



Opening Statement	02
Chief Executive's Review	04
Achievements 2014	06
Programme Review	08
SEAI Annual Energy-Efficiency Report	23
Corporate Governance	24
Financial Statements	34
Statement of Responsibilities of the Board	35
Report of the Comptroller and Auditor General	36
Statement on Internal Financial Control	38
Statement of Accounting Policies	40
Income and Expenditure Account	42
Statement of Total Recognised Gains and Losses	43
Balance Sheet	44
Cash Flow Statement	45
Notes to the Financial Statements	46





At a time when the pursuit of sustainable energy is more critical than ever, I am honoured to take up the position of Chairperson of the Sustainable Energy Authority of Ireland.

The white paper on sustainable energy policy is due to be published later this year. This presents all of us in Ireland with a tremendous opportunity to shape a cleaner, more secure energy system with all the benefits that that will bring.

The evidence of those benefits is all around us - from large and small businesses becoming more competitive and maintaining vital employment, to the hundreds of thousands of homeowners who are spending less on energy in more comfortable homes; from communities improving their own buildings through mostly local labour, to the thousands that are employed annually through the investment in sustainable energy technologies and services.

Indigenous renewable energy is rightly a significant component of our energy mix. Bioenergy, wind and solar energy solutions for homes and businesses are increasingly evident, reducing our countries reliance on imported fossil fuels. More than a fifth of our electricity now comes from renewables, reducing harmful greenhouse gas emissions.

And analysis by the Authority points to the huge potential globally for energy-efficiency and renewable energy products and services if we capitalise on our own natural resources and play to our economic strengths.

So done right, sustainable energy is very good for Ireland. But we have only started the transition and we must accelerate action on all fronts. The call to action is simple - we need to dramatically reduce our energy use and at the same time exploit the vast resources of indigenous renewable energy with which we are so richly endowed. This will require us as a society and an economy to embrace change and make the best choices and the right choices for Ireland, from which we can continue to reap the benefits.

SEAI is ready to lead this vital transition with evidence to support the development of policy and actions to support and enable all sectors of the economy and all parts of society to play their role. I know I speak for my colleagues on the Board and the staff of SEAI when saying that this is an exciting challenge about which we are hugely passionate.

I want to thank my predecessor, Mr Brendan Halligan, for his excellent leadership of the Authority since 2007 and Minister Alex White and his team in the Department of Communications, Energy and Natural Resources for their continued support of SEAI in the delivery of its mandate.

Julie O'Neill
July 2015

An unrivalled
opportunity of
becoming a global
leader in clean
energy and a low
carbon economy



At the end of 2014 SEAI published the annual Energy in Ireland report on the trends in energy demand and use across the economy.

The one number which stood out most was the €6.7 billion spent importing fossil fuels. This means that €200 is leaving our economy every second to buy energy from elsewhere. There is so much to gain if we can reduce the exposure of our energy system to imported fossil fuels, at prices largely outside our control, and with their associated environmental and security implications.



It is good to see signs of economic recovery and a gradual recovery of business optimism. What we most need is economic growth which doesn't increase our reliance on imported, polluting fossil fuels but rather makes best use of our own clean, indigenous, renewable energy resources. It is encouraging therefore to see a continuing trend of our economy being more energy productive and less carbon intensive. While progress is not uniform though, we are making significant inroads in certain areas. Most notably our electricity generation has been substantially decarbonised, with emissions per unit generation today at a record low.

Government support for upgrading the nations building stock continued with €54 million grant aid provided towards works in almost 25,000 homes and 900 commercial and public buildings. The opportunity for improvement in our building stock is clear, as is the appetite for action. In particular I believe that community led projects have the greatest potential to excite and mobilise a true societal movement. We continued to explore the options for stimulating large-scale retrofit action in Ireland, looking towards more sustainable longer term delivery solutions which are less reliant upon direct exchequer support. 2014 saw the commencement of a number of Better Energy Finance trials, looking at a range of financing solutions which have potential for wider replication.

We have invested heavily in the development of structured energy-management programmes and standards which are now yielding significant dividends for business. Last year alone our partnership and agreement programmes in the business and public sectors yielded almost €70 million in energy savings. Businesses are placing increasing emphasis on energy standards and SEAI's collaborations with the National Standards Authority of Ireland are shaping world-wide developments. In recent years we have also seen national and multi-national companies looking to increase the security of their own energy supplies with many investing directly in renewable energy resources, primarily wind and biomass.

It's abundantly clear that businesses realise how energy efficiency can reduce costs, increase competitiveness and increase sustainability. But more and more businesses are grasping the huge opportunities for innovative sustainable energy solutions and services. I believe that a coordinated approach to supporting sustainable energy supply chains will promote economic growth and create thousands of jobs in Ireland. We worked with Enterprise Ireland, IDA Ireland and Forfás to examine how well the Irish supply chain is positioned to capture new business arising from expected investment in energy efficient and renewable energy products and services, with a projected value of €2.5 billion per annum, and an additional 12,000 jobs. We will continue to work closely with the enterprise agencies to ensure Ireland can maximise the business opportunities available as well as improving our energy security and cost competitiveness.

While biomass, wind and solar energies offer the best immediate potential for maximising use of renewable energy, it is from the seas off our coast that we will next look to generate electricity. SEAI provided €3.6 million in support towards 17 ocean energy projects and towards the development of world-class ocean energy test sites off our shores.

SEAI places a high value on evidence which informs sustainable energy debate and policy. In 2014 analysis by our energy modelling team showed that the use of renewables in electricity generation avoided fossil fuel imports of €245 million in 2012.

As we prepare our next five year strategy, I believe that the most critical factor for success will be truly engaging society in the sustainable energy debate. Strong policy will need the support of informed citizens to make the leaps necessary in the transition to a more sustainable pathway. Collectively we need to decide what energy system we want over the coming decades – to make the right choices for Ireland. The Authority has a vital role to play in informing that debate and leading the transition.

I would like to warmly welcome our newly appointed Chair Julie O'Neill. I want to thank her for taking on this role with us and I and my colleagues look forward to working with her towards our shared goals.

In closing I want to express my gratitude for the continued and unwavering support of our Minister, parent Department and Board and for the persistent efforts of my colleagues in SEAI in our pursuit of this vital goal.



Dr. Brian Motherway

Chief Executive Officer,
Sustainable Energy Authority of Ireland

The landscape of our achievements at a glance

- The Better Energy programme provided €54m grant support towards €118m energy upgrade works
- Energy upgrades to 24,600 homes and 900 commercial and public buildings
- 2,400 jobs supported
- 50 public-sector bodies with total energy spend of more than €420m now enrolled in SEAI's Public Sector Energy Partnership Programme. Public sector energy savings of €35m achieved
- €32m savings achieved by 166 Large Industry Energy Network (LIEN) members

24,600 Homes upgraded

€20 million

Total savings achieved by 147 energy award nominees



- 300 energy training sessions for SMEs, identifying savings of up to €3m. 180 small businesses assessed and mentored on energy efficiency benefits
- 147 Energy Awards nominees, achieving total savings of €20m
- Two EnergyMAP intern programmes commenced and 10 cross sectoral EnergyMAP courses delivered to wide range of businesses
- €3.6m support provided to 17 ocean energy projects and the development of the national ocean energy test sites
- €1.3m grants put 268 more electric vehicles on the road, doubling the number of cars from previous years
- IS399 world leading energy efficiency design standard launched

- The Energy Efficiency Obligation Scheme (EEOS) began on January 1st 2014 in accordance with the Energy Efficiency Directive (2012/27/EU) that imposes a legal obligation on qualifying energy suppliers to deliver additional energy savings.
- Record 120,000 Building Energy Ratings published
- 12,000 products registered eligible for Accelerated Capital Allowances (enhanced tax relief)
- Eight significant energy statistics reports published
- 75,000 pupils reached through schools programme, including 700 workshops
- 1,100 teachers trained in Exploring Our Energy primary programme



A closer look
at the programmes
of the year



The **Better Energy Programme**, Ireland's national upgrade programme, is managed by SEAI on behalf of the Department of Communications, Energy and Natural Resources. The programme includes Better Energy Homes, Better Energy Warmer Homes and Better Energy Communities.

Better Energy Homes supports private homeowners with grants towards a range of energy-efficiency improvements, including insulation and heating system upgrades. 2014 saw nearly 10,000 homeowners avail of grants totalling €10m under this programme which was matched with €41m of homeowners' funds. More than 25,488 measures were implemented, the most popular being attic, cavity wall and external wall insulation. The works completed supported 750 jobs, and saved 48 GWh of energy and 12 kT of CO₂.

Better Energy Warmer Homes supports Ireland's Affordable Energy Strategy with the delivery of energy upgrades in the homes of elderly and vulnerable citizens, bringing them the benefits of more comfortable homes and lower energy costs. This programme is free of charge to eligible citizens, and 9,000 homes were upgraded in 2014 which saved 19 GWh of energy and 5 kT of CO₂. The total delivery cost of the scheme was €20.6m, supporting over 600 jobs in the energy retrofit industry. New, deeper measures were introduced in 2014 for the most vulnerable in our society, meaning that 39 homes got complete heating systems and nine homes had external wall insulation installed. The scheme will continue to roll out these deeper interventions in 2015.



Better Energy Communities went from strength to strength in 2014 and continued to support the implementation of energy-efficiency projects in communities. This scheme encourages the development of diverse partnerships across community groups, energy suppliers, energy agencies and contractors. A total of 98 projects received €23.7m in grant funding and delivered a value-for-money improvement of more than 12% over the previous year. Projects varied greatly in the scale and nature of the upgrades undertaken, with upgrades completed in more than 4,000 homes and over 800 community, public and commercial premises, including schools, community centres, sports clubs, businesses and local authority facilities. Key measures supported included building fabric and heating system upgrades, monitoring and control systems, and integration of renewable energy sources. Annual energy savings achieved as a result of these projects amounted to over €6m. In addition, 2014 saw the growth and evolution of a number of existing community energy groups and the introduction of new initiatives, particularly in the creation and promotion of sustainable energy communities.

A **Better Energy Finance framework** which addresses the financial and knowledge barriers is key to encourage higher rates of home energy renovation. This is complex and challenging and will require innovative national policy measures and a better understanding of homeowners' needs and behaviours. In 2014, trials commenced by SEAI included Credit Union home loan products, a salary incentive scheme for employers, accompanying grant supports and innovating partnerships with obligated energy suppliers.

Case Study

Marino schools cut energy spend with energy-efficiency upgrades

The goal of the project was to demonstrate how a range of energy-efficiency measures, working in conjunction with an energy monitoring system, can deliver substantial savings via an Energy Performance Contract. Marino Community (Dublin North City), in partnership with a local primary school, secondary schools, a third-level college and a university building, undertook this project to reduce energy consumption and costs and to provide more sustainable heating and lighting solutions. Energy-efficiency upgrades included natural gas conversion, an oil boiler replacement, solar thermal panels, cavity and roof insulation, heating controls and efficient lighting.

As part of a ten-year Energy Performance Contract, the project will be managed by a Veolia Energy Service Centre monitoring system. An energy information screen was installed in the foyer of each school; these also provide information used in classroom energy workshops.

Achievement

Total project costs were €1.1m, yielding annual savings of 1.4 GWh.



Marino Community undertook this project to reduce energy consumption costs

Case Study

Galway Cathedral upgrades to warmer and brighter interior

The Galway diocese is the trustee of over 90 buildings in the greater Galway/Clare region. One of its landmark buildings is Galway Cathedral, which had an average annual energy spend of over €75,000. With the help of SEAI, new gas condensing boilers, insulation, high-efficiency glazing and low-energy LED lighting was installed, resulting in savings of almost 980,000 kWh per annum. St Mary's College secondary school and the pastoral centre, which provides support programmes and services for all Galway diocesan parishes, also received funding towards retrofitting, including insulation, lighting, heating controls and boiler replacement.

Achievement

The total project cost of €685,000 created 46 jobs during implementation, with a payback of eight years.

Case Study

Woodlands House Hotel in partnership with St Gabriel's School and Therapy Centre

The Woodlands House Hotel, part of the Adare community for 30 years, facilitates various community groups and associations, including Adare Business Association, local and county GAA clubs, and local schools. In 2014 they partnered with St Gabriel's School and Therapy Centre, a registered charity dedicated to providing education and health therapies to children and young adults with disabilities. St Gabriel's installed combined heat and power (CHP) units which distribute heat to the pool, the air handling unit, the hot water system and the underfloor heating. The Woodlands House Hotel installed a cooling system and retrofitted an air handling unit, integrating these as part of a Building Management System.

Achievement

Project costs were €161,000 with annual savings of 256,000 kWh and a payback of five years.



Energy Efficiency Obligation Scheme

The [Energy Efficiency Obligation Scheme \(EEOS\)](#), which began on 1 January 2014, was implemented in Ireland under the Energy Efficiency Directive (2012/27/EU), Article 7. SEAI has delegated authority under S.I.131 to operate and administer the scheme. Obligated parties are those energy distributors and retail energy sales companies which have annual energy sales greater than 600 GWh. Obligated energy suppliers are required to deliver energy-efficiency savings in proportion to their final energy sales across three sectors: non-residential (75%), residential (20%) and energy poverty (5%). There were 11 energy suppliers obligated to participate in the scheme based on annual energy sales. In its first year, 355 GWh in energy savings were attributed to energy-efficiency projects delivered within the scheme.

Accelerated Capital Allowance Programme

The [Accelerated Capital Allowance \(ACA\)](#) programme promotes the purchase of high-efficiency equipment, increasing market competitiveness and providing clear objective differentiation and confidence for customers when choosing energy-efficient equipment. The Triple E register, which is the database for ACA, provides an objective basis for a range of energy-efficiency policy interventions in both the public and private sectors. By the end of 2014 the database stood at over 12,000 high-efficiency products from over 200 suppliers across 52 technology categories. A full cost-benefit analysis of the scheme was published in 2014, paving the way for the Budget 2015 announcement that the scheme would be extended for at least three years to 2017.

1 in 4 homes
now has an
energy rating

Building Energy Rating Scheme

A [Building Energy Rating \(BER\)](#) indicates the energy performance of a building on a scale of A (most efficient) to G (least efficient). SEAI is responsible for the management and administration of the BER scheme. A total of 106,442 residential BERs were published in 2014, meaning that one in four homes (513,000) now has an energy rating. A further 28,400 non-domestic buildings have a BER. The pace of BER publication continues to be high thanks in part to an increasingly buoyant property market and clear evidence of the influence of BERs on property prices.

The number of products on the [Home-heating Appliance Register of Performance \(HARP\)](#) database rose to over 5,000 in 2014, helped by a significant increase in the number of heat pumps and solid fuel appliances.

As part of our drive to improve customer experience in 2014, SEAI implemented BER quality assurance (QA) workshops and provided online self-service content, including on-demand videos. Over 300 BER assessors attended these workshops around the country, and they proved both popular and successful. The QA workshops help inform assessors of our processes, progress and methodologies, and give SEAI significant insight into the needs of assessors and customers alike.



Energy Agreements Programme

Energy standards are now being widely recognised as an important conduit for driving energy-management programmes in large industry. These standards drive integration in a structured way so that it becomes embedded in a company's culture. Going forward, SEAI will continue to guide and support members of its elite voluntary Energy Agreements Programme (EAP) to deepen engagement and implement an energy-management system to the ISO 50001 standard.

Within the Large Industry Energy Network (LIEN), almost 50% are also members of EAP. The EAP centres on the promotion of a structured energy-management system, with interventions to stimulate and encourage energy-efficiency activity that goes beyond business as usual. The results to date demonstrate that this approach works. EAP members as a group consistently achieve higher energy performance than those not adopting a structured approach.

A new standard, I.S. 399 Energy Efficient Design Management Standard, collaboratively developed by SEAI and the National Standards Authority of Ireland (NSAI), was launched in late 2014. The standard embeds consideration of energy from the start of a new investment project, and as a result helps to minimise energy consumption throughout its lifecycle. This is a fundamentally new approach to energy efficiency which was initially trialled in supply chain and logistics specialist Nypro and is already making huge savings for industry.

Case Study IS 399 at Nypro

Nypro provides intelligent supply-chain management, device assembly and manufacturing for the healthcare and packaging industries. Nypro used an upgrade project to its cleanroom as a demonstration project for Energy Efficient Design (EED) for HVAC in a cleanroom environment, as part of the SEAI HVAC Special Working Group Initiative. Nypro has estimated that implementing the EED process has resulted in HVAC system energy savings of 30% compared to existing ISO Class 8 cleanrooms.

This EED management process involves challenging the design norms of a specialist equipment supplier. The holistic design approach complemented the other design elements of safety, sustainability, space utilisation and risk mitigation, bringing multiple benefits, including a 25% improvement in both energy and water efficiency and a 95% improvement in waste recycling.

Achievement

This project achieved the highest ratio of production footprint to overall plant area of all Nypro sites globally, and understandings gained will be leveraged for future investment.



Case Study

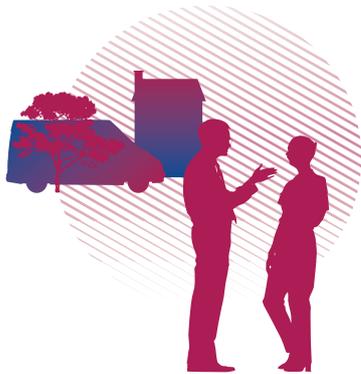
ISO 50001 at Xerox (Europe) Ltd

The introduction of ISO 50001 energy standards at Xerox (Europe) Ltd's Dundalk Colour Toner Plant (DCTP) has contributed significantly to the achievement of the Xerox Corporate Energy Challenge goal to reduce absolute greenhouse gas emissions by 25% across all company operations. Using lean six-sigma business processes and energy-management standards, the energy team defined clear objectives and targets, developed energy measurement and monitoring capabilities, and identified key influencing factors on the significant energy-consuming processes.

They then deployed lean production process solutions and practices and a range of key control measures to sustain and enhance the improvement.

Achievement

Xerox DCTP has achieved and sustained savings of approximately €230,000 and reported a 1,750 MT reduction in CO₂ emissions.



Advice, Mentoring and Assessment programme for SMEs

The SME business programmes continue to maintain a high level of interest, with almost 180 businesses participating in the Advice, Mentoring and Assessment (AMA) programme in 2014. Participants achieved average annual savings of 11%, which represented a saving of almost €2m.

In addition, 12 EnergyMAP training courses were delivered to over 150 businesses, helping them to create their own energy action plans.

Case Study

Ballyliffin Lodge & Spa Hotel

The Ballyliffin Lodge and Spa Hotel completely overhauled the services in the hotel, in particular the use of water, light and heat within the building, not only to reduce costs and increase profits but also to maintain comfort levels for guests and make energy awareness and conservation a core business practice among staff. This project won the company the accolade of winner in the Small Business Category of the 2014 Sustainable Energy Awards.

Achievement

The investment paid for itself in less than five years and saving €45,000 off the heating bill.

Services in the hotel were completely overhauled - water, light and heat



Public Sector Action

The **Monitoring and Reporting** system tracks public-sector energy performance, driving a 33% reduction in energy use by 2020 by providing accurate data for better energy management and better strategic planning in the form of management scorecards. In 2014 all non-school public bodies (approx. 400) were required for the first time to report using this online system. A total of 238 public bodies with an energy spend of €588m reported, representing 85% of the estimated energy consumption of the public sector. The cumulative value of savings from 2009 to 2013 for these bodies is almost €250m. These bodies reported savings of €74m for the 2013 period, which were achieved through the implementation of projects ranging from structured energy management, building and facility upgrades, retrofits, changes in transportation, better energy procurement, and behavioural change within organisations.

SEAI's **Public Sector Energy Partnership** programme commits public bodies to implementing the highest standard of energy management. It now has 65 participating organisations with an energy spend of nearly €450m.

With the addition of Irish Rail during 2014 this partnership programme now encompasses the ten largest energy consumers in the public sector, reflecting a commitment to energy efficiency.

Case Study

Dublin Port Company

Dublin Port Company is a self-financing, private limited company wholly owned by the State, whose business is to manage Dublin Port. It was established in 1997 and currently employs over 140 staff. Dublin Port's headquarters, Port Centre, was completed in 1981 and comprises 4,400m² of office space.

The Maintenance and Services Manager identified the need to update an aging and inefficient boiler and ventilation system to help improve comfort levels and reduce energy usage and costs. An SEAI assessment helped the Port Centre to identify solutions and provided 35% of the project funding through the Better Energy Workplaces programme. The existing boilers were replaced with high-efficiency condensing units with an advanced control system to optimise usage. A micro Combined Heat and Power (CHP) plant was installed to generate electricity and heat. Storage vessels and control valves were added to extend the CHP operating hours by 40% per annum. Gas and heat meters and temperature sensors helped to measure and verify performance. This project was delivered through an Energy Performance Related Payment (EPRP) model. All contractors and consultants committed to a 15% energy-efficiency improvement in fossil-fuel use, with agreed penalties for under-performance and incentives for over-performance to contract Key Performance Indicators.

Achievement

As a result of these innovations, the project delivered 335,846 kWh of energy savings in 2014, equivalent to 38% on the baseline year of 2011.

Case Study Coillte

Coillte, established in 1989, employs 1,100 people and, among other functions, supplies logs to sawmills and panel-board manufacturing facilities. Log haulage is carried out by independent haulage companies in the Irish forestry industry. Coillte wanted to improve security with vehicle and trailer tracking, reduce truck fuel usage and reduce empty runs for the hauliers.

Irish technology provider BlueTree Systems won the contract. Coillte acted as the Energy Services Company or ESCO, offering the technology to the independent hauliers at 20% of the negotiated price. SEAI provided 35% of the funding. The technology included vehicle telematics, in-cab computers, and comprehensive web-based software to allow all parties to effectively manage haulage operations. Hauliers received SEAI's Transport Energy MAP training. Training was also provided to help hauliers understand the new technology, manage fuel usage and optimise transport management so as to improve efficiency and security. Some fleets are already recording average speed increases from 47 km/h to 51 km/h and an increase in cruise-control usage from 6% to 12%. A measurement and verification plan that meets the international standard (IPMVP) is in place to measure, report and verify fuel savings across the truck fleet.

Achievement

The project realised energy savings of €1.1m (8.9%), with a 9.5% reduction in both energy usage and CO₂ emissions.

Energy Link is a powerful tool allowing energy professionals to share information

There are over 1,000 individuals registered on [Energy Link](#), an online forum for public bodies. This is a powerful tool which allows energy professionals to share information, exchange experience, best practice and lessons learned, get answers from peers and participate in specialist working groups on shared energy challenges.

In 2014 SEAI introduced the [Engaging People](#) programme, which provides tools and training to empower individuals at local organisational level to design in-house programmes to raise awareness around energy use and energy efficiency. Nine host organisations participated in the first round of training.





Energy Planning and Social Acceptance

One of SEAI's roles is to lead, facilitate and promote the development and adoption of best-practice energy-planning and social-acceptance strategies by regulatory and industry players. Following the launch of the [Local Authority Renewable Energy Strategies \(LARES\)](#) guidelines in 2013, SEAI developed four training courses during 2014 with the support of the Irish Planning Institute (IPI). This suite of courses, which will be rolled out in 2015, is aimed at planners, local and regional authority staff and other professionals who may engage with producing local and regional authority renewable energy strategies.

Through involvement in [International Energy Agency \(IEA\)](#) initiatives, SEAI has been engaged for several years in international collaborative research into and establishment of best practice in relation to wind-energy deployment, bioenergy, ocean-energy and smart-grid technology, in particular through Implementing Agreements. Ireland is signatory to eight IEA Implementing Agreements, and in 2014 SEAI invited Irish researchers and organisations to apply to be national participants and representatives on relevant tasks under the IEA's Implementing Agreements. The benefits of engagement include enhanced energy-related research capacity in Ireland, a sharing of national and international best practice in terms of research and technology development, and ultimately a contribution to Ireland's sustainable-energy policy-oriented research goals.

Under the [National Research Prioritisation Exercise](#), SEAI led two working groups in the development of the national action plans for research in [Marine Renewable Energy](#) and [Smart Grids and Smart Cities](#). SEAI has been assigned a coordination role in the delivery of both plans by relevant agencies. In 2014 SEAI delivered upon actions identified by the two working groups specifically related to supporting the exploitation of research outcomes in terms of identifying options for smart-grid and smart-cities demonstration zones.

As the national delegate for the EU's [Horizon 2020](#) research programme, SEAI has provided information and mentoring support to prospective Irish applicants. During 2014, the first year of Horizon 2020, Irish participants received funding of €12m across energy-efficiency and low-carbon energy research topics. The largest individual project secured by Ireland was an energy project led by Glen Dimplex, including EirGrid, ESB Networks, University College Dublin, SSE Airtricity, Intel Labs Europe and a number of international partners.

Case Study

Dimplex (Real Value)

Driving change in the energy sector, a European consortium with world-leading Irish expertise has received the first phase of approval for a €12m grant from the European Commission's Horizon 2020 fund. €7.2m will be allocated to the Irish partners in the consortium, which consists of other partners from the UK, Germany, Finland and Latvia. The twelve-strong RealValue consortium is unique in that it encompasses the entire energy supply chain, including many of the major players in the Irish energy sector – Glen Dimplex, SSE Airtricity, ESB Networks, EirGrid, Intel and the Electricity Research Centre at University College Dublin. Commencing in April 2015, RealValue will involve installing thousands of Glen Dimplex Quantum energy systems into 1,250 homes, 800 of which will be in Ireland.

The study will include 100 homes in Northern Ireland, with the remaining pilot homes situated in Germany and Latvia. Replacing traditional storage heaters, the Quantum energy system combines efficient, high-performance electric space-and-water heating with thermal energy storage capability.

The study includes homes in Northern Ireland, Germany and Latvia



Analysis and Evidence

SEAI's bioenergy activities are aimed at accelerating the uptake of solutions and new technologies while supporting the deployment of combined heat and power (CHP) in Ireland. In 2014, bioenergy supply chains were analysed for SEAI's report on Ireland's Sustainable Energy Supply Chain Opportunity. SEAI provided modelling analysis to inform policy options for renewable heat in the Department of Communications, Energy and Natural Resources' draft National Bioenergy Strategy (2014).

SEAI produces and publishes national energy statistics on energy supply and demand across all sectors in Ireland. This data meets international reporting obligations, and helps advise policymakers, inform investment decisions and monitor policy measures. In 2014 eight statistical reports were published, covering national energy demand, transport, renewable energy, combined heat and power, and electricity and gas prices. Key findings from these publications are that good progress has been made to greater energy sustainability, with Ireland reaching the halfway mark towards the overall EU Renewable Directive target, as well as reaching the halfway mark for each of the sub-targets for electricity, heat and transport. In 2014 over one-fifth of electricity came from renewable sources and the carbon intensity of electricity generation reached a record low.



The Energy Modelling Group provided high-quality targeted analysis throughout 2014 to inform evidence-based decision-making across Government. In particular, the group published a report, Ireland's Sustainable Energy Supply Chain Opportunity, which considered the opportunities and benefits for our economy arising from Ireland's requirement to meet renewable and energy-efficiency targets. In addition, the report Quantifying Ireland's Fuel and CO₂ Emissions Savings From Renewable Electricity in 2012 provided an analysis of the impacts of renewable electricity targets in Ireland. A new energy data portal was launched in 2014 to provide better access to SEAI's energy forecast information.

The analysis and insights from these studies demonstrate the in-depth modelling expertise that has been developed within SEAI over the past years. The ability to use and interrogate such sophisticated models brings a deeper level of understanding to the energy debate in Ireland and enables SEAI to robustly inform this debate in addition to Government policy.



Case Study

Quantifying fuel and CO₂ savings from renewable electricity

In 2014 SEAI published a report, Quantifying Ireland's Fuel and CO₂ Emissions Savings from Renewable Electricity in 2012, which showed the positive impact of renewables on the electricity system in Ireland. Specifically, the analysis showed that the estimated value of avoided fuel imports was €245m for 2012. In addition, the report estimated a further €15m savings from avoided CO₂ emissions.

The findings in the report showed that fossil-fuel electricity generation would have been 26% higher (on an all-island basis) in 2012 in the absence of renewable electricity. Total renewable electricity generation reduced CO₂ emissions by 2.9m tonnes, which was nearly 5% of total national greenhouse gas emissions in 2012.

This work was carried out by analysing in detail the actual performance of the electricity system in 2012, and comparing that to what would have been the case had no renewable sources been used. The study was comprehensive in the way it analysed the real-time operation of the all-island electricity system and considered a whole range of factors, including ramping effects, cycling effects, contingency reserve, network constraints, wind characteristics, generator availability, and cross-border electricity trade.

Schools programme

The schools programme continued to prove popular, with over 700 school workshops delivered to around 21,000 pupils and an increase of 80% in web visits which totalled almost 200,000. A project winner of One Good Idea was also a winner in the prestigious international Energy Globe Awards.

SEAI's new Exploring our Energy primary programme was launched and saw 1,100 teachers receiving CPD training in the resource, accessing around 28,000 pupils. The programme explores energy and climate change in a practical and exciting way, using a range of interactive digital resources. The programme was developed by SEAI in collaboration with St Patrick's College of Education.

Ocean energy research and development

SEAI continued to support the development of the ocean energy sector. The launch of the Offshore Renewable Energy Development Plan (OREDPlan) by the Department of Communications, Energy and Natural Resources in February 2014 was a significant milestone. SEAI assisted the department in setting up the OREDPlan Inter-Departmental Steering Group and participates on this steering group as well as three sub-groups (Jobs, Infrastructure and Environment). Working through partnerships with the Marine Institute, University College Cork, Mayo County Council and the Commissioners of Irish Lights, SEAI completed a further suite of seabed surveys, environmental analysis and development works for the ocean energy test sites in Galway and Belmullet, Co. Mayo. In 2014 SEAI also developed and launched the



national Ocean Energy portal www.oceanenergyireland.com which is a comprehensive "first stop shop" for all agencies and activities linked to ocean energy in Ireland. A total of 17 projects received ongoing support through the Ocean Energy Prototype Fund. This remains a challenging sector, as companies strive to bring prototype concepts through to maturity. The Atlantic Marine Energy Test Site (AMETS) in Belmullet is now in the final stages of the planning and foreshore licensing process for 50 and 100 metre depth sites. Further work was carried out in 2014 on the landside substation site, and on preparing a grid connection.

Electric vehicle deployment

The roll out of electric vehicles (EVs) continued in 2014, supported by the Government grant scheme and VRT relief from Revenue. 268 new EVs were registered double the total for the previous three years. ESB continued the roll-out of fast chargers and public EV charge points at filling stations and other locations around the country.

Sustainable energy communities

The Sustainable Energy Communities (SEC) programme furthered its aim of stimulating a national move towards sustainable energy practice through building on the network of Better Energy Community project co-ordinators. SEAI also completed the final stages of the EU CONCERTO HOLISTIC project and submitted the final report to the EU Commission officials in DG Ener.

SEAI personnel occupy 1,300 m² of office space located in Dublin, Dundalk, Cork and Sligo. All the offices are sub-let spaces within larger buildings.

Energy use across the four offices is summarised in the table and figure below:

Direct consumption for 4 offices and company car

Energy Use	2013 (kWh TFC)	2014 (kWh TFC)
Electricity Lighting, ICT, Office power, Heating Ventilation & Air Conditioning (HVAC)	119,399	119,527
Natural Gas (Heating)	49,422	44,680
Petrol (Toyota Prius)	3,606	4,372
Totals for Direct Consumption	172,427	168,579
CO ₂ Emissions (kg)	74,115	73,400

Energy-efficiency actions proposed for 2015

Actions proposed by SEAI for 2015 include:

- SEAI will implement an energy metering solution across the four offices to support on-site energy management and annual reporting requirements. The aim is to strengthen the accuracy of energy consumption data within SEAI offices and to set an exemplary energy efficiency role in the public sector.
- SEAI will commence the process of implementing ISO50001 with a view to achieving certification in 2016.



Funds, certification and policies



The Sustainable Energy Authority of Ireland (SEAI) is an autonomous agency established under the Sustainable Energy Act 2002. SEAI operates in accordance with the provisions of the Act and under the aegis of the Minister for Communications, Energy and Natural Resources.

SEAI operates in accordance with the provisions of the Act and under the aegis of the Minister for Communications, Energy and Natural Resources, who is empowered to provide funds for it to discharge its obligations, to issue general policy directives and seek information on the activities of SEAI.

In April 2011, SEAI became the first organisation in Europe, either public or private, to be awarded certification under the National Standards Authority of Ireland (NSAI) SWIFT 3000 standard. This is a new standard offering a Code of Practice for Corporate Governance assessment in Ireland. Its objective is to assess the corporate governance frameworks of organisations, and specifically their level of compliance with governance codes and best practice. A further review of SEAI compliance with the SWIFT 3000 requirements was carried out in July 2014, and SEAI was awarded continued certification. In summary, SEAI continues to operate to best practice corporate governance standards.

While the primary source of corporate governance for SEAI is the Sustainable Energy Act, the agency is also required to comply with a range of other statutory (national and EU) and administrative requirements. SEAI affirms that it complies with its obligations to meet these requirements. The following procedures are in place to ensure compliance with specific requirements.

General administrative and policy requirements

At national level SEAI works closely with officials in the Department of Communications, Energy and Natural Resources, and in other Government departments and State agencies, in advancing its objectives and ensuring



compliance with statutory, administrative and ministerial and government requirements. At local level SEAI works with other State agencies and a wide range of local organisations and public representatives to proactively develop sustainable energy policies and initiatives. This underpins the overall national strategic objective: that SEAI will play a leading role in transforming Ireland into a society based on sustainable energy structures, technologies and practices. This work and interaction is carried out in accordance with various policy directives issued by the Minister for Communications, Energy and Natural Resources.

Code of Practice for the Governance of State Bodies

In July 2009, the SEAI Board formally adopted the revised Code of Practice for the Governance of State Bodies, issued by the Department of Finance in June 2009. SEAI provides briefings for Board members on the requirements of the Code and has put in place a range of actions, procedures and initiatives to ensure compliance with the Code. In addition, SEAI has its own Code of Governance Framework for the organisation, incorporating the requirements of the Code of Practice for the Governance of State Bodies. This Code of Governance Framework is available on the SEAI website www.seai.ie.

Against this background, SEAI confirms compliance with the following Sections of the Code of Practice:

Section 2: The Board

- Section 2.1: The SEAI Board has approved a formal Schedule of Matters specifically reserved to it for decision, in order to ensure that the direction and control of the body is firmly in its hands.
- Section 2.7: The SEAI Board has established procedures to monitor and manage potential conflicts of interests of management and Board members.
- Section 2.14: The SEAI Board has adopted a Statement of Strategy for the period 2010–2015; this was formally launched by the Minister for Communications, Energy and Natural Resource on 10 March 2010. The Board has a consistent process for monitoring updates on progress and developments in relation to the implementation of this strategy. The strategy is available on the SEAI website: www.seai.ie. In addition, during 2014, SEAI began the process of devising a new strategy for the period 2016–2020.

Section 7: Remuneration of senior management and directors' fees

- SEAI complies with Government policy in relation to the total remuneration for the Chief Executive Officer and the remuneration of other staff in accordance with the arrangements set out by the Department of Finance. In addition, SEAI complies with the guidelines covering the payment of fees to chairpersons and directors/members of State bodies, as issued by the Minister for Finance.



Section 8: Risk management

- A comprehensive risk assessment and management policy has been developed in SEAI and the overall risk management framework has been approved by the Board. The SEAI Board and the Audit and Risk Committee have established appropriate mechanisms to ensure that it is fully operational, and to monitor and review its effectiveness.

Sections 2.4 and 10.1: System of internal financial controls

- SEAI maintains and operates an effective system of internal financial controls. This system is reviewed on an annual basis by the outsourced internal auditors, and this was the case again in 2014. The review of internal financial controls is approved annually by the SEAI Audit and Risk Committee and the Board. The review is confirmed in the annual letter from the Chairperson to the Minister for Communications, Energy and Natural Resources; in addition the Chairperson's Statement on internal financial controls is included in the annual report (see page 7).

Section 10: Audit Committee

- SEAI has an established Audit and Risk Committee with specific terms of reference, approved by the Board, which are reviewed on an annual basis.
- SEAI has a properly constituted Internal Audit function in accordance with the principles set out in the Code of Practice and has a formal Charter which has been approved by the Board.

Section 13: Additional reporting requirements

- In conjunction with the SEAI annual report, the Chairperson of SEAI furnishes to the Minister for Communications, Energy and Natural Resources a comprehensive report/letter addressing all of the issues set out in Section 13 of the Code of Practice.

Section 15: Procedures for procurement

- SEAI has an appropriate public procurement process which complies with the current value thresholds for the application of EU and national rules. Competitive tendering is standard procedure in this procurement process.

Section 19: Tax compliance

- The Chairperson, in the separate letter furnished to the Minister for Communications, Energy and Natural Resources, confirms that SEAI has complied with its obligations under tax law.

Guidelines for the appraisal and management of capital expenditure proposals

SEAI has well-established and robust procedures in place for the appraisal and management of capital expenditure projects arising under the capital (grants) programmes.



Employment Equality Acts 1998 and 2004

SEAI is committed to a policy of equal opportunities, and equality is an established priority in the organisation. SEAI has a progressive equality and diversity agenda and operates a number of schemes to provide staff with options in relation to meeting their career and personal needs, including study leave, educational programmes, etc. The SEAI Performance and Growth Planning Process also facilitates career and personal development. SEAI values diversity and strives to be an equality employer where individual contribution is encouraged and differences valued. SEAI is committed to maintaining and developing a balanced work/life environment for all staff.

The Safety, Health and Welfare at Work Act 2005

This Act, which replaces the provisions of the Safety, Health and Welfare Act 1988, consolidates and updates the existing law. SEAI continues to take appropriate measures to protect the safety, health and welfare of all employees and visitors, and promote awareness within its offices to meet the provisions of this Act. This extends to the Public Health (Tobacco) Acts 2002 and 2004.

Customer Charter

SEAI has published a Customer Charter, setting out its commitment to providing a high quality of service. This charter includes a procedure for dealing with complaints, if they arise. In 2014, 22 complaints were received under the charter. The charter is available on www.seai.ie.

Prompt Payment of Accounts Act 1997

SEAI comes under the remit of the Prompt Payment of Accounts Act 1997, which came into effect on 2 January 1998, and the European Communities (Late Payment in Commercial Transactions) Regulations 2002, which came into effect on 7 August 2002. It is SEAI policy to ensure that all invoices are paid promptly. Procedures are in place, however, to ensure that late interest is paid, if required.

Ethics in Public Office Act 1995 and Standards in Public Office Act 2001

In accordance with the above Acts, each year SEAI Board members furnish the Secretary with completed Statements of Interests, in compliance with the provisions of the Acts. In addition SEAI staff members holding designated positions comply with both Acts.

Freedom of Information Act 1997 and Freedom of Information (Amendment) Act 2003

SEAI is a prescribed body under the Freedom of Information Acts and complies fully with the requirements set out in the Acts. Requests for information under the Acts should be addressed to the FOI Officer, SEAI, Wilton Park House, Wilton Place, Dublin 2.

Data Protection Acts 1998 and 2004

SEAI is registered as a Data Controller under the Data Protection Acts. Data protection is concerned with the protection of the individual's fundamental right to privacy and to exercise control over how their personal information is used.

Official Languages Act 2003

SEAI comes under the remit of the Official Languages Act 2003, which was signed into law on 14 July 2003 to provide a statutory framework for the delivery of services through the Irish language. In accordance with Section 10 of the Act, this annual report is published simultaneously in both Irish and English.

SEAI Board and Committees

The Board of SEAI operates to best-practice corporate governance principles in line with the guidelines set out in the Revised Code of Practice for the Governance of State Bodies, as issued by the Department of Finance in June 2009.

An appropriate and comprehensive induction and development process is in place for Board members.

The Board is responsible for setting the broad strategy and policies for the organisation. It is responsible for the system of internal financial control and for putting in place processes and procedures for ensuring that the system is effective. It performs these functions directly and through the operation of specific Board Committees in accordance with approved Terms of Reference. Responsibility for the implementation of policy rests with the executive management of SEAI.

The SWIFT 3000 certification process, referred to earlier, entailed a comprehensive review of SEAI Board structures, processes, procedures and material, including compliance with SEAI legislation, the SEAI Code of Governance Framework, Declarations of Interests by Board members, operation of Board Committees and compliance with the Code of Practice for the Governance of State Bodies, etc. In July 2014 SEAI was awarded continued certification under this programme.

The Board operates in accordance with the provisions set out for the Board of the Authority in the Sustainable Energy Act 2002. In accordance with the provisions of the Act, the Ethics in Public Office Acts 1995 and 2001 and the revised Code of Practice for the Governance of State Bodies, SEAI Board members are required to provide an annual Statement of Interests to the Standards in Public Office Commission and the Secretary to the Board.

Board members are appointed by the Minister for Communications, Energy and Natural Resources, with the consent of the Minister for Finance. Each year, on the anniversary of the establishment day, three members (other than the Chairperson and Chief Executive) that have been longest in office since their last appointment, retire from office in accordance with the process set out in the Act. New members, on their appointment, are provided with extensive briefing on the agency and its operations.

In accordance with the Code of Practice for the Governance of State Bodies, SEAI fully complies with Government policy on the pay of chief executives and State body employees, and with Government guidelines on the payment of fees to Board members.



SEAI Board 2014



1 Brendan Halligan, Chair (1 October 2007–30 September 2012; reappointed 1 October 2012 and retired on 30 September 2014), was formerly a managing partner of CIPA, a public affairs consultancy. He is Chairman of the Institute of International and European Affairs, and is a Board member of Mainstream Renewable Power and C and F Tooling Ltd. He chaired Bord na Móna for ten years and worked in a consultant capacity with Airtricity.

2 Brian T Carroll (1 August 2010–25 June 2012; reappointed 26 June 2012) is Principal Officer in the Renewable and Sustainable Energy Division in the Department of Communications, Energy and Natural Resources (DCENR). Prior to that he worked in the Corporate Finance and Planning Section in DCENR and the Central Expenditure Evaluation Unit of the Department of Finance. He has also worked in the Departments of Justice and Foreign Affairs. He holds a first-class Masters in Economic Science from the National University of Ireland.

3 Julie O'Neill (appointed 15 September 2011, retired 1 May 2013; reappointed from 1 May 2013 and retired on 14 September 2014) is proprietor of Join the Dots, an independent strategic management consultancy. She served as Secretary General at the Department of Transport from 2002 to 2009 and, in the course of her public-service career, worked in eight Government departments. She is a board member of Ryanair, Permanent TSB, and the Irish Museum of Modern Art (IMMA). She holds an MSc in Policy Analysis from Trinity College Dublin and a BComm from UCD.

4 Declan Waugh (appointed 29 May 2012, retired 1 May 2014) is an environmental scientist and chartered environmentalist with over twenty years' experience in a broad range of leading energy, industrial, waste management, agri-industry and public-sector bodies. He is the founding director of Partnership for Change, a climate-change and low-carbon initiative, as well as Enviro Management Services, a bespoke environmental and sustainability consultancy. He has previous experience working for the SWS Group. He was the 2008 recipient of the Cork Environmental Forum Award for Outstanding Individual Contribution to the Environment.

5 Michelle Green (appointed 29 May 2012, retired 1 May 2014; reappointed on 27 May 2014) holds a Bachelor of Science in Government and Public Policy and a Professional Diploma in Education, both from University College Cork. She joined Macroom E Enterprise Centre in 2010 as Project Manager for the SMILE Resource Exchange initiative. SMILE is an initiative by local authorities, enterprise boards, Macroom E and the EPA that encourages resource efficiency between businesses. Prior to this she worked in leadership development and in second-level education.

6 Dr Edgar Morgenroth (appointed 24 April 2012, retired 1 May 2013; reappointed 1 May 2013) is an Associate Research Professor and programme co-ordinator for transport, infrastructure and environment research at the Economic and Social Research Institute (ESRI). He is also an Adjunct Professor at Trinity College Dublin and an independent member of the National Economic and Social Council (NESC). He has carried out research for a wide range of clients, including the EU Commission, various

Irish and European government departments, the Northern Ireland government, and various Irish regional and local authorities. His research has been published in leading international journals, books, reports and book chapters and he has also contributed articles to magazines and newspapers.

7 Anne Farrell (appointed 24 April 2012, retired on 1 May 2014; reappointed on 27 May 2014) is a company director in the family business Squarefit Ltd. Anne has experience of issues involving transport, such as waste within the industry, the management and recycling of tyres, and the increased use of electric cars. She has worked with the Social Economic Unit of GTW (now Partas), developing policies around fuel poverty and retrofitting housing for improved insulation, among other strands of activity. She has served on the Tallaght Hospital Board. She has a Degree in Economics and Psychology from UCD and an MA in Interactive Multimedia from DIT.

8 Dr Brian Motherway (appointed May 2012), Chief Executive (ex officio), holds Bachelors and Masters degrees in Engineering and a PhD in Sociology. He first joined SEAI in 2006 and as Chief Operations Officer had overall responsibility for SEAI operations, performance and impacts, strategic planning, and its work in clean technology and enterprise. Prior to joining SEAI he was a consultant on energy and environmental policy.

9 Michael McGarry (appointed 14 May 2013) is currently involved in overseas construction and consultancy in the supply of engineering services. He was previously a non-executive director at Suir Engineering (now Imtec Suir), and was Finance Director at Kentz Corporation, Clonmel. In this role he spent significant time overseas on commencement of operations and subsequent management of these. He has also spent some time in the UK in residential construction. He has a BComm from UCD (1971) and qualified as a chartered accountant with KPMG in 1975.

10 Pat Gilroy (appointed 14 May 2013) has been Managing Director since 2005 of Dalkia, Veolia Environment's energy division in Ireland. An engineering graduate of Trinity College Dublin, he previously held roles in the ESB, Amdahl Ireland Ltd and EEL FM Ltd, before heading up FP2, which was sold to Dalkia in 2001. His experience in the energy sector and in a world-leading company in environmental services brings key insights to his role as Secretary of the Energy Institute in Ireland. He is a member of the IBEC National Council and is currently contributing to a consultative committee on Jobs in the Green Economy.

11 Anne Connolly (appointed 2 May 2013) is leading the start-up of the Irish Smart Ageing Exchange (ISAX), a new initiative aimed at creating jobs and exports in the rapidly growing global older-consumer market. This follows from her role (2006–2013) as the Executive Director of the Ageing Well Network, an independent think-tank and catalyst for social change. Previously she ran her own management consultancy practice for 12 years, working with public, private and voluntary organisations to develop their strategic plans and implement change programmes. Other non-executive board positions have included An Post, RHD VHA, Fabulous Beast Dance Company, ICC Bank and APSO. She is a former Chair of Simon Community Ireland.

Audit and Risk Committee

This Committee supports the Board in discharging its legal and accounting responsibilities; communicates with external auditors and evaluates and controls the internal audit function; reviews financial planning, the system of internal financial controls, the risk management and assessment process, including the SEAI risk register, and oversees budgeting and banking arrangements. Seven meetings of the Committee were held in 2014.

Members

Sean Wyse (Chair)

Brian T. Carroll (appointed 25 May 2011)

Edgar Morgenroth (appointed 30 September 2012)

Gerry Donnelly (external member, appointed 29 May 2013)

Anne Farrell (appointed 26 February 2014)

Performance Management and Remuneration Committee

The Remuneration Committee is responsible for reviewing the CEO's terms and conditions, within the guidelines established by Government, and establishing, reviewing and recommending to the Board the payment of any performance-related bonus for the CEO, if applicable. In addition, the Committee approves the Authority's Action Plan in respect of Public Sector Agreements.

On 28 May 2014 the SEAI Board approved new Terms of Reference for this Committee, which was renamed the Performance Management and Remuneration Committee

Members

Brendan Halligan (Chair; retired 30 September 2014)

Brian T. Carroll

Julie O'Neill (retired 14 September 2014)

Board Attendance Fees

Board Member	Notes	Fees €	Board Attendance (10 meetings held in 2013)	Audit and Risk Committee attendance (8 meetings held in 2013)
Brendan Halligan	Chairperson	8,978	6 out of 8	N/A
Julie O'Neill	Appointed Senior Independent Board Member in September 2012.	5,456	5 out of 7	N/A
Brian T Carroll	Audit and Risk Committee member	NIL	11 out of 11	4 out of 7
Edgar Morgenroth	Appointed 24 April 2012 Audit and Risk Committee member	NIL	7 out of 11	4 out of 7
Anne Farrell	Appointed 24 April 2012	7,200	10 out of 10	6 out of 6
Michelle Green	Appointed 29 May 2012	7,200	8 out of 10	N/A
Declan Waugh	Appointed 29 May 2012	2,594	3 out of 4	N/A
Brian Motherway (CEO)	Appointed 22 May 2012	NIL	10 out of 11	N/A
Pat Gilroy	Appointed 14 May 2013	7,695	6 out of 11	N/A
Anne Connolly	Appointed 2 May 2013	7,695	10 out of 11	N/A
Michael McGarry	Appointed 14 May 2013	7,695	11 out of 11	N/A

Board Attendance Fees

The total expenses paid to SEAI Board members in 2014 was €1,675:

	€
Mileage	484
Travel, accommodation and subsistence	1,191

Chief Executive's Salary

See Note 4.1 to the Financial Statements.

Statements for
the year ended
31 Dec 2014



Statement of Responsibilities of the Board for the Year Ended 31 December 2014

The Sustainable Energy Authority of Ireland SEAI (previously known as Sustainable Energy Ireland) was established under the Sustainable Energy Act 2002 and came into existence on the 1st May 2002.

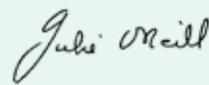
Section 24(2) of the Sustainable Energy Act 2002 requires the Authority to prepare financial statements in such format as may be approved by the Minister for Communications, Energy and Natural Resources with the consent of the Minister for Finance.

In preparing these financial statements the Board is required to:

- Select suitable accounting policies and apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Authority will continue in operation.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Board is responsible for keeping proper books of account which disclose, with reasonable accuracy at any time, the Authority's financial position and which enable it to ensure that the financial statements comply with Section 24 of the Sustainable Energy Act 2002. The Board is also responsible for safeguarding all assets under its operational control and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Board



Julie O'Neill
Board Member
Sustainable Energy Authority of Ireland

30 June 2015

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Sustainable Energy Authority of Ireland

I have audited the financial statements of the Sustainable Energy Authority of Ireland for the year ended 31 December 2014 under the Sustainable Energy Act 2002. The financial statements, which have been prepared under the accounting policies set out therein, comprise the statement of accounting policies, the income and expenditure account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes. The financial statements have been prepared in the form prescribed under Section 24 of the Act, and in accordance with generally accepted accounting practice in Ireland.

Responsibilities of the Authority

The Authority is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of the Authority's affairs and of its income and expenditure, and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and to report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- Whether the accounting policies are appropriate to the Authority's circumstances, and have been consistently applied and adequately disclosed
- The reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- The overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

In addition, I read the Authority's annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Opinion on the financial statements

In my opinion, the financial statements, which have been properly prepared in accordance with generally accepted accounting practice in Ireland, give a true and fair view of the state of the Authority's affairs at 31 December 2014 and its income and expenditure for 2014.

In my opinion, proper books of account have been kept by the Authority. The financial statements are in agreement with the books of account.

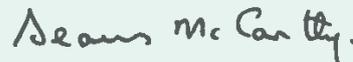
Matters on which I report by exception

I report by exception if

- I have not received all the information and explanation I required for my audit, or
- My audit noted any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- The information given in the Authority's annual report is not consistent with the related financial statements, or
- statement on internal financial control does not reflect the Authority's compliance with the Code of Practice for the Governance of State Bodies, or
- I find there are material matters relating to the manner in which public business has been conducted.

Control over grant payments

The statement on internal financial control discloses the progress in investigating irregularities in respect of claims made under the Better Energy Homes and the Better Energy Warmer Homes Schemes, and sets out the steps being taken by the Authority in response. These include strengthening controls, taking steps to recover amounts paid or initiating legal proceedings.



Seamus McCarthy

Comptroller and Auditor General
30 June 2015

Statement on Internal Financial Control for the Year Ended 31 December 2014

On behalf of the Board of Sustainable Energy Authority of Ireland, I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

Key Control Procedures

The Board has taken steps to ensure an appropriate control environment by clearly defining management responsibilities including that of reporting significant control failures and ensuring appropriate corrective action.

The Board has established processes and practices to identify and evaluate business risks by:

- identifying the nature, extent and financial implication of risks;
- assessing the likelihood of identified risks occurring;
- assessing the body's ability to manage and mitigate the risks that do occur.

As disclosed in previous years' financial statements, during 2012 the Authority identified a number of irregularities associated with one contractor under the Better Energy Homes scheme. SEAI management informed the Board, the Comptroller and Auditor General, the Gardai and the Department of Communications, Energy and Natural Resources (DCENR) of the irregularity. Demand letters for grant repayment have been issued by SEAI's legal advisors. The Authority has also taken legal proceedings in relation to these matters. The contractor was deregistered from the scheme and all related payments were suspended.

As at 31 December 2014, the total amount under investigation is €504,935. This has reduced by €9,000 from the previous year due to the recovery of funds. It is important to note that this figure is subject to downward revision pending completion of legal proceedings and the recovery of funds. See note 5.4 of the financial statements.

The Authority has since significantly strengthened the controls of the Better Energy Homes scheme including the implementation of a risk based approach to inspection selection whilst ensuring a minimum inspection coverage of 10% across all contractors.

The total number of grants issued since the commencement of the Better Energy Homes scheme to 31 December 2014 is 163,438. At the end of 2014, the Authority was pursuing the repayment of 195 grants to the value of €202,729 arising from breaches of the Better Energy Homes Scheme's terms and conditions (exclusive of the numbers included in the investigation outlined in the paragraph above). 52 of these cases have been referred to the Garda Bureau of Fraud Investigation.

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular it includes:

- a comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board;
- regular reviews by the Board of periodic and annual financial reports which indicate financial performance against forecasts;
- setting targets to measure financial and other performance.

Sustainable Energy Authority of Ireland's internal audit function is contracted out to a firm of accountants. The annual internal audit plan is informed by an analysis of the risks to which the authority is exposed. This approach is endorsed by the Audit and Risk Committee and approved by the Board. An annual Internal Audit Plan is approved by the audit committee. The internal auditors provide the Committee with reports on assignments carried out. These reports highlight deficiencies or weaknesses, if any, in the system of internal financial control.

Sustainable Energy Authority of Ireland's internal Fraud Committee reviews and directs action on all issues of potential fraud identified through the schemes audit and inspection procedures, processes and SEAI's Inspection Unit Protocol. The Fraud Committee is made up of cross functional Managers who review all exceptions or concerns identified as a potential risk of fraud or significant non-compliance and provide prompt and objective direction and support to line management and staff in the mitigation of these risks.

The Board has monitored and reviewed the effectiveness of the system of internal financial control having regard to the reports and work undertaken by management, updates to the policies and procedures, the Audit and Risk Committee and the internal auditors, together with the risk management process currently in place by the organisation.

Annual Review of Controls

I confirm that in respect of the year ended 31st December 2014, the Board conducted a review of the effectiveness of the system of internal financial controls.

Signed on behalf of the Board



Julie O'Neill

Board Member
Sustainable Energy Authority of Ireland

Statement of Accounting Policies for the Year Ended 31 December 2014

(A) Period of Financial Statements

The financial statements cover the year from 1 January to 31 December 2014.

(B) Basis of Preparation

The financial statements have been prepared on an accruals basis, except as stated below. They are prepared in accordance with Generally Accepted Accounting Practice, under the historical cost convention, and in the format approved by the Minister for Communications, Energy and Natural Resources. Financial Reporting Standards adopted by the recognised accountancy bodies are adopted as they become applicable. The unit of currency in which the financial statements are denominated is the Euro.

(C) State Grants

State Grants (Note 1) and Workshop Income (Note 3) shown in the Income and Expenditure Account reflect the amount received in the year.

(D) Grant Commitments

Grant Commitments are recognised as expenditure in the Income and Expenditure account when all conditions pertaining to the grant or a phased payment thereof, have been complied with.

(E) Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated on a straight line basis in order to write off the cost of fixed assets over their estimated useful lives as follows:

Motor Vehicles	20%
Fixtures and Fittings	33.33%
IT Equipment & Software	33.33%
Office Equipment	33.33%
Ocean Programme	33.33%

Assets with a value of less than €1,000 are fully depreciated in the year of acquisition. A full year's depreciation is charged in the year of acquisition; no depreciation is charged in the year of disposal.

Fit Out Costs are depreciated over the term of the lease.

(F) Superannuation

Section 17 of the Sustainable Energy Act 2002 provides for the establishment of superannuation schemes by the Authority. The scheme is a defined benefit scheme for the purposes of the Pension Act, 1990.

Pension costs reflect pension benefits earned by employees in the period and are shown net of staff pension contributions which are refunded to the Department in accordance with agency financing arrangements. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable from the Department of Communications, Energy and Natural Resources and offset by grants received in the year to discharge pension payments. Actuarial gains or losses arising on the scheme liabilities are reflected in the Statement of Total Recognised Gains and Losses and a corresponding adjustment is recognised in the amount recoverable from the Department of Communications, Energy and Natural Resources.

Pension liabilities represent the present value of future pension payments earned by staff to date. Deferred pension funding represents the corresponding asset which is to be recovered in future periods from the Department of Communications, Energy and Natural Resources.

The Authority also operates the Single Public Service Pension Scheme (Single Scheme) which is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme member's contributions are paid over to the Department of Public Expenditure and Reform.

(G) Capital Account

The Capital Account represents the unamortised value of income used to purchase fixed assets.

(H) Leases

Payments under operating leases are charged to the Income and Expenditure Account as they fall due.

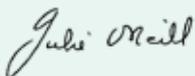
(I) Energy Performance of Buildings Directive (EPBD)

EPBD income is generated by the Authority under the Building Energy Rating (BER) scheme (S.I. No. 243 of 2012 European Communities (Energy Performance of Buildings) Regulations 2012, previously dealt with under S.I. No. 666 of 2006 European Communities (Energy Performance of Buildings) Regulations 2006 as amended). Under the legislation a building owner must provide a BER Certificate and Advisory Report to prospective buyers or tenants when a building is constructed, sold or rented. There are various fees payable in respect of BER including a fee upon assessor registration and a levy in respect of each BER assessment submitted in the period to the Authority for the purposes of issuing a BER Certificate. EPBD Income is accounted for on an accruals basis.

Income and Expenditure Account for the Year Ended 31 December 2014

	Notes	2014 €'000	2013 €'000
INCOME			
State Grants	1	75,814	66,939
Building Energy Rating	7	3,394	3,064
EU Contract Income	2	123	201
Other Income	3	106	247
Net Deferred Funding for Pensions for the year	13(c)	1,233	1,322
Pension Contributions Remitted to DCENR	4.1	(180)	(198)
Net Transfer from Capital Account	11	92	174
Total Income		80,582	71,749
EXPENDITURE			
Administration Expenditure	4	8,066	8,386
Programme Expenditure	5	68,787	58,608
Building Energy Rating	7	1,618	1,988
Total Expenditure		78,471	68,982
Surplus for the Year Before Appropriations		2,111	2,767
Appropriations			
Payments to the Exchequer	6	(259)	(548)
Surplus for the Year After Appropriations		1,852	2,219
Surplus/(Deficit) at 1 January		1,497	(722)
Surplus at 31 December		3,349	1,497

The Statement of Accounting Policies and Notes 1 to 20 form part of these financial statements.



Julie O'Neill
Board Member
Sustainable Energy Authority of Ireland
30 June 2015

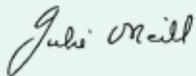


Dr. Brian Motherway
Chief Executive Officer
Sustainable Energy Authority of Ireland
30 June 2015

Statement of Total Recognised Gains and Losses for the Year Ended 31 December 2014

	Notes	2014 €'000	2013 €'000
Surplus/(Deficit) for the Year		1,852	2,219
Experience Gains on Pension Scheme Liabilities		75	1,688
Changes in Assumptions Underlying the Present Value of Pension Scheme Liabilities		(7,876)	-
Actuarial (Loss) / Gain on Pensions Liability	13	(7,801)	1,688
Adjustment to Deferred Pension Funding	13	7,801	(1,688)
Total Recognised Profit for the Year		1,852	2,219

The Statement of Accounting Policies and Notes 1 to 20 form part of these financial statements.



Julie O'Neill
Board Member
Sustainable Energy Authority of Ireland
30 June 2015



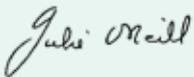
Dr. Brian Motherway
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30 June 2015

Balance Sheet

as at 31 December 2014

	Notes	2014 €'000	2013 €'000
ASSETS			
Tangible Fixed Assets	8	177	269
Current Assets			
Bank	12	7,180	7,133
Debtors & Prepayments	9	967	865
		8,147	7,998
CURRENT LIABILITIES			
Creditors & Accruals	10	(4,798)	(6,501)
Net Current Assets		3,349	1,497
Deferred Funding Asset	13	25,512	16,478
Pension Liability	13	(25,512)	(16,478)
Total Net Assets		3,526	1,766
Financed By			
Capital Account	11	177	269
Income and Expenditure Account		3,349	1,497
		3,526	1,766

The Statement of Accounting Policies and Notes 1 to 20 form part of these financial statements.



Julie O'Neill
Board Member
Sustainable Energy Authority of Ireland
30 June 2015



Dr. Brian Motherway
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30 June 2015

Cash Flow Statement

for the Year Ended 31 December 2014

	2014	2013
	€'000	€'000
Surplus for the Year	1,852	2,219
Transfer From Capital Account	(92)	(174)
Bank Interest	(1)	(3)
Depreciation Charge	156	361
(Increase) / Decrease in Accounts Receivable	(102)	471
Decrease / (Increase) in Accounts Payable	347	(16)
Net Cash Flow From Operations	2,160	2,858
CASH FLOW STATEMENT		
Net Cash Flow From Operations	2,160	2,858
Returns on Investment and Servicing of Finance		
Bank Interest	1	3
Cash Flow Before Capital Expenditure	2,161	2,861
Purchase of Fixed Assets	(64)	(188)
Increase in Cash	2,097	2,673
Reconciliation of Increase in Cash to Cash at Bank		
Movement in Cash For the Year	2,097	2,673
Bank As at 1 January	3,365	692
Bank As at 31 December (Note 12)	5,462	3,365

The balance of €5,462,673 does not include an amount of €1,717,512 held in a separate bank account relating to the Dundalk 2020 Holistic project (See Note 12).

The Statement of Accounting Policies and Notes 1 to 20 form part of these financial statements.



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30 June 2015



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30 June 2015

Notes to the Financial Statements

1. State Grants

Under section 22(1) of the Sustainable Energy Act 2002 the Minister for Communications, Energy and Natural Resources provides funding to the Authority for the performance of its functions.

	2014	2013
	€'000	€'000
Programme		
C3: SEAI Administration		
- Current	6,996	6,988
C4: Sustainable Energy Programmes		
- Current	6,250	7,455
- Capital	57,466	49,447
C5: Energy Research Programmes		
- Current	981	1,214
- Capital	4,501	1,835
Total Programme Expenditure	76,194	66,939
Less EPBD Funds remitted to Department	(380)	-
	75,814	66,939

All programmes under sub-heads C3, C4 and C5 above are fully funded under Vote 29 by the Department of Communications, Energy and Natural Resources (DCENR).

SEAI received funding of €3,200,000 from 2007-2009 from the DCENR in order to establish the Building Energy Rating (BER) scheme. During 2012 an amount of €2,820,305 was remitted back to the Department from funds generated by the scheme. The remaining balance of €379,695 was remitted back to the Department in 2014.

2. EU Contract Income

The funds from EU contracts of €123,465 (2013: €200,639) are from activities in Energy Efficiency and Renewable Energy including technology promotion, information dissemination, research and event co-ordination and management. These funds are remitted back to DCENR.

3. Other Income

Other income consists of proceeds from courses and receipts of sponsorship. SEAI also run the annual Energy Show.

	2014	2013
	€'000	€'000
Workshop Income	33	64
Sponsorship Sustainable Energy Awards	40	45
Bank Interest	1	3
Other Income	32	135
	106	247

4. Administration Expenditure

Administration Expenditure is made up of the following items:

	Notes	2014 €'000	2013 €'000
Salaries & Related Charges	4.1	4,118	4,223
Pension Costs	13	1,329	1,412
Recruitment, Training & Education	4.2	111	72
Advertising & Promotion	4.3	295	293
General Professional Fees	4.4	296	292
General Administration	4.5	1,917	2,094
		8,066	8,386

4.1 Salaries and Related Charges

		2014 €'000	2013 €'000
Salaries		3,267	3,463
Employer's PRSI		291	321
Agency/Contract Staff		505	378
Board Member Emoluments	16	55	61
		4,118	4,223

The Authority deducts employee superannuation contributions which are remitted to the Department of Communications, Energy and Natural Resources. Included in the salaries cost is € 179,791 (2013: €197,529) in respect of employee superannuation contributions. The Authority is not required to make employer contributions to the scheme.

Chief Executive's Remuneration

The current Chief Executive Officer (CEO) entered into a contract of employment with SEAI on the 1st May 2012. The contract of employment for the CEO does not include a performance Related Award Scheme. The total value of the remuneration of the CEO in 2014 was €111,500 (2013: €115,261) and it is included in salaries above.

The CEO's pension entitlement does not extend beyond the standard entitlements in the model public sector defined benefit superannuation scheme. The CEO expenses for 2014 were €2,144 (2013: €2,511)

Pension Levy

€ 230,401 (2013: €250,238) of pension levy has been deducted from salaries and has been paid over to the Department of Communications, Energy and Natural Resources during the year.

Board Fees

Board fees are disclosed in Note 16.

Notes to the Financial Statements (continued)

4.2 Recruitment, Training and Education

	2014	2013
	€'000	€'000
Staff Training & Recruitment	101	58
Staff Subscriptions & Publications	10	14
	111	72

4.3 Advertising and Promotion

	2014	2013
	€'000	€'000
Advertising Costs	15	3
Print & Design	54	47
Sponsorship	51	15
Communications & Public Relations	120	146
Workshop Materials & Event Costs	43	39
Website Maintenance & Development	12	43
	295	293

4.4 General Professional Fees

	2014	2013
	€'000	€'000
Schools Programme	240	231
Company Secretarial Fees	56	61
	296	292

4.5 General Administration

	2014	2013
	€'000	€'000
Rent, Rates & Service Charges	617	672
Travel & Subsistence		
Staff	20	10
Board	2	3
IT General Expenditure	6	18
IT Maintenance	274	177
IT Systems Development	354	265
IT Licences	31	59
IT Consumables	14	35
IT Helpdesk	104	103
Depreciation	156	361
Audit Fees		
External	31	31
Internal	40	61
Insurance & Legal	45	53
Telephone & Data Lines	123	107
Stationery	11	15
Staff Related Expenditure ¹	7	3
Other	82	121
	1,917	2,094

¹ Included in staff related expenditure for 2014 is an amount of €2,563 (2013: €2,129) relating to SEAI's contribution to the staff Christmas event. Staff also contribute to this event.

5. Programme Expenditure

Programme expenditure is made up of the following items:

	Notes	2014	2013
		€	€
Energy Efficiency			
Better Energy Warmer Homes	5.1	21,122	18,277
Better Energy Warmer Homes Area Based	5.2	9,260	7,038
Industry & Business Programme	5.3	1,245	1,522
Better Energy Homes	5.4	12,022	15,668
Public Sector Energy Efficiency	5.5	1,502	1,145
Better Energy Workplaces	5.6	-	1,927
Retrofit Development Programme	5.7	949	329
Better Energy Communities	5.8	14,829	7,958
Better Energy Smart Metering	5.9	155	198
Better Energy Financing	5.10	953	502
Renewable Energy			
Renewable Energy RD&D	5.11	1,272	1,079
Ocean Energy	5.12	3,606	1,862
Innovation & Integration			
Renewable Energy Information	5.13	22	49
Sustainable Energy Communities	5.14	218	85
Energy Statistics and Modelling	5.15	370	599
Electric Vehicles	5.16	1,262	370
		68,787	58,608

All administration costs directly related to programme expenditure are included in programme costs above.

5.1 Better Energy Warmer Homes

	2014	2013
	€'000	€'000
Grants Issued	5,638	5,372
Private Contractors	14,239	12,086
Technical Services & Inspections	209	260
Customer Management & Quality Assurance	594	369
Client Advisory	4	28
Other Costs	180	125
IT Systems Development & Maintenance	251	32
Travel Costs	7	5
	21,122	18,277

The Better Energy Warmer Homes scheme supports upgrading the efficiency of privately owned energy poor homes. Energy efficiency improvements result in better comfort and reduced energy costs. The scheme is administered by SEAI and delivered through a combination of Community Based Organisations (CBO's) and a panel of private contractors. In 2014 9,056 homes (2013: 9,803 homes) were retrofitted under the Better Energy Warmer Homes scheme.

5.2 Better Energy Warmer Homes Area Based

	2014	2013
	€'000	€'000
Grants Issued	9,051	6,911
Programme Operation/Promotion	209	127
	9,260	7,038

The Better Energy Warmer Homes - Area Based Programme supports targeted geographic or area-based projects that are of high quality, competitively priced and deliver improvements in energy efficiency to energy poor households. The focus is on delivering a comprehensive suite of projects which produce energy savings to vulnerable homeowners and communities through projects which encourage a partnership approach and are thus cost effective. 3,204 homes (2013: 2,877 homes) were retrofitted under this scheme in 2014.

5.3 Industry & Business Programme

	2014	2013
	€'000	€'000
Energy Agreements and LIEN	399	629
Promoting Energy Efficiency in Business	349	360
ACA/Triple E Operational Costs	161	172
SME & Other Industry Costs	311	301
IT Systems Development & Maintenance Costs	16	48
Travel Costs	9	12
	1,245	1,522

This programme supports efforts across all business sectors to improve energy efficiency and competitiveness through networks and services which promote structured energy management to world class standards, while developing markets for energy efficiency advice and services. The programme also included the support and maintenance of the Accelerated Capital Allowances/ Triple E register with a database of over 12,200 energy efficient products.

5.4 Better Energy Homes

	2014	2013
	€'000	€'000
Grants Issued	9,896	13,132
Technical Services & Inspections	622	833
Operational Delivery	737	785
Other Costs	133	301
IT Costs	221	359
Advertising	393	251
Travel Costs	20	7
	12,022	15,668

The Better Energy Homes scheme provides assistance to home owners interested in improving the energy efficiency of their home in order to reduce energy use and costs, greenhouse gas emissions and improve the comfort levels within their home.

It is a national scheme open to all homeowners of dwellings built prior to 2006. The programme is demand led and a decline in demand is the reason for the reduction in grant expenditure. In 2014 9,555 homes were retrofitted under the Better Energy Homes scheme.

In 2011, the Authority identified a number of irregularities with one contractor under the Better Energy Homes Scheme. As at 31st December 2014, the total amount still under investigation is €504, 935. This has reduced by €9,000 from the previous year due to the recovery of funds. This figure is subject to downward revision pending completion of legal proceedings and recovery of funds.

The total number of grants issued since the commencement of the Better Energy Homes scheme to 31 December 2014 is 163,438. At the end of 2014, the Authority was pursuing the repayment of 195 grants to the value of €202,729 arising from breaches of the Better Energy Homes scheme's terms and conditions (exclusive of the numbers included in the investigation outlined in the paragraph above.) 52 of these cases have been referred to the Garda Bureau of Fraud Investigation.

5.5 Public Sector Energy Efficiency

	2014	2013
	€'000	€'000
Grants	316	-
Client Advisory Services	828	792
EinE Schools Resource	105	100
Other Operational Costs	120	137
IT Systems Development & Maintenance	130	114
Travel Costs	3	2
	1,502	1,145

This programme promotes structured energy management practices and delivers direct energy efficiency advice, mentoring, training and specialist technical supports to public sector organisations.

This includes the development of the National Energy Services framework for delivery of energy retrofits using energy performance contracting. Also included is Exemplar Technical Assistance grants support to exemplar retrofit projects demonstrating energy-efficient technology upgrades to existing buildings and facilities.

Notes to the Financial Statements (continued)

5.6 Better Energy Workplaces

	2014	2013
	€'000	€'000
Grants Issued	-	1,826
Programme Operation/Promotion	-	101
	-	1,927

This programme was a retrofit grant scheme open to both public and private sector organisations which aimed to deliver on the implementation of technical energy efficiency capital projects. This programme closed at the end of 2013.

5.7 Retrofit Development Programme

	2014	2013
	€'000	€'000
Programme Development	73	116
IT Systems Development	590	84
Other Costs	206	45
Strategic Advice	24	44
Client Advisory	56	39
Travel Costs	-	1
	949	329

The Retrofit programme aims to support the development of the wider national Better Energy Programme as announced in May 2011 towards achievement of energy saving targets articulated in the National Energy Efficiency Action Plan and the Energy Efficiency Directive 2012. Development builds on SEAI's successful domestic and non-domestic grant programmes and will take the scale of activity to a new unprecedented level, centred on engaging market actors,

including energy suppliers, to deliver high volume upgrades efficiently and effectively. In addition the programme will focus on the transition required to underpin a future with new financing mechanisms in place to support the retrofit of buildings and facilities.

2014 was the first year of an energy efficiency obligation scheme for energy suppliers. SEAI is designated as the Issuing Authority for the administration of this Scheme.

5.8 Better Energy Communities

	2014	2013
	€'000	€'000
Grants Issued	14,583	7,782
Programme Operation/Promotion	246	176
	14,829	7,958

In 2014 SEAI launched the Better Energy Communities call to support projects at a community level, specifically seeking to test innovative and pioneering partnerships for delivery between for example, the public and private sectors, domestic and non-domestic sectors, commercial and not-for-profit organisations. Other solutions to delivering energy savings within a community that leverage existing resources were also invited. In 2014 SEAI funded 58 projects (2013: 47 projects) under the Better Energy Communities Programme.

The key objectives of the Better Energy Community Programme are to:

- Improve the thermal and electrical efficiency of the building stock and facilities
- Provide cost effective and innovative partnership approaches to deliver sustainable energy projects of scale
- Mobilise local resources and stimulate employment activity.

5.9 Better Energy Smart Metering

	2014	2013
	€'000	€'000
Commissioned Studies/Reports	33	166
Programme Operation/Promotion	10	13
Other operational costs	112	19
	155	198

SEAI participate in the national smart metering project which is co-ordinated by the Commission for Energy Regulation and are responsible for the co-ordination of Customer Engagement aspects of this work programme. SEAI are also co-ordinators of the National Smart Grid Implementation Group and have responsibility for delivery of Smart Grid test bed infrastructure under the Government's Action Plan for Jobs.

5.10 Better Energy Financing

	2014	2013
	€'000	€'000
Grants Issued	296	-
Commissioned Research Studies	336	211
Travel Costs	3	10
Other Operational Costs	318	281
	953	502

The Better Energy Financing (BEF) project is a Government initiative to transition to a more market-orientated approach to realising energy efficiencies and is a key element in the Government's Action Plan for Jobs, which recognises the considerable scope for construction-related employment arising from a comprehensive national energy efficiency programme. The BEF Project focuses on researching the transition required to underpin the movement towards new financing mechanisms most appropriate for consumers wanting to upgrade their homes and avail of the resulting energy efficiency saving.

Notes to the Financial Statements (continued)

5.11 Renewable Energy RD&D

	2014	2013
	€'000	€'000
Grants Issued	699	339
Supported Research	174	243
Research Engagement & Partnerships	231	408
IT Development & Maintenance	42	2
Commissioned Studies/Reports	94	51
Travel Costs	32	36
	1,272	1,079

This programme supports sustainable energy research, development and demonstration projects, and provides specialist analysis to address policy and technology barriers to the deployment of renewable energy and thus improving implementation of renewable energy in the Irish market.

The programme also develops, promotes and regularly updates independent information on sustainable energy resources and developments (including GIS platform with wind, bioenergy and geothermal resource maps), and supports Irish participation in best practice international research and information exchange in these fields. This includes providing the national energy research portal and co-ordination point for promoting Irish participation in EU funding programmes and supporting Irish participation in International Energy Agency research activities.

5.12 Ocean Energy

	2014	2013
	€'000	€'000
Grants Issued	608	404
Sub Contracted Works	2,665	1,164
Commissioned Research/Studies	47	126
Other Costs	255	146
Mayo Test Site Work	20	12
Travel Costs	11	10
	3,606	1,862

The Ocean Energy Programme is administered by SEAI to implement the Government's policy decision to accelerate the development of Ocean Energy in Ireland. The programme was established to advance the deployment of ocean energy technologies in Ireland. The 2014 activities included:

- Providing assistance to the Department of Communications Energy and Natural Resources in finalising the national Offshore Renewable Energy Development Plan.
- Administering grant offers to 16 projects under the Ocean Energy R&D prototype fund
- A programme of sea bed surveys at potential development sites in partnership with the Marine Institute
- Continued development of the national wave energy test sites in Belmullet and Galway Bay.

5.13 Renewable Energy Information

	2014	2013
	€'000	€'000
Programme Operation/Promotion	22	49
	22	49

This programme provides independent advice and information on technical, financial and social issues relating to renewable energy development and deployment.

5.14 Sustainable Energy Communities

	2014	2013
	€'000	€'000
Operation Delivery	167	64
Strategic Advice	48	15
Travel Costs	3	6
	218	85

This programme line involves the support for the close out of the EU funded Concerto Project HOLISTIC and the transfer of learnings from this project to stimulate a transformation at local community level towards more sustainable energy practices, by demonstrating and promoting the range of new technologies, techniques, policies and behaviours that will realise a sustainable energy future for Ireland. In 2011 the programme extended from the Dundalk Sustainable Energy Zone to support three further local authority led Sustainable Energy Communities (SEC) and has built the foundations for a national SEC network.

Notes to the Financial Statements (continued)

5.15 Energy Statistics and Modelling

	2014	2013
	€'000	€'000
Energy Modelling Strategic Advice	13	44
Other Costs	154	118
Commissioned Reports/Research	151	354
Travel Costs	23	36
IT Licenses	29	47
	370	599

This programme fulfils SEAI's responsibility for developing, maintaining and publishing comprehensive national and sectoral statistics for energy production, transformation and end-use. This includes detailed modelling studies and policy analysis to provide an independent evidence base to support national policy making, and participation in a range of national and international policy discussion and evaluation activities.

5.16 Electric Vehicles

	2014	2013
	€'000	€'000
Grants Issued	1,207	252
Aran Island EV Pilot Programme	9	77
Other Costs	42	34
IT Development & Maintenance	2	3
Travel Costs	2	4
	1,262	370

This programme is supporting the deployment of electric vehicle technology in the Irish transport system and funded an additional 268 electric cars (2013: 53 cars) which were grant aided under this programme in 2014.

6. Appropriations

	2014	2013
	€'000	€'000
EU Contract Income	227	273
Proceeds from Sale of Community Based Organisation Property	8	132
Profit from ICOE Conference	-	100
Grant Refunds	16	30
Other	8	13
Payments to the Exchequer	259	548

The above amounts were remitted back to the Department of Communications Energy and Natural Resources from SEAI. The amounts relate to Non Exchequer receipts received by SEAI.

7. Building Energy Rating

	2014	2013
	€'000	€'000
Outsourced Programme Operation	424	519
Programme Delivery & Development	262	324
Advertising	51	430
Quality Assurance	436	273
IT Support & Maintenance	254	258
IT System Development	181	172
Travel Costs	10	12
	1,618	1,988

The Building Energy Rating (BER) scheme was established under the European Communities (Energy Performance of Buildings) Regulations SI 666 of 2006 (revoked) and is now regulated under the European Communities (Energy Performance of Buildings) Regulations SI 243 of 2012. SEAI has been designated as the Issuing Authority with responsibility for registering BER assessors, provision of IT tools and systems for assessments, logging BER assessments on the national register and overall scheme management and promotion.

The BER scheme income for the year was €3,393,775 (2013; €3,063,900) resulting in a surplus in the year of €1,776,227 (2013: €1,076,123).

Notes to the Financial Statements

(continued)

8. Fixed Assets

	IT Equipment & Software	Ocean Programme	Office Equipment	Fixtures & Fittings	Motor Vehicles	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Cost:						
Balance at 1 January 2014	1,129	1,028	11	243	42	2,453
Disposals	(40)	-	-	-	(14)	(54)
Additions	64	-	-	-	-	64
Balance at 31 December 2014	1,153	1,028	11	243	28	2,463
Depreciation:						
Balance at 1 January 2014	(955)	(1,028)	(11)	(148)	(42)	(2,184)
Disposals	40	-	-	-	14	54
Charge for Current Year	(137)	-	-	(19)	-	(156)
Balance at 31 December 2014	(1,052)	(1,028)	(11)	(167)	(28)	(2,286)
Net Book Value						
Balance at 31 December 2014	101	0	0	76	0	177
Balance at 31 December 2013	174	0	0	95	0	269

9. Debtors & Prepayments

	2014	2013
	€'000	€'000
Dundalk Concerto Bid	32	232
EU Contracts	128	153
EPBD Debtors	287	226
Prepayments	501	238
Other Debtors	19	16
	967	865

10. Creditors & Accruals

	2014	2013
	€'000	€'000
Creditors	376	498
Accruals	379	638
Dundalk 2020 Holistic Project	1,718	3,768
VAT	966	516
PSWT	330	293
PAYE/PRSI	106	108
Other Creditors	599	473
Deferred Income	324	207
	4,798	6,501

11. Capital Account

	2014	2013
	€'000	€'000
Opening Balance	269	443
Transfer (to)/ from Income & Expenditure Account:		
Amount Capitalised in Respect of Purchased Assets	64	187
Amortisation in Line With Asset Depreciation	(156)	(361)
	(92)	(174)
Balance at End of Year	177	269

12. Bank

	2014	2013
	€'000	€'000
Current Bank Account	10	8
Savings Account	2,787	2,081
EPBD Account	2,665	1,276
	5,462	3,365
Dundalk 2020 Holistic Project	1,718	3,768
	7,180	7,133

The Dundalk 2020 Holistic project is an EU project funded under FP6 (Sixth Framework Programme for Research and Technology Development). SEAI acts as the project co-ordinator, which consists of 23 partners in 6 European countries. SEAI receives funding on behalf of the project and distributes this funding to the relevant partners. Accordingly the income and expenditure is not included in SEAI's income and expenditure account. The funds on hand are included in the bank balance and also in creditors. The amounts received and paid are set out below

Notes to the Financial Statements (continued)

	2014	2013
	€'000	€'000
Funds on hand at 1 January	3,768	3,405
Receipts in year	-	1,216
Payments in year	(2,050)	(853)
Funds on hand at 31 December	1,718	3,768

13. Pension Costs

Sustainable Energy Authority of Ireland (SEAI) operates unfunded defined benefit superannuation schemes for staff.

The results set out below are based on an actuarial valuation of the pension liabilities in respect of serving and former staff of SEAI as at 31 December 2014. This valuation was carried out by a qualified independent actuary for the purposes of the accounting standard, Financial Reporting Standard No. 17 – Retirement Benefits (FRS 17).

A. Analysis of Total Pension Charged to Expenditure

	2014	2013
	€'000	€'000
Current Service Costs	861	944
Interest on Pension Scheme Liabilities	648	665
Staff Superannuation Deductions	(180)	(197)
Pension Cost in the period	1,329	1,412

B. Analysis of the movement in Liability during the year

	2014	2013
	€'000	€'000
Scheme Liability at 1 January	16,478	16,844
Current Service Cost	861	944
Interest Cost	648	665
Actuarial (Gain) / Loss	7,801	(1,688)
Benefits Paid in the Year	(276)	(287)
Scheme Liability at 31 December	25,512	16,478

C. Deferred Funding for Pensions

SEAI recognises these amounts as an asset corresponding to the unfunded deferred liability for pensions on the basis of the set of assumptions described below and a number of past events. SEAI has no evidence that this funding policy will not continue to meet such sums in accordance with current practice.

	2014	2013
	€'000	€'000
Net Deferred Funding for Pensions for the Year		
Funding Recoverable in Respect of Current Year Pension Costs	1,509	1,609
State Grant Applied to Pay Pensions	(276)	(287)
	1,233	1,322

The deferred funding asset for pensions as at 31 December 2014 amounted to €25,512,000 (2013: €16,478,521).

D. History of experience gains and losses

Experience Gains/(Losses)	2014	2013	2012
	€'000	€'000	€'000
Amount(€)	75	1,688	436
Percentage of Present Value of the Scheme Liabilities	0.3%	10.20%	2.60%
Total Amount Recognised in STRGL	(7,801)	1,688	(3,941)
Percentage of Present Value of the Scheme Liabilities	(30.6%)	10.20%	(23.4%)

The cumulative actuarial loss recognised in the Statement of Total Recognised Gains and Losses amounts to €8,807,000 (2013: €1,006,000).

E. General Description of the Scheme

The pension scheme is a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current "model" public sector scheme regulations. For class D PRSI contributors the scheme provides a pension (one eightieth per year of service), a gratuity or lump sum (three eightieths per year of service) and spouse's and children's pensions. For class A PRSI contributors the scheme provides a pension (one two hundredths per year of service) up to a threshold of 3 1/3 times the maximum annual rate of the state contributory pension, a gratuity or lump sum (three eightieths per year of service) and spouse's and children's pensions. Normal Retirement Age is a member's 65th birthday, and pre 2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) normally increase in line with general public sector salary inflation.

The Single Public Service Pension Scheme (Single Scheme) is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013 in accordance with the Public Service Pension (Single Scheme and Other Provisions) Act 2012. The scheme provides for a pension and retirement lump sum based on career-average pensionable remuneration, and spouse's and children's pensions.

The minimum pension age is 66 years (rising in line with State pension age changes). It includes an actuarially-reduced early retirement facility from age 55. Pensions in payment increase in line with the consumer price index.

The valuation used for FRS17 (Revised) disclosures has been based on a full actuarial valuation on 10 February 2015 by a qualified independent actuary taking account of the requirements of the FRS in order to assess the scheme liabilities at 31 December 2014.

Pension Costs continued

The main financial assumptions used were:

	at 31/12/14	at 31/12/13	at 31/12/12
Discount Rate	2.20%	3.75%	3.75%
Rate of increase in Salaries	3.50%	3.50%	3.50%
Rate of Increase in Pensions	3.25%	3.25%	3.25%
Inflation	1.25%	2.00%	2.00%

Mortality Tables used are as follows:

Active & Deferred:

Pre-Retirement	Male: 62% of PNML00, Female: 70% of PNFL00
Post-Retirement	Male: 58% of ILT15, Female: 62% of ILT15
Pensioners:	Male: 58% of ILT15, Female: 62% of ILT15

Based on these tables, the future life expectancy at age 65 for males and females is as follows:

Current pensioner (in 2014) at age 65:	Male 20.8 years Female 23.4 years
Future pensioner (in 2034) at age 65:	Male 23.3 years Female 25.5 years

Notes to the Financial Statements

(continued)

14. Grant Commitments

It is estimated that future payments likely to arise from commitments entered into under various support schemes will amount to € 14,419,162 (2013: €11,175,980).

	Committed As at 1 Jan 2014	Committed during the period	De-committed	Payments	Committed As at 31 Dec 2014
	€'000	€'000	€'000	€'000	€'000
Energy Efficiency					
Better Energy Warmer Homes	2,777	4,745	(1,053)	(5,638)	831
Better Energy Finance Pilot	-	315	-	(296)	19
Energy Agreements Special Investigation	45	64	(18)	(37)	54
Exemplars	-	809	-	(212)	597
Better Energy Warmer Homes Area Based	-	11,497	(1,093)	(9,051)	1,353
Better Energy Homes	5,825	13,459	(4,484)	(9,896)	4,904
Better Energy Communities	1,780	19,696	(2,810)	(14,489)	4,177
Renewable Energy					
Renewable Energy RD&D	408	985	(192)	(699)	502
Electric Vehicles	70	1,230	-	(1,207)	93
Ocean	270	2,233	(5)	(608)	1,890
	11,175	55,033	(9,655)	(42,133)	14,420

15. Board Members – Disclosure of Interests

The Board adopted procedures in accordance with Section 18 of the Sustainable Energy Act, 2002 and in accordance with guidelines issued by the Department of Finance in relation to the disclosure of interests by Board Members and these procedures have been adhered to in the year. In accordance with SEAI's Conflict of Interest Policy, on one occasion during the year, a Board member excused themselves from a Board decision in order to avoid any potential or perceived conflict of interest in relation to a Better Energy Communities grant application.

16. Board Members Fees and Expenses

SEAI pays fees and expenses to its Board Members in accordance with Department of Finance regulations and circulars. SEAI applied the decision of the Government of March 2010 in respect of fees for members of State Bodies. Board Member expenses of €1,676 were paid in 2014 (2013: €2,642)

	2014	2013
	€'000	€'000
Board Fees		
Brendan Halligan (a)	9	12
Sean Wyse (b)	-	2
Julie O'Neill (c)	5	8
Brian T. Carroll	-	-
Anne Farrell (d)	7	8
Michelle Green (d)	7	8
Edgar Morgenroth (e)	-	-
Declan Waugh (e)	3	8
Anne Connolly	8	5
Micheal McGarry	8	5
Patrick Gilroy	8	5
Total	55	61

a) Retired 30 September 2014

b) Retired 1 May 2013

c) Retired 14 September 2014 and reappointed 6 May 2015

d) Retired 1 May and reappointed 27 May 2014

e) Retired 1 May 2014

Notes to the Financial Statements

(continued)

Board Members Expenses

	2014	2013
	€'000	€'000
Domestic Mileage	-	-
Domestic Subsistence	-	-
Domestic Other	2	2
Overseas Airfares	-	-
	2	2

17. Premises

SEAI head office is located in Wilton Park House, Dublin 2 with sub-offices in Dundalk, Cork, Sligo and Belmullet Co. Mayo. SEAI has a temporary convenience lease running from 1st July 2009 to 28th October 2019 on its the Head Office in Wilton Park House. Rent commitments falling due in the next twelve months amount to €357,050.

18. Comparative Figures

Certain comparative figures for the year have been re-grouped and re-presented on the same basis as those for the current year.

19. Employees

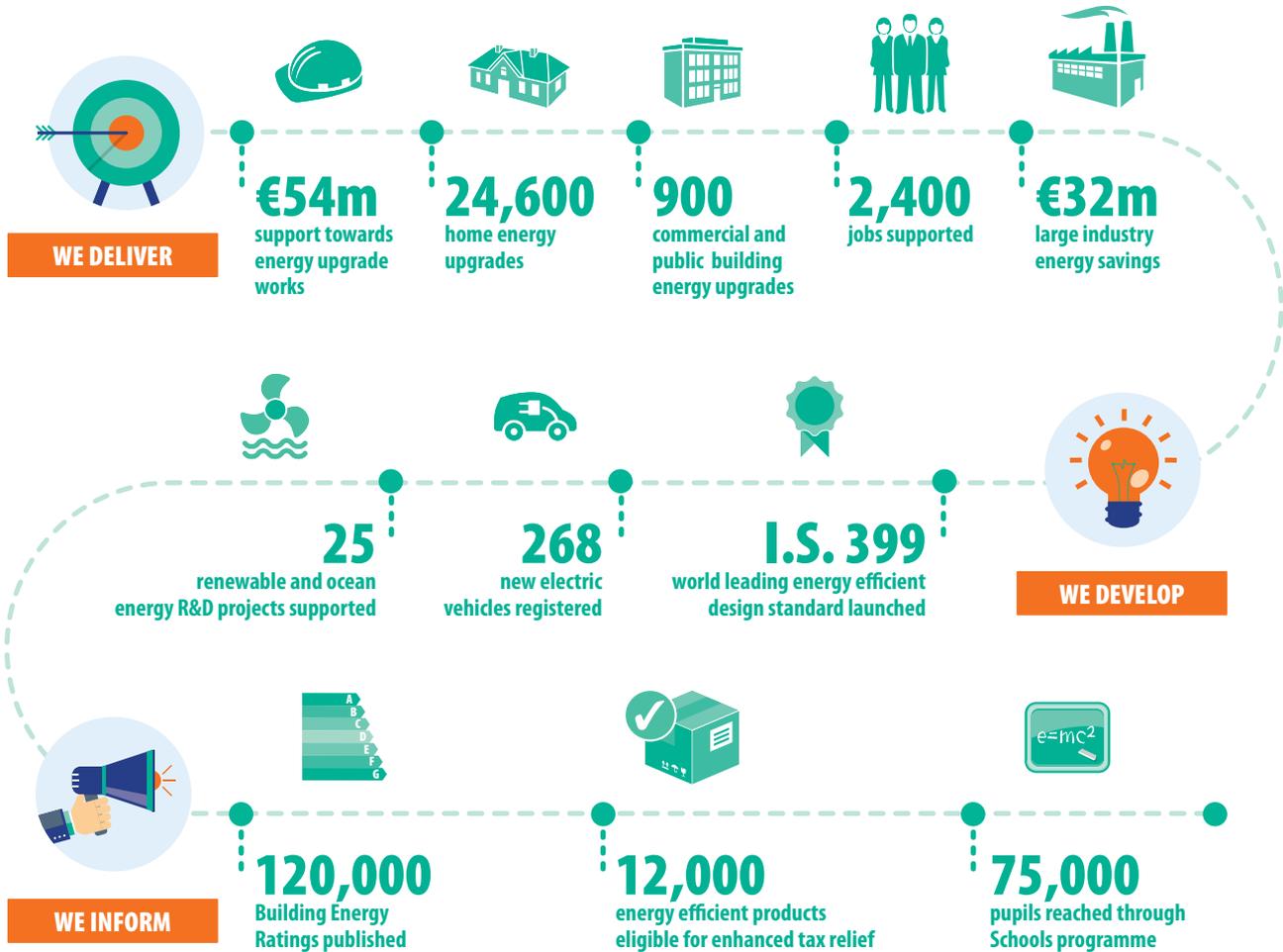
Permanent & Long Term Contract

The average number of permanent and long term contract employees for the period was 52 (2013: 54). SEAI's Employment Control Framework (ECF) was 62 at the end of 2014 (2013: 67).

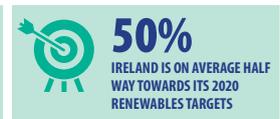
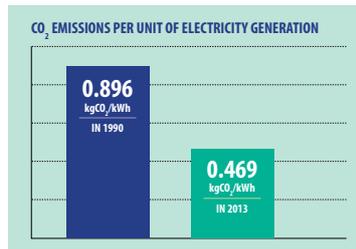
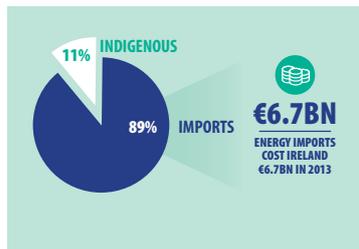
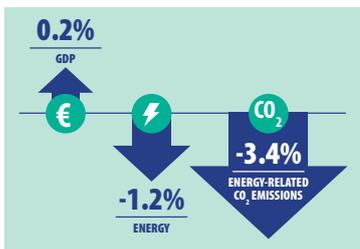
20. Approval of Financial Statements

The Board approved the financial statements on 26 February 2015.

2014 Achievements



Energy Trends 2013





seai SUSTAINABLE
ENERGY AUTHORITY
OF IRELAND

Sustainable Energy Authority of Ireland
Wilton Park House, Wilton Place, Dublin 2, Ireland

T +353 1 808 2100
F +353 1 808 2002

info@seai.ie
www.seai.ie



@seai_ie