

# An Comhchoiste Um Chomhshaol Agus Ghníomhú ar son na hAeráide

Tuarascáil maidir leis an nGrinnscrúdú Réamhreachtach ar Scéim Ghinearálta an Bhille um Shábháilteacht Gáis (Leasú), 2023 Márta 2024

## Joint Committee on Environment and Climate Action

Report on Pre Legislative Scrutiny of the General Scheme of the Gas Safety (Amendment) Bill 2023

March 2024



## **Membership of the Joint Committee on Environment and Climate Action**



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Paul Murphy TD Solidarity- People Before Profit



Jennifer Whitmore TD Social Democrats



Senator Lynn Boylan Sinn Féin



Senator Timmy Dooley Fianna Fáil



Senator Alice-Mary Higgins Independent



Senator John McGahon Fine Gael



Senator Pauline O'Reilly Green Party

#### Cathaoirleach's Foreword



The General Scheme of the Gas Safety (Amendment) Bill 2023 was referred to the Committee for Pre-Legislative Scrutiny by the Minister for the Environment, Climate and Communications on 06<sup>th</sup> February 2024.

The Committee agreed to conduct Pre-Legislative Scrutiny of the General Scheme of the Gas Safety (Amendment) Bill

2023.

I would like to express my appreciation to all the Officials from the Department and the Commission for the Regulation of Utilities for their valuable contributions and to the members of the Committee for their dedicated work in this collaborative process.

Brian Leddin T.D.

Brown Celd.

Chairman

Joint Committee on Environment and Climate Action

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#### Introduction

In accordance with Standing Order 146A the General Scheme of the Gas Safety (Amendment) Bill 2023 was referred to the Joint Committee on Environment and Climate Action on 6 February 2024. The Committee agreed at its meeting on 6 February 2024 to undertake pre-legislative scrutiny of the General Scheme.

#### **Stakeholder Engagements**

#### **20 February 2024**

- Ms Jennifer Harte, Principal Officer, Department of the Environment, Climate & Communications
- Ms Cristina Hurson, Assistant Principal, Department of the Environment,
  Climate & Communications

#### 27 February 2024

- Mr Jim Gannon, Chairperson, Commission for the Regulation of Utilities
- Ms Loreta Joyce, Director of Energy Safety, Commission for the Regulation of Utilities
- Mr Daniel Ward, Gas Safety Regulatory Manager, Commission for the Regulation of Utilities

## **Background and summary of the General Scheme**

It was originally envisaged that the development of gas safety measures would be as part of the Gas (Amendment) Bill 2023. However, given the technical nature of changes to legislation, it was subsequently decided that the safety amendments would be developed as a separate Bill.

On 7 November 2023, the Government approved a Memorandum for Government from the Minister of Environment, Climate & Communications for the development and drafting of a General Scheme of a Bill to extend the regulatory regime for Liquified Petroleum Gas (LPG).

At present, the bulk of the LPG supply chain is regulated by the Health and Safety Authority. The Commission for the Regulation of Utilities only regulates a small part of LPG that isn't otherwise regulated by the HSA. This includes the issuing of LPG licences and the monitoring of ongoing compliance. The CRU has become aware of LPG networks being operated by individuals who do not hold an LPG Safety Licence and who, under existing legislation, do not have the mechanism to apply for one.

Given the imperative of public safety, the Gas Safety (Amendment) Bill is being treated as priority for both drafting and publications. The proposed legislative amendments will provide for:

- The regulation of all piped LPG networks by the CRU
- New classes of safety licences to strengthen regulations relating to LPG networks
- Distinguished licences, Class 1 and Class 2, for operators of ten or more and less than ten LPG piped networks respectively
- Specified requirements for emergency response to incidents involving LPG networks
- Amendments on what bodies may appoint Gas Safety Officers and a strengthening of their powers
- A fourteen-day time-period within which appeals are made to the High Court against Safety Improvement Notices issued by the CRU
- Offense provisions for non-compliance with CRU regulations of LPG networks

#### **Committee Scrutiny of the General Scheme**

- The Committee noted the inadequacy of current legislation in properly regulating all Liquified Petroleum Gas networks and welcomes the introduction of new legislative amendments to fully encompass this area.
- 2. The Committee noted that this legislation has not been drafted in response to any specific incident involving gas safety. Mr Jim Gannon, Chairperson of the Commission for the Regulation of Utilities, informed the Committee that, since 2016, the CRU had engaged in a series of consultations, network inspections and reports to obtain "clear sight" of what was needed for the proposed legislative amendments.
- 3. The Committee expressed concern regarding the relatively long period of time it has taken to propose this legislation, given that the issue it seeks to remedy was first identified in 2016 following a complaint from an LPG customer. The CRU outlined that the Covid-19 pandemic had inhibited necessary inspections. Mr Gannon added that an operator's handbook documenting safety protocols surrounding LPG had been published in 2022. Ms Jennifer Harte, Principal Officer, Department of the Environment, Climate & Communications informed the Committee that the General Scheme now has priority drafting and is intended for completion as soon as possible.
- 4. The Committee queried the number of domestic customers being served by networks that will be regulated by provisions of the General Scheme. The CRU informed the Committee that there are 65 LPG networks serving approximately 1000 customers across Ireland. Furthermore, based on current information, the CRU believes that all operators currently outside the remit operate less than ten networks, thus the Class 2 licence will be applicable to them.
- 5. The Committee noted that the proposed General Scheme will remove the power of LPG undertakings to appoint Gas Emergency Officers. In order to

- ensure professional competency in this area, the appointment of GEOs will now be limited to CRU and transmission system or distribution system operators in relation to natural gas.
- 6. The Committee notes that, under the General Scheme, the criteria for appointing Gas Safety Officers has been expanded. It is also noted that the General Scheme will allow GSOs to enter onto private land and to apply for a warrant from a district judge if they require entry to a premises during inspection. It is further proposed to allow for compensation in respect of any damage caused by GSOs in the execution of their duties, and to provide for Garda accompaniment where necessary. The Committee notes that these provisions are designed to strike a balance between the additional powers granted to GSOs and constitutional rights.
- 7. The Committee queried the proposed reduction of the period of time to appeal to the High Court against improvement notices issued by CRU. Ms Loretta Joyce, Director of Energy Safety at the CRU, clarified that, given the imperative nature of safety concerns, the 21-day period had been seen as unnecessarily long. The reduction of the appeal period to 14 days is consistent with comparable legislation.

## Recommendations

1. The Committee notes the technical nature of the General Scheme of the Gas Safety (Amendment) Bill 2023 and recommends the passage of the Bill through both Houses of the Oireachtas.

## Appendix 1 - Terms of Reference

#### Functions of the Committee – derived from Standing Orders [DSO 95; SSO 71]

- (1) The Select Committee shall consider and, unless otherwise provided for in these Standing Orders or by order, to report to the Dáil on any matter relating to —
  - (a) legislation, policy, governance, expenditure and administration of—
    - (i) a Government Department, and
    - (ii) State bodies within the responsibility of such Department, and
  - (b) the performance of a non-State body in relation to an agreement for the provision of services that it has entered into with any such Government Department or State body.
- (2) The Select Committee appointed pursuant to this Standing Order shall also consider such other matters which—
  - (a) stand referred to the Committee by virtue of these Standing Orders or statute law, or
  - (b) shall be referred to the Committee by order of the Dáil.
- (3) The principal purpose of Committee consideration of matters of policy, governance, expenditure and administration under paragraph (1) shall be—
  - (a) for the accountability of the relevant Minister or Minister of State, and
  - (b) to assess the performance of the relevant Government Department or of a State body within the responsibility of the relevant Department, in delivering public services while achieving intended outcomes, including value for money.
- (4) The Select Committee appointed pursuant to this Standing Order shall not consider any matter relating to accounts audited by, or reports of, the Comptroller and Auditor General unless the Committee of Public Accounts—
  - (a) consents to such consideration, or
  - (b) has reported on such accounts or reports.
- (5) The Select Committee appointed pursuant to this Standing Order may be joined with a Select Committee appointed by Seanad Éireann to be and act as a Joint Committee for the purposes of paragraph (1) and such other purposes as may be specified in these Standing Orders or by order of the Dáil: provided that the Joint Committee shall not consider—

- (a) the Committee Stage of a Bill,
- (b) Estimates for Public Services, or
- (c) a proposal contained in a motion for the approval of an international agreement involving a charge upon public funds referred to the Committee by order of the Dáil.
- (6) Any report that the Joint Committee proposes to make shall, on adoption by the Joint Committee, be made to both Houses of the Oireachtas.
- (7) The Chairman of the Select Committee appointed pursuant to this Standing Order shall also be Chairman of the Joint Committee.
- (8) Where the Select Committee proposes to consider—
  - (a) EU draft legislative acts standing referred to the Select Committee under Standing Order 133, including the compliance of such acts with the principle of subsidiarity,
  - (b) other proposals for EU legislation and related policy issues, including programmes and guidelines prepared by the European Commission as a basis of possible legislative action,
  - (c) non-legislative documents published by any EU institution in relation to EU policy matters, or
  - (*d*) matters listed for consideration on the agenda for meetings of the relevant Council (of Ministers) of the European Union and the outcome of such meetings,

the following may be notified accordingly and shall have the right to attend and take part in such consideration without having a right to move motions or amendments or the right to vote:

- (i) members of the European Parliament elected from constituencies in Ireland,
- (ii) members of the Irish delegation to the Parliamentary Assembly of the Council of Europe, and
- (iii) at the invitation of the Committee, other members of the European Parliament.
- (9) The Select Committee appointed pursuant to this Standing Order may, in respect of any Ombudsman charged with oversight of public services within the policy remit of the relevant Department consider—
  - (a) such motions relating to the appointment of an Ombudsman as may be referred to the Committee, and
  - (b) such Ombudsman reports laid before either or both Houses of the Oireachtas as the Committee may select: Provided that the provisions

of Standing Order 130 apply where the Select Committee has not considered the Ombudsman report, or a portion or portions thereof, within two months (excluding Christmas, Easter or summer recess periods) of the report being laid before either or both Houses of the Oireachtas.

# b. Scope and Context of Activities of Committees (as derived from Standing Orders) [DSO 94; SSO 70]

- (1) It shall be an instruction to each Select Committee that—
  - (a) it may only consider such matters, engage in such activities, exercise such powers and discharge such functions as are specifically authorised under its orders of reference and under Standing Orders;
  - (b) such matters, activities, powers and functions shall be relevant to, and shall arise only in the context of, the preparation of a report to the Dáil;
  - (c) it shall not consider any matter which is being considered, or of which notice has been given of a proposal to consider, by the Joint Committee on Public Petitions in the exercise of its functions under Standing Order 125(1)1; and
  - (d) it shall refrain from inquiring into in public session or publishing confidential information regarding any matter if so requested, for stated reasons given in writing, by—
    - (i) a member of the Government or a Minister of State, or
    - (ii) the principal office-holder of a State body within the responsibility of a Government Department or
    - (iii) the principal office-holder of a non-State body which is partly funded by the State,

Provided that the Committee may appeal any such request made to the Ceann Comhairle, whose decision shall be final.

(2) It shall be an instruction to all Select Committees to which Bills are referred that they shall ensure that not more than two Select Committees shall meet to consider a Bill on any given day, unless the Dáil, after due notice to the Business Committee by a Chairman of one of the Select Committees concerned, waives this instruction.



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