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. In addition, the Department has entered an agreement to move the administration of its payroll to the Department of Finance shared service in Tullamore with effect from August 2011.

CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION

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 2010 was €533.6 million (including a capital carryover of €15.7million) and the outturn was €500.2 million, a saving of €33.4 million. In the case of the Administrative Budget the saving was €4 million as compared to the Budget provision of €26.8 million.

All monthly and yearly financial reporting requirements to the Management Committee, combining key financial and non-financial performance information, were met during 2010. Increased performance analysis capability in measuring outputs, efficiency, and value for money underpinned resource allocation decisions by the Department.

Strategic Objective THREE

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.

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;

CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION

- Audit Committee approves the Annual Audit Plan;
- The Audit Committee meets 5 times a year to consider audit reports.

Audits were completed during 2010 on a range of issues including:

- Ocean Energy Programme;
- TV licence Income and Expenditure;
- Consultancy Expenditure; and
- 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 2010 the Unit handled and completed almost 1,000 cases arising from these sources, concerning, inter alia; Strategic Environmental Assessments, PQ's, Memoranda for Government, Briefing documents etc.

CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION

For efficiency, electronic communication is the principal tool used to disseminate requests and respond to queries in a timely fashion.

Freedom of Information (FOI)

During 2010 the Department received 55 new requests and carried forward 7 cases from 2009. The outcome is as follows:

No. of requests carried forward from 2009	7
No. of new requests received in 2010	55
Total No. of requests processed in 2010	62

Outcome of requests processed in 2010

Granted	17
Part granted	22
Refused	11
Transferred to other Departments	2
Withdrawn	10
Carried forward to 2011	0

Appeals

The Department received requests for 5 Internal Reviews 2 of which upheld the original decision, 2 varied the original decision and 1 was withdrawn. At the start of 2010 the Office of the Information Commissioner had 4 cases on appeal in respect of this Department's decisions and 1 new case was received. All 5 cases were carried forward into 2011.

CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION

CORPORATE SERVICES

Work Environment

The Corporate Services Division 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 included training for the Safety Representative, First Aid, Defibrillator use, Fire Marshal & Evacuation Chair procedures in case of an emergency evacuation.

The Department proactively engaged in the implementation of measures in the workplace to help combat the spread of Influenza A (H1N1) or 'Swine Flu' during 2009 and this was maintained into 2010. This involved the dissemination of information, the installation and maintenance of Hand Sanitizers throughout the Department's buildings and the provision of Biocidal Wipes to each member of staff. The Department has provided Portable Audio Loops for use in meeting rooms and reception areas 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 continues to yield improved efficiencies and economies and has continued to result in significant savings in 2010.

Overview of Energy Usage in 2010

The Department continues to encourage the more efficient use of electricity and power through the internal staff Energy Team and Energy Officer. The Building Management System (BMS), installed in 2007, is used to exercise efficient management over heating in the Departments buildings at Adelaide Road and Tom Johnson House. The BMS reports for 2010 indicate that further savings have been achieved over 2007 benchmark levels; this is despite the severe weather experienced in January and December 2010.

In 2010, DCENR consumed 3,151.315 MWh of energy, consisting of:

- 1653.93 MWh of electricity;
- 1497.41 MWh of fossil fuels.

Actions Undertaken in 2010

DCENR has taken part in the Office of Public Works Energy Awareness Campaign which resulted in;

CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION

- Installation of a BMS for each building, giving greater control over energy usage;
- Insulation was installed at ground level to reduce heat loss on floor areas over the car-park;
- Installation of light/motion sensors in all offices, meeting rooms and toilets in Adelaide Road;
- Installation of an automatic shutdown programme on the computer system to ensure all pcs go into sleep mode when pcs are not in use;
- An audit of the air conditioning requirement for the communications rooms was undertaken and the number of units reduced by 30% as a result; and
- Level of energy usage awareness raised within the buildings by means of regular updating of the energy notice boards and updates sent to all staff.

CORPORATE GOVERNANCE

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 CEO's of the State Bodies under the remit of the Department were dealt with expeditiously and in accordance with the Department of Finance guidelines. The continued maintenance and monitoring of the eGovernance site ensured accurate pertinent monthly reports for the Minister and the Management Committee.

STRATEGIC CHANGE UNIT

Quality Customer Service

The Department provides a Customer Service Helpdesk for members of the public. The Department's Customer Charter and Customer Service Action

CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION

Plan 2009-2011 provide details of our commitments to quality customer service (QCS) which all of our customers can expect. The Action Plan also

provides details of specific service standards which are in place across a range of services provided by the Department.

Compliance levels with specific service standards over 12 month period 1st July 2009 to 30th June 2010

Service Provided	Standards of Service	Compliance Levels (provide reasons if standard not met)
Petroleum Exploration Licences and Authorisations	Decisions on applications within three months.	33% (additional clarifications and detailed technical analysis required for remaining applications)
Minerals prospecting licences	<p>Output target: hold 4 prospecting licence competitions</p> <p>Relevant output target in the Business Plan aims to have 95% of applications issued within 17 weeks.</p> <p>Output target of 20 site/monitoring visits in 2009/10</p>	<p>This was achieved</p> <p>Of 53 applications received within this period, 21 were completed within the time limit which represents 40%. However 22 of the applications were delayed by the failure of the applicants to meet all requirements in time, and 10 applications were delayed significantly by public objections.</p> <p>This target was met, despite pressure on staffing resources.</p>

CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION

Service Provided	Standards of Service	Compliance Levels (provide reasons if standard not met)
State Mining Facilities		There were no new applications for SMFs within this period.
Geological information and advice	<p>Data download from website: free of charge.</p> <p>Information provided via website: free of charge. Personal callers, phone enquiries, e-mail enquiries: on request, up to 30 minutes free of charge.</p> <p>Commissioned work: subject to agreement and charges.</p>	<p>431 users downloaded 470 GB of data from the seabed survey. 153,471 visitors viewed 440,394 pages 2206 enquiries serviced.</p> <p>Delivered per agreements</p>

STAFF DEVELOPMENT UNIT (SDU)

Training

The main training objective for 2010 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 2010 included:

- Capital Appraisal Guidelines;
- Procurement;
- Management Writing Skills;
- Financial Management Training;
- Freedom of Information;
- Agresso Training; and
- Specialised Technical Training.

CORPORATE MANAGEMENT, FINANCIAL MANAGEMENT, DEVELOPMENT AND MODERNISATION

In January SDU circulated the revised Staff Development Policy document which outlines the Departments policy with regards to all aspects of Training. In line with this document and despite budgetary constraints the Department successfully provided and facilitated a wide range of staff training.

This was achieved with a particular emphasis on receiving value for money. Training and Development for the year represented 2% of the Department salary costs. This training comprised a mix of internally provided and outsourced courses.

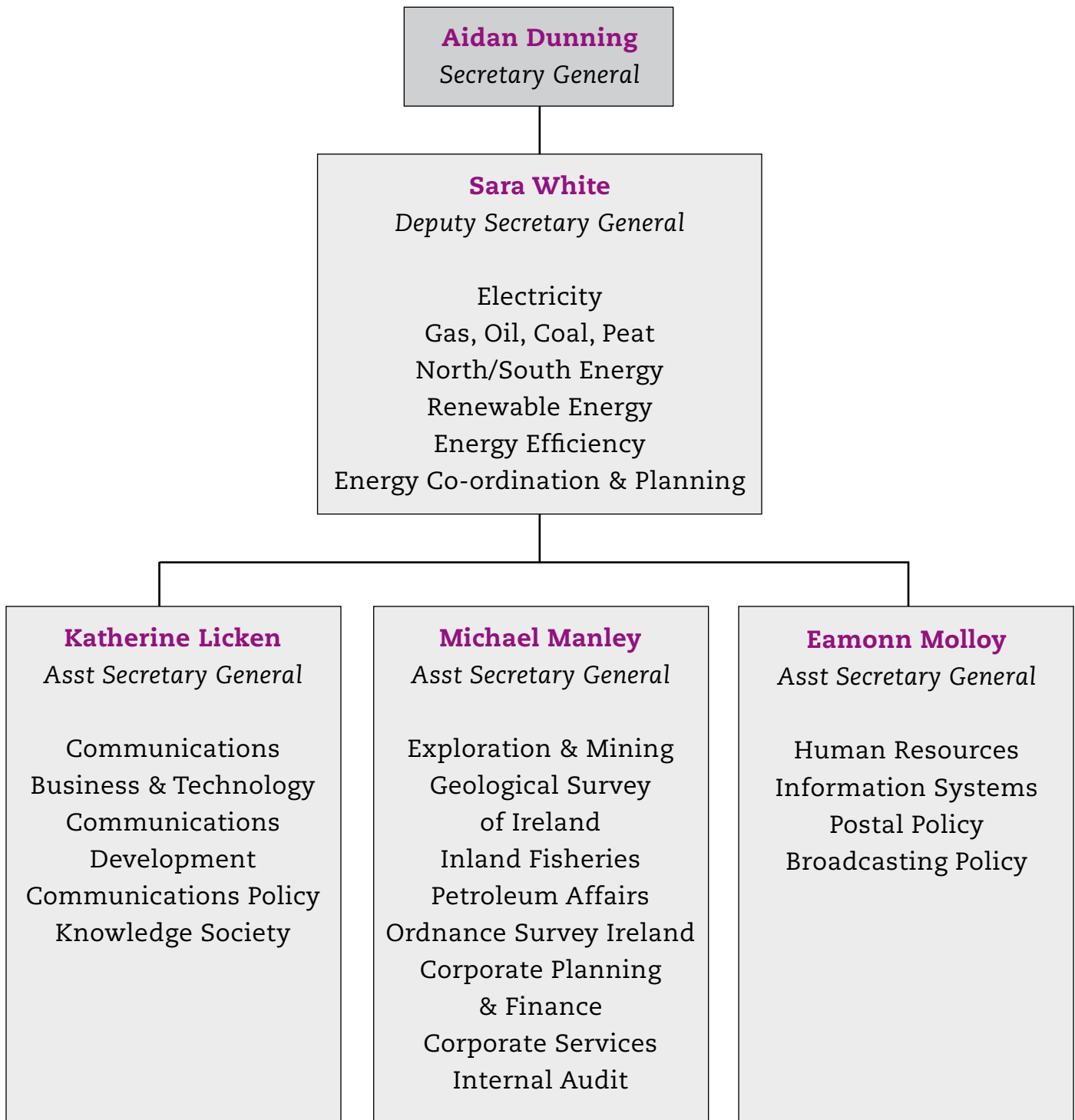
Details of Training Courses	2009	2010
Courses Delivered	86	81
Numbers of Staff Trained	236	373
Training days delivered	765	619
Average number training days per staff member	3	2.2
Total Training Expenditure	€614,526.78	€312,296.57

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.

2010 saw the delivery of a quality Customer Service to all customers, internal and external, as regards language service. The Department responded to personal callers, phone callers, correspondents, both by e-mail and in writing, in the language, Irish or English, in which they chose to approach it. All this is in addition to the Annual Report and Accounts and other corporate publications required by the Official Languages Act and contribution to perfecting the Irish language versions of EU co-decision regulations in our sectors.

APPENDIX A: STRUCTURE OF DEPARTMENT AS AT 31.12.2010



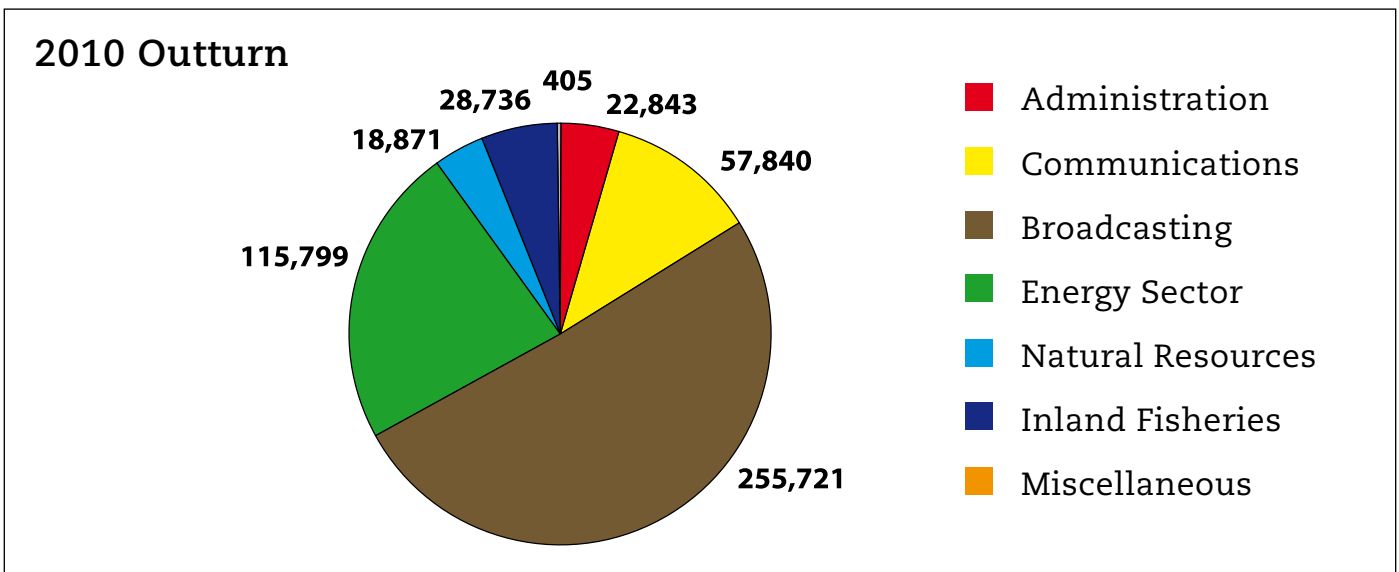
APPENDIX B: VOTE 30: 2010 ESTIMATES AND OUTTURN

Subhead	Estimate €000	Outturn €000
ADMINISTRATION		
A01 Salaries, Wages & Allowances	16,295	16,193
A02 Travel & Subsistence	801	521
A03 Incidental Expenses	1,495	1,044
A04 Postal & Telecoms	787	421
A05 Office Machinery & Supplies	4,236	2,547
A06 Office Premises Expenses	1,289	776
A07 Consultancy Services	1,771	1,237
A08 Equipment, Stores & Maintenance	154	103
A09 VFM & Policy Reviews	10	1
Sub-total	26,838	22,843
COMMUNICATIONS		
B01 Information & Communications Technology Programmes *	59,428	49,777
B02 Multimedia Developments	7,554	7,950
B03 RAPID Programme	370	-
B04 Information Society & eInclusion	450	113
Sub-total	67,802	57,840
BROADCASTING		
C01 Grant to RTÉ	195,000	195,000
C02 Payment to An Post	12,452	11,943
C03 TG4	34,050	34,050
C04 Broadcasting Fund	14,678	14,678
C05 Digital Terrestrial Television	50	50
Sub-total	256,230	255,721
ENERGY		
D01 Sustainable Energy Ireland Admin	7,808	7,491
D02 Sustainable Energy Programmes	105,136	100,952
D03 Energy Research Programmes *	14,337	7,356
D04 Strategic Energy Infrastructure	1	-
Sub-total	127,282	115,799

NATURAL RESOURCES			
E01	Petroleum Services	5,367	5,378
E02	Mining Services	6,710	1,960
E03	GSI Services	540	293
E04	Geoscience Initiatives	4,285	3,241
E05	National Seabed Surveys	2,992	3,014
E06	OSi	4,985	4,985
Sub-total		24,879	18,871
FISHERIES			
F01	Inland Fisheries	29,611	28,736
Sub-total		29,611	28,736
MISCELLANEOUS			
G01	Subs to International Organisation	467	373
G02	Change Management Fund	1	-
G03	Gas Services	32	32
G04	Other Services	501	-
Sub-total		1,001	405
Gross Total		533,643	500,215
H01	Fines & Forfeitures for Fishery Offences	50	44
H02	Receipts from Mineral & Petroleum Acts	11,068	10,728
H03	Petroleum Infrastructure Support Group	5,166	5,227
H04	Broadcasting Licence Fees	222,130	222,376
H05	GSI Receipts	400	500
H06	Rent on Properties in GPO	223	230
H07	RAPID Programme	370	-
H08	Miscellaneous Receipts	1,500	988
H09	Pension Levy	4,000	4,391
Appropriations-in-Aid Total		244,907	244,484
Net Total		288,736	255,731

ADMINISTRATION COSTS	22,843
COMMUNICATIONS	57,840
BROADCASTING	255,721
ENERGY SECTOR	115,799
NATURAL RESOURCES	18,871
INLAND FISHERIES	28,736
MISCELLANEOUS	405

* Subheads B1 and D3 include Capital Carryover.



APPENDIX C: LEGISLATION ENACTED IN 2010

ACTS ENACTED AND OTHER BILLS

ACTS

- Communications Regulation (Premium Rate Services and Electronic Communications Infrastructure) Act, 2010
- Inland Fisheries Act, 2010
- Electricity Regulation (Amendment) (Carbon Revenue Levy) Act, 2010
- Energy (Biofuel Obligation and Miscellaneous Provisions) Act, 2010
- Petroleum (Exploration and Extraction) Safety Act, 2010

BILLS PROGRESSED OR INITIATED

- The Communications Regulation (Postal Services) Bill
- Minerals Development Bill
- Geothermal Energy Bill

EU DIRECTIVES

- Directive 2007/65/EC of the European Parliament and of the Council of 11 December 2007 amending Council Directive 89/552/EEC on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the pursuit of television broadcasting activities (*i.e. the Audiovisual Media Services Directive*)
- 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
- 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

EU REGULATIONS

- Regulation (EU) No. 994/2010 of the European Parliament and of the Council of 20 October 2010 concerning measures to safeguard security of gas supply and repealing Directive 2004/67/EC.

STATUTORY INSTRUMENTS MADE

The following Government Orders were made in 2010

S.I. No.	TITLE
40	Fisheries (Commercial Fishing Licences) (Alteration of Duties and Fees) Order, 2010
104	Control of Fishing for Salmon Order, 2010
262	Inland Fisheries Act (Establishment Day) Order, 2010
323	Wild Salmon and Sea Trout Tagging Scheme Regulations, 2010
324	Inland Fisheries (Fixed Charge Notice) Regulations, 2010
629	Salmon Rod Ordinary Licences (Alteration of Licence Duties) Order, 2010
630	Special Tidal Waters (Special Local Licences) (Alteration of Duties) Order, 2010
665	Wild Salmon and Sea Trout Tagging Scheme (No. 2) Regulations, 2010
214	Taxes Consolidation Act 1997 (Accelerated Capital Allowances for Energy Efficient Equipment) Order, 2010
341	Taxes Consolidation Act 1997 (Accelerated Capital Allowances for Energy Efficient Equipment) (No. 2) Order, 2010
501	Taxes Consolidation Act 1997 (Accelerated Capital Allowances for Energy Efficient Equipment) (No. 3) Order, 2010
580	Taxes Consolidation Act 1997 (Accelerated Capital Allowances for Energy Efficient Equipment) (No. 4) Order, 2010
85	RTÉ (National Television Multiplex) Order 2010
258	European Communities (Audiovisual Media Services) Regulations, 2010
156	Communications (Mobile Telephone Roaming) (Amendment) Regulations, 2010
195	European Communities (Public Pan-European Cellular Digital Land-Based Mobile Communications) Regulations, 2010
233	Electronic Commerce (Certification Service Providers Supervision Scheme) Regulations, 2010
234	Communications Regulation (Premium Rate Services and Electronic Communications Infrastructure) Act, 2010 (Part 2) (Appointed Day) Order, 2010
329	Energy and Natural Resources (Delegation of Ministerial Functions) Order 2010
474	Electricity Regulation (Amendment) (Carbon Revenue Levy) Act 2010 Regulations 2010

LEGISLATION ENACTED IN 2010**INLAND FISHERIES BYE-LAWS MADE BY MINISTER OR MINISTER OF STATE**

BYE LAW NO.	TITLE
532	Electricity Regulation Act 1999 (Public Service Obligations) (Amendment) Order 2010
450	European Communities (Internal Market in Electricity) Regulations 2010
867	Southern Fisheries Region (No. 3 or Waterford District) Conservation of Salmon and Sea Trout (River Nore)
868	Shannon Fisheries Region (River Shannon) Conservation of Salmon and Sea Trout (Catch and Release)
869	Northern Fisheries Region (Lough Gowna) Conservation of Trout
870	Shannon Fisheries Region (River Shannon) (Angling)
871	Shannon Fisheries Region. Prohibition on the Use of Prawns, Shrimp and other Crustacean
872	Salmon and Trout Conservation (Draft Nets and Snap Nets)
873	Conservation of Salmon and Sea Trout (Catch and Release)
874	Conservation of Salmon and Sea Trout (Bag Limits)
875	Conservation of Salmon and Sea Trout (Newport River)
876	Conservation of Salmon and Sea Trout (River Bandon)
877	Conservation of Salmon and Sea Trout (Garvogue River)
CS 306	Conservation of Salmon and Sea Trout (Closed Rivers)

APPENDIX D: REGULATORY IMPACT ANALYSIS CARRIED OUT IN THE DEPARTMENT DURING 2010

Title of Bill:

The Communications Regulation (Postal Services) Bill

Energy (Biofuel Obligation and Miscellaneous Provisions) Bill, 2010

Where can the published RIA be accessed:

<http://www.dcenr.gov.ie/Communications/Postal/Liberalisation+of+the+Postal+Services+Market.htm>

<http://www.dcenr.gov.ie/NR/rdonlyres/771EE392-06E0-4B59-888D-E160FF10CD4B/0/EnergyBiofuelObligationandMiscellaneousProvisionsBill2010RIA.pdf>

APPENDIX E: BODIES UNDER THE AEGIS OF THE DEPARTMENT

The Department is responsible for 18 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) is the independent regulator for radio and television broadcasters in Ireland.
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 (ITSO), 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.
Bord na Móna plc	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.
National Oil Reserves Agency	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.

Sustainable Energy Authority of Ireland	Sustainable Energy Authority of Ireland (SEAI), formerly the SEI, was established in 2002 to promote and assist the development of sustainable energy.
NATURAL RESOURCES	
Inland Fisheries Ireland	Inland Fisheries Ireland (IFI) was formed on July 1, 2010 following the amalgamation of the Central Fisheries Board and the seven former Regional Fisheries Boards into a single agency. Inland Fisheries Ireland is responsible for the protection, management and conservation of the inland fisheries resource across the country.
Loughs Agency of the Foyle Carlingford and Irish Lights Commission *	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 and protection improvement and development of inland fisheries; (c) the development and licensing of aquaculture; and (d) the development of marine tourism.
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 provides 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 2010 on behalf of the State for seven commercial State Sponsored Bodies and financial details in relation to these Bodies are available on the following websites.

www.anpost.ie

www.esb.ie

www.bordGáis.ie

www.bnm.ie

www.RTÉ.ie

www.eirgrid.com

www.tg4.ie

APPENDIX G: GLOSSARY OF ABBREVIATIONS USED

ACA	Accelerated Capital Allowances
AOP	An Bord Pleanála
BAI	Broadcasting Authority of Ireland
bcf	billion cubic feet
BER	Building Energy Rating
BGE	Bord Gáis Éireann
BGS	British Geological Survey
BMS	Building Management System
CBA	Cost Benefit Analysis
CCGT	Combined Cycle Gas Turbine
CCS	Carbon-capture-and-storage
CEO	Chief Executive Officer
CER	Commission for Energy Regulation
CLCS	Commission on the Limits of the Continental Shelf
ComReg	Commission for Communications Regulation
DAE	Digital Agenda for Europe
DCENR	Department of Communications, Energy and Natural Resources
DHDA	Digital Hub Development Agency
DSOG	Digital Switch-Over Steering Group
DTT	Digital Terrestrial Television
ECAS	Emergency Call Answering System
EEPR	European Energy Programme for Recovery
EMD	Exploration and Mining Division
ENISA	European Network Information Security Agency
EPA	Environmental Protection Agency
ESB	Electricity Supply Board
ESBI	Electricity Supply Board International
ESOT	Employee Share Ownership Trust
ESRI	Economic and Social Research Institute
ETS	Emissions Trading System
EWIC	East West Interconnector
EU	European Union
EVs	Electric Vehicles
FÁS	Foras Áiseanna Saothair
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
Gwh	Gigawatts
HES	Home Energy Savings
HMRC	Hydraulic and Maritime Research Centre
HR	Human Resources
HVDC	High Voltage Direct Current
ICT	Information and Communications Technology
IEA	International Energy Agency
IFI	Inland Fisheries Ireland
INPC	Irish National Petroleum Corporation
ITSO	Independent Transmission System Operator
LIEN	Large Industry Energy Network
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
NGBT	Next Generation Broadband Taskforce
NIE	Northern Ireland Electricity
NMCI	National Maritime College of Ireland
NPS	National Postcode System
NRA	National Roads Authority
NORA	National Oil Reserves Agency
NTCC	North Tipperary County Council
OCGT	Open Cycle Gas Turbine
OEDU	Ocean Energy Development Unit
OPST	Optical-burst Packet Switching and Transport
OREDP	Offshore Renewable Energy Development Plan
OSi	Ordnance Survey Ireland
PDAC	Prospectors and Developers Association of Canada
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
SI	Statutory Instrument
SME	Small and Medium Enterprises
SMFs	State Mining Facilities
SURGE	Soil Urban Geochemistry
WHS	Warmer Homes Scheme