

Annual Report and Financial Statements

2017

working
towards a
**cleaner
energy
future**

We all have a say in

**what our
energy
future
will look like**

and we have a responsibility to act

Our Impact

Chairperson's Statement	02
Chief Executive's Review	04
Significant Achievements for 2017	06
New Roles and Responsibilities SEAI in 2017	09
SEAI Making a Difference for all Energy Users	12
Snapshot of 2017	24

Governance

Corporate Governance	28
Energy Efficiency Report	31

Finance

Governance Statement and Board Members' Report	34
Report of the Comptroller and Auditor General	42
Statement on Internal Controls	45
Statement of Income and Expenditure and Retained Revenue Reserves	47
Statement of Comprehensive Income	48
Statement of Financial Position	49
Statement of Cash Flows	50
Notes to the Financial Statements	51

Chairperson's Statement

A year after the decision by the United States to withdraw from the commitments set out in the Paris Agreement, there are still grounds for hope. The majority of world leaders continue their commitment to the achievement of global climate change objectives. Many nations, and indeed global corporations, have put strategic plans and actions in place to continue progress on this vital world issue. Nonetheless, converting those hopes into grounded, practical solutions to reduce carbon emissions remains a world-wide challenge.

On the domestic front, we are still playing catch-up on meeting our international obligations on climate change. However, a number of initiatives introduced by Government and the Minister for Communications, Climate Action and Environment, firmly support Ireland's commitment to the Paris accord.

The Government White Paper on Energy Policy in Ireland "Ireland's Transition to a Low Carbon Energy Future" continues to underpin the policy development process and endeavours to put the citizen as well as consumer at the heart of our national ambitions.

The National Mitigation Plan (NMP), published in 2017, is a further step to setting Ireland on a pathway to achieve the level of decarbonisation required. The whole-of-Government approach and the measures set out, provide the basis for transitioning Ireland to a low carbon, climate resilient and environmentally sustainable economy by 2050.

SEAI will play a key role in delivering on the ambitious targets set out in the White Paper and the NMP. In July 2017, SEAI launched its own Statement of Strategy for the period 2017-2021. This strategy has been framed in the context of the overall vision for Ireland's energy to be sustainable, secure affordable and clean. Our strategy acknowledges that all parts of society, including business and Government, must be involved in the sustainable energy transition. It is also predicated on the guiding principle that sustainable energy is about improving people's lives, bringing comfort and convenience, addressing environmental challenges, as well as creating and protecting jobs and enhancing Ireland's competitiveness.

SEAI is a catalyst for transformational change. We deliver this as an Authority by providing evidence, analysis and interventions which bring citizens, communities and businesses to a cost

effective and equitable decarbonised energy future. Through our activities, we aim to empower energy consumers to play a more active role in our low carbon transition. The interaction between infrastructure, technology and society will become ever more important as we enter the next phase of decarbonisation. In this regard, SEAI will continue to provide cutting-edge, evidence based analysis and will support Government through our modelling, statistical analysis and behavioral economics work streams.

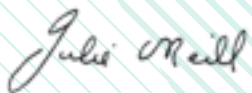
The Government's National Development Plan (NDP) – Project Ireland 2040 is a significant step funding available for climate action, including the direction of almost €22 billion to addressing the transition to a low-carbon and climate-resilient society. The capital investment priorities contained in the NDP will be an integral part of Ireland's delivery of the climate-action objectives. They are truly ambitious including measures such as upgrading 45,000 homes per annum from 2021, the roll out of the Support Scheme for Renewable Heat, the transition to low emissions transport including electric buses for the urban bus fleet and a target of just under half of our vehicle fleet to be fully electric. SEAI endorses the compilation of a detailed and coherent roadmap to set out the actions to achieve the overall objectives set out in the NDP and looks forward to playing an important part in its delivery.

SEAI has experienced significant growth in budgets and resources in 2017 reflecting the strategic relevance of the Authority in delivering on the national objectives. With the support of Minister Denis Naughten and the officials within the Department of Communications Climate Action and Environment, this growth in budgets and resources is likely to continue with the implementation of the NDP. We will continue to focus the Authority to deliver value for money for this investment; to implement expanding government policy

objectives; and to achieve the ambitious vision set out in our Statement of Strategy 2017-2021.

I would like to thank my colleagues on the Board of the Authority for their support during 2017 and extend my sincere thanks to our CEO Jim Gannon for his leadership of the organisation in a rapidly changing environment. I want to fully acknowledge the endeavours and commitment of his highly focussed executive team and all the staff in SEAI for their achievements last year. The SEAI Board will continue to concentrate its efforts on working with all of our team to build on the success of recent years, ensuring that our increased resources are used strategically and deliver value for money, as we move towards a more rapid decarbonisation of our energy system.

Finally, I want to thank the Minister and Department officials for their continued support and encouragement for the Authority as we work together towards our energy and climate change goals. We will continue to play our part as an authoritative and independent voice in support of those goals.



Julie O'Neill

Chairperson

Sustainable Energy Authority of Ireland



“Our strategy is predicated on the guiding principle that sustainable energy is about improving people’s lives, bringing comfort and convenience, addressing environmental challenges, as well as creating and protecting jobs and enhancing Ireland’s competitiveness”

Chief Executive's Review

Increased energy efficiency is the most cost effective way to reduce carbon emissions and increase our competitiveness; it also reduces our reliance on imported fossil fuels and the inherent economic exposure that this brings. As Ireland's national energy authority we are working tirelessly with Government, the public, businesses and communities to achieve a cleaner energy future.



“Last year programmes administered by SEAI invested €70 million Exchequer funds in building energy upgrades, supporting more than 2,000 jobs”

Each year, SEAI invests a significant proportion of the budget provided to us by the Department of Communications, Climate Action and Environment (DCCAE) into the Irish economy. This is achieved through a range of grant and other programmes, to deliver increased energy efficiency and to decarbonise our economy. These actions stimulate vital economic growth and employment in our economy. Last year programmes administered by SEAI invested €70 million Exchequer funds in building energy upgrades, supporting more than 2,000 jobs. An important indirect benefit of this is the significant growth of our energy communities' network as drivers and leaders in Ireland's energy transition. Through this network we continued to engage, inform and provide direct grant support to over 130 communities to enable them to harness the benefits of increased energy efficiency.

Along with our capital programmes, SEAI has a mandate to provide policy analysis, forecasting and modelling support to the DCCAE. As Ireland approaches 2020, and begins planning our pathway to 2030, it is essential that we continue to strengthen this role in response to changing European Policy and the climate challenges we face. This mandate is central to what we do. It draws on the unparalleled access we have to energy related data and forecasting, experience of catalysing change with citizens and industry and the sometimes challenging area of real-world policy implementation. In this statutory role, we continue to work hand in hand with DCCAE and other government departments to support their policy and decision-making processes. As we move forward, we will continue to interact with the range of public, private sector and academic institutions that generate a variety of changing perspectives, models and scenarios. During 2017, SEAI was central to both research and innovation

“We aim to deliver the policy and incentive platforms that will allow us to meet and exceed the EU 2030 targets which are likely to become clearer during 2018”

in the energy sector in Ireland. Internationally, we continued in our role as national delegate to the Horizon 2020 programme, helping to identify new areas of priority for both Ireland and Europe. Alongside this, we have continued to participate in, and in many cases lead, several International Energy Agency, UN and EU fora around best practice in the transition to a cleaner energy future. Domestically, we funded 36 research and development projects across a range of sustainable energy sectors. We funded 15 prototype ocean energy projects, alongside the ongoing development of Ireland's ocean-energy test infrastructure. In parallel, we have progressed our work on enterprise development with both Enterprise Ireland and the IDA.

Ireland has a unique set of renewable energy resources and opportunities that we must utilise in an appropriate and mature fashion. There was good progress on renewable energy deployment in 2017, resulting in an absolute reduction in energy related CO₂ emissions of over 2%. Despite this progress, as the economy continues to grow, it seems unlikely that business as usual will see us achieving our targets. This is supported by our detailed analysis which delivers on our national energy forecasting mandate. During 2017, SEAI continued to support the DCCAE in the design of more impactful policies and measures to catalyse greater activity across renewable electricity, heat and transportation.

Although our national performance improved in 2017 with regard to carbon intensity, we remain on track to miss our 2020 targets. SEAI will continue to be central in Ireland's attempt to close the gap to 2020. In parallel, we aim to deliver the policy and

incentive platforms that will allow us to meet and exceed the EU 2030 targets which are likely to become clearer during 2018.

Finally, it is important to recognise within this report the dedication and commitment of our staff and the guidance of our Board, who have experienced unprecedented change over the past two years as we have increased our activity to match Ireland's growing ambition. For this, I thank them without reservation, and look forward to working with them as we deliver even greater impact over the coming years.



Jim Gannon
Chief Executive

Significant Achievements for 2017

21,100 home energy upgrades supported including 6,900 fully funded upgrades to vulnerable energy poor homes

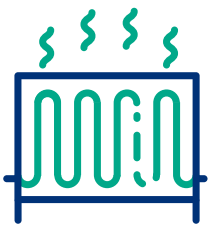


Sustainable energy community network membership more than doubled with 137 member communities across every county in Ireland

Over 360 homes



of people living with chronic respiratory conditions were upgraded in collaboration with the HSE, through the **Warmth and Wellbeing scheme**



New deep retrofit pilot scheme launched with six early projects approved

972 new electric vehicles (EVs) grant aided, a 46% increase on 2016. Including second hand imports, the national EV fleet almost doubled in 2017 to **3,600 vehicles**



103,000

residential and commercial Building Energy Ratings published



€5.75 million

invested in 22 projects in **major public sector collaborations** with the Office of Public Works and Department of Education and Skills



Pilot lighting grant for SMEs

60 projects received €535,000 support



Pilot grant for high efficiency dairy farm equipment (in partnership with Teagasc). 48 projects received €190,000 support

54,000
students

engaged
through
SEAI's
schools
programme

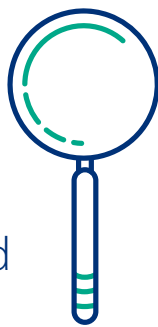


Commencement of Ecodesign
and energy labelling market
surveillance activities.

160 **retailer / dealer**
compliance visits

completed with 15 products
referred for laboratory testing

Four strategic collaborative agreements were signed with the Environmental Protection Agency, Science Foundation Ireland, Economic and Social Research Institute and the Irish Research Council to co-fund research projects



SEAI Energy Show in April was attended by **5,000 professionals**



New responsive website launched in September
www.seai.ie



€3.4
million

invested in sustainable energy research including

15 new ocean energy prototype projects and 36 low carbon technology R+D projects

SEAI secured planning permission for the substation and onshore facility for the **Belmullet full-scale ocean energy test-site**





We run

campaigns
and **initiatives**

to increase awareness and

change
behaviours

New Roles and Responsibilities for SEAI in 2017

Market Surveillance Authority

SEAI has responsibility for the market surveillance of the EU Ecodesign Directive, the EU Energy Labelling Regulation and the EU Tyre Labelling Regulation, which set standards relating to the energy efficiency of certain products.

The purpose of market surveillance is to monitor, promote and enforce compliance with this legislation. It acts as a deterrent, creating a level playing field for businesses, whilst also protecting consumers and the environment. Market surveillance is new to SEAI but our level of activity is growing fast, contributing towards increased awareness of and confidence in energy-related products.

During 2017, we inspected 100 retail outlets to check whether they were displaying energy labels correctly. Each retailer

received a report indicating current compliance levels. A labelling guide is under development to assist them in that regard.

We also inspected 61 tyre-fitting outlets to assess compliance with their obligation to give motorists tyre labelling information when they have new tyres fitted. We recorded details of over 1000 different tyre models and checked them to see whether the labels were correct. This involved checking technical documents and sending 11 tyres for laboratory testing in France. Taking account of the views of industry representatives and other stakeholders, we identified products at higher risk of non-compliance with the Ecodesign Directive.

We also responded to reports of non-compliance. This resulted in a number technical documentation checks with some products being sent for compliance testing in a laboratory.

Behavioural economics

Behavioural science is a combination of economics, psychology and sociology. It can help us understand barriers that prevent people from engaging in pro-environmental behaviours and the motivators that turn people's intentions into action. SEAI's behavioural economics unit was established in 2017 to apply insights about human behaviour to improve the delivery of current and future programmes.

For example, homeowners may undervalue future cost savings from the investments they make in their home because the savings are not realised until far in the future. This means that choices made in favour of sustainable energy solutions cannot always be guaranteed. This is true even when such options are technically and financially viable as well as attractive. Behavioural barriers are real and significant. It is the task of the new team to design and test solutions to these barriers so that more people in Ireland can take advantage of the benefits of sustainable energy use.

Early on, the team has been scoping opportunities for improving the delivery of current SEAI programmes. They have carried out a review of international precedent identifying what works for changing energy behaviours at home, at work and in public spaces. A small number of pilots are planned to test the solutions with the greatest potential to improve energy efficiency and reduce energy use. Recommendations from this will be published in 2018.

The unit has also been working with SEAI's program managers to identify methods to increase the uptake of existing schemes. The team carried out surveys of previous SEAI customers to understand more about what parts of the grant process worked well and where people would like more support. As part of this work, the team conducted a survey experiment to learn more about how people think about their energy use. By randomly assigning people to one of two versions of the survey, the team were able to examine how people make judgements about the level of energy they use. The results show that past grant recipients are unsure of how much energy they use a year and they consistently think that they use less energy than the average home, possibly displaying an optimism bias.





**Clean
energy**
is vital for the health and
well-being
of our country and future
generations

SEAI Making a Difference for all Energy Users

Lidl Ireland GmbH

This award-winning project has been an architecture adventure combined with genuine grass roots level stakeholder engagement from staff and community alike.

The Lidl Headquarters building is four storeys with basement and has an operating capacity of 440 people. Sustainability is at the core of this buildings design which is BREEAM Excellent certified with an A2 energy rating.

The building has an active twin wall with a unitised façade, which is linked to four weather stations so that the blinds continually respond to the external conditions maintaining a tangible link with the outside for the employees. The building is also home to solar thermal panels servicing hot water requirements, an air source heating pump providing energy for underfloor heating, an intelligent BMS system which dynamically controls LED lighting, HVAC and blinds, intelligent natural lighting design, rainwater harvesting and much more.

Lidl Ireland are a member of SEAI's large industry energy network.





James O'Brien, homeowner, New Ross

Retired gentleman James O'Brien, who moved to Wexford a number of years ago, felt the impact of living in a cold house.

"When I arrived down here to New Ross 13 years ago and bought this house, I thought the walls were cool in parts...you would put your hands on them and you would feel the cold", he says. James, who had his attic insulated and his house walls pumped with polystyrene beads to increase efficiency says, "When you come in the hall door there now, you can feel the heat. Before it wasn't there. And you would want to see my ESB bills, it's down to zilch and that's a fact. People are seeing their fuel bills reduce and it is really great to know that the SEAI are making the lives of these homeowners that little bit easier".

The issue of fuel poverty is very real in Ireland today with one in four households struggling to heat their homes. For more than 20 years SEAI has provided government funded energy efficient upgrades to help those who are most in need, working with a range of organisations to help target the most vulnerable homeowners. These energy upgrades improve homeowner comfort levels, physical and mental health and overall quality of life.

James O'Brien's house was upgraded thanks to an SEAI home energy grant.

Vodafone Ireland

An organisation wide collaboration is the key to success for Vodafone's energy performance.

Vodafone has implemented ISO50001 across its entire portfolio range including its data centres, its nationwide retail stores and fleets, its headquarters office block and its estimated 2,300 base stations nationwide. Experts from a broad range of different fields provided ongoing support to assist in maintaining and improving the Vodafone Ireland energy management system. In total, the energy management system utilizes over 2,600 energy metres that output a high-level overview of the performance of all sites. The energy team and related experts collaborated to identify innovative ways to access the performance of different users. Based on ongoing projects arising from ISO50001, Vodafone Ireland made energy savings of 5.6GWh, which equates to €450,000.

Vodafone Ireland is a member of SEAI's large industry energy network.





We are a rich resource

for you, providing advice and supports

Dunleer Energy Team

“I am extremely passionate about working within the community for the benefit of everyone. My mother was a founding member of the local credit union, so I grew up appreciating the real impact local communities can have when they come together. I also feel very passionate about climate change and my responsibility to reduce the negative impacts climate change is having on communities across Ireland and indeed the world,” says Dunleer Energy Team Manager and community leader, Eugene Conlon.

Eugene continues by underlying his reasons for being involved in the project. He says, “Starting a sustainable energy movement in my home town of Dunleer was a no brainer. I wanted to do something concrete and meaningful, something that would have a lasting impact on the community I grew up in. I wanted my community of Dunleer to be a place where people wanted to live and where people could enjoy a good quality of life. The boom negatively affected so many communities. There was little concern for the resources and infrastructure that communities need in order to thrive and grow. In Dunleer, we wanted to make sure that we would survive and thrive as a community”.

The Dunleer Community Development Board is an umbrella organisation for 24 community groups in the surrounding area who have all become part of the SEAI’s energy community network.

“We formed an Energy Team to manage the energy programmes within our network. Our aim was to engage people, to relate to people about the realities of climate change and to show them how together we could make a difference. We all have a responsibility to tackle climate change and we need to focus on the practical things that we can do in our homes and communities”.

Eugene and his team secured funding through the SEAI to upgrade 150 buildings across mid-Louth including efficient heating systems and insulation in 140 homes, a GAA club, a soccer club and a local community office. “The works have made a massive difference to the comfort that people feel in their homes and community buildings. They are now saving money on energy bills due to their reduced energy consumption”, says Eugene.

He concludes by highlighting how Ireland has a long history of creating meaningful change nationwide through community led movements. “Right now, there are more than 130 energy communities in SEAI’s network undertaking long term energy efficiency projects just like us in mid-Louth. These communities are stepping up to the plate and are taking action. Communities talking to each other is a critical influencer when encouraging behavioural change and has a much bigger impact than an institution telling communities what to do”.

“We need to collectively, as citizens, take ownership”.

Dunleer Energy Team is a member of SEAI’s energy community network.





Waterford Institute of Technology (WIT)

WIT is the first Institute of Technology to obtain certification to ISO50001.

A cross-functional multi-disciplinary team of staff and students from Waterford Institute of Technology (WIT) are promoting energy in the WIT community. The WIT Energy Advisory Group meet every six weeks to enable staff and students to bring energy into everyday life such as at college and at home. WIT is the first Institute of Technology to obtain certification to ISO50001 and already exceeded their 2020 33% energy efficiency target. The strong commitment at all levels from the institute has helped achieve this ranking and the organisation strives to continually drive down energy consumption in preparation for the forthcoming national targets. 11GWh has been saved to date.

WIT participated in SEAI's ISO50001 certification accelerator programme.

An Garda Síochána

An Garda Síochána is a leading example of energy performance improvement and sustainability – an aspiration for all organisations and representative of best practice energy management.

They are the first police force in the world to achieve ISO50001 certification. By prioritising low cost opportunities, increasing energy awareness, staff participation, training / management and operational control. Through focused efforts in structured energy management and by introducing renewable initiatives and optimising energy performance, the strategy team has delivered annual savings of 2.6GWh. The savings accrued by minimising costs support future energy saving initiatives.

An Garda Síochána are members of SEAI's public sector partnership programme.





St John of God Hospital CLG

An impressive energy saving project has been completed by St John of God at their site in Stillorgan under a 5-year Energy Performance Contract or EPC.

The projects included the replacement of low temperature hot water boilers and pipework, upgrading the Building Energy Management System, LED lighting and the installation of a new electrical distribution board alongside a new standby diesel generator. The hospital also replaced the majority of its single-glazed windows with double-glazing which contributed to an energy saving of 2.2GWh. St John of God Hospital has demonstrated that substantial energy consumption, cost and carbon savings can be achieved in the healthcare sector if a commitment to the EPC model is pursued. Overall, their energy and carbon savings means that they played a massive part in Ireland's 2020 obligations to reduce GHG emissions by 20%.

St John of God Hospital participated in SEAI's energy performance contracting exemplar programme.

Blockchain research at Nimbus Centre, Cork IT

SEAI's RD&D funding programme aims to improve the coherence of Irish energy research and development, building a cleaner and more secure energy future, while enhancing our knowledge economy.

Blockchain technology is an integral component of bitcoin where it acts as the digital ledger of all transactions, underpinning and enabling the entire concept of cryptocurrency. The potential for blockchain however, extends far beyond cryptocurrency. For instance, one innovative Irish research team based in Cork IT is now using blockchain technology to bring about big changes to the energy sector.

The team at the Nimbus Centre in Cork IT spotted a niche area of research focus – the application of blockchain technology in the energy auditing sector. It investigated the potential to use blockchain technology for the development of a secure and independent energy transaction and verification framework for smaller independent prosumers or communities.

The initial idea for Smartblocks was sparked following a conversation between Smartblocks Principal Software Architect Dr Alan McGibney, and an Irish Energy Services Company (ESCO), who was finding it difficult to gain the trust of clients when collecting and verifying energy savings. Energy monitoring, metering and verification brings with it high costs and this coupled with a lack of transparency in energy calculations acts as a barrier to energy performance contracting. SmartBlocks offer transparency and build trust with clients by offering secure independent verification of the energy transaction data and savings.

Alan and the team developed a set of software services that allow independent entities (ESCOs, building owners, utility providers, energy traders) to leverage the concept of smart contracts and Blockchain technology to create a trusted and verifiable ledger of energy transactions. An integrated prototype for the SmartBlocks system was developed to support the demonstration and evaluation of this Blockchain approach for continuous energy auditing. Senior researcher, Dr Kritchai Witthephanich focused on the development and implementation of the energy forecasting component, to enable prediction of energy demand on-site using thermal and electrical historical data as well as prediction of the onsite renewable energy generation capacity. The SmartBlocks prototype was administered through a web-based portal. This portal provides authorised access to view and manage the SmartBlocks component and visualise current blocks, batches and transactions.

Following on from their 2017 SEAI RD&D project, the research group at Cork IT are actively pursuing options to expand SmartBlocks and move closer to commercialisation. They have met with key industry players and are keen to develop strategic research partnerships to further propel the project.

SmartBlocks was supported by SEAI through the RD&D funding call in 2017.



We invest in energy
research
and innovation
and promote the development of new
technologies

David Fitzgerald, dairy farmer, Mallow

Farmers can save huge amounts on their energy bills by using variable speed drive technology on their vacuum pump system for their milking parlours. This focus on energy use can easily cut a dairy farmer's operational costs and benefit their bottom line.

One farmer who took the time to review his energy spend is David Fitzgerald, Mallow who milks a herd of 190 cows. David says, "I'm producing about 1 million litres of milk annually costing me in the region of €8,000 in electricity for milking. So I was looking at ways to reduce this bill and improve the farm profitability". David decided to install a new variable speed drive vacuum pump system. In fact he installed two of them given the size of his herd. "We decided to avail of the SEAI grant and put in these pumps. I know it has definitely helped reduce our electricity bills by at least 30%. The installer completed the installation in two to three days. You get the pump done in a day easily, so no major disruptions to the milking".

Saving energy was not the only benefit for David and his cows, "The quiet in the parlour with the variable speed pumps is unbelievable. You wouldn't even know the machine is running. Farmers have come to my farm to see it in operation and they ask me when will I turn it on, but it is already running. In addition, I have no need to check oil levels as the new pump runs oil free. Every little helps and I would definitely recommend the variable speed pump to other farmers".

David received an SEAI grant to upgrade the efficiency of his milk pump system.



National Ambulance of Ireland

The National Ambulance of Ireland has implemented a green technology initiative in its fleet of emergency ambulances. The project has three platforms of change to reduce fuel use and emissions.

Firstly, driver behaviour change in real time. This uses audio in vehicles to warn drivers when they are over speeding by a set percentage of the national speed limits of roads. Secondly, an automated system to eliminate vehicle idling. Thirdly, integrating solar systems on ambulances, which takes away the need for vehicles to plug into national grid for charging purposes. Other services and providers utilise telematics to conduct monitoring and try to change behaviour retrospectively. National Ambulance is the first to make this change happen in real time.

National Ambulance of Ireland won the public sector category in the SEAI Energy Awards 2017.

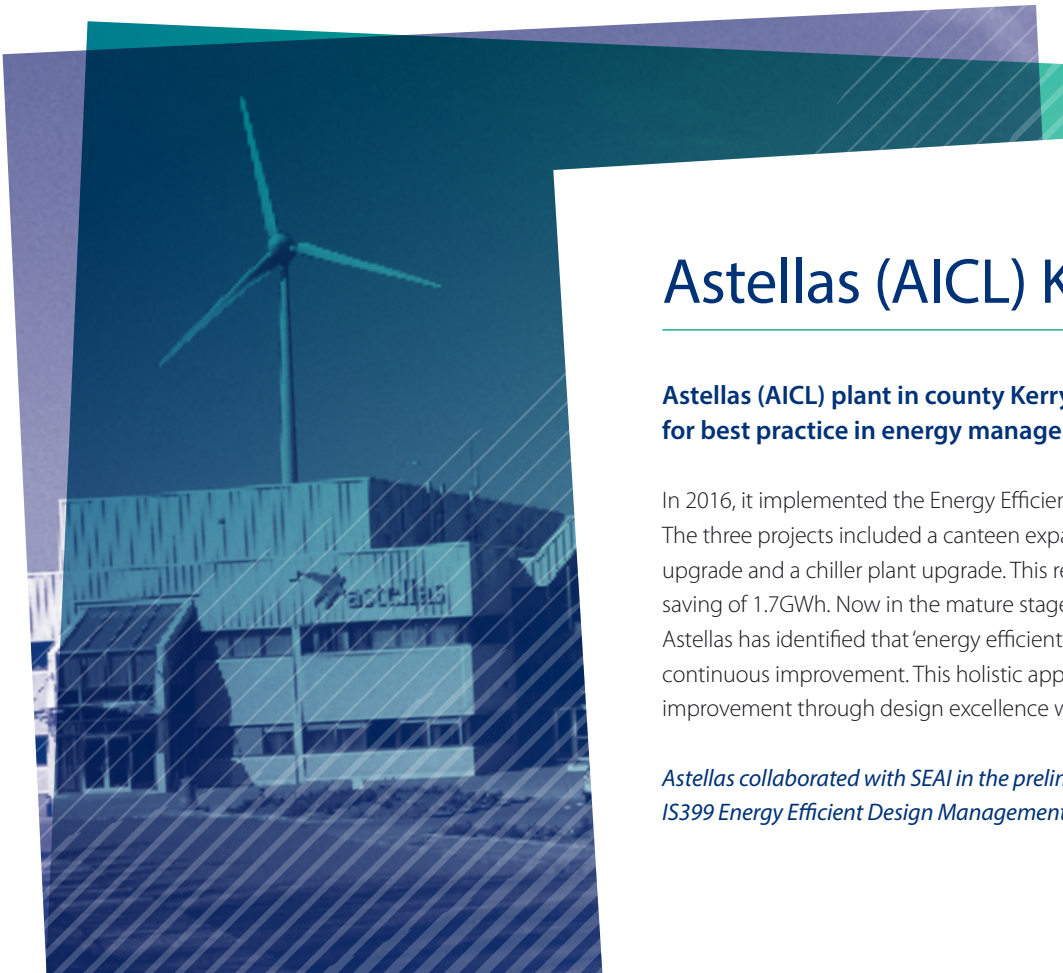


Astellas (AICL) Kerry Plant

Astellas (AICL) plant in county Kerry is always striving for best practice in energy management.

In 2016, it implemented the Energy Efficient Design Standard IS399. The three projects included a canteen expansion, a compressed air upgrade and a chiller plant upgrade. This resulted in an annual energy saving of 1.7GWh. Now in the mature stage of ISO 50001 certification, Astellas has identified that 'energy efficient design' is a key area for continuous improvement. This holistic approach ensures that energy improvement through design excellence will continue into the future.

Astellas collaborated with SEAI in the preliminary development of IS399 Energy Efficient Design Management Standard.



The Monasterboice Inn

'Is this lightbulb even needed here?'

EXEED, which stands for Excellence in Energy Efficient Design, is a process that integrates energy management as a discipline at the earliest stage of building design. It strategically addresses lifecycle energy and carbon costs and drives the adoption of longer-term solutions. EXEED requires a holistic and systems-thinking approach, which challenges, innovates and drives the adoption of longer-term solutions as opposed to quick wins or isolated opportunities. It challenges the obvious, asking 'Is this lightbulb even needed here?' rather than simply deciding to replace this lightbulb with LED equivalent.

Take for example the Monasterboice Inn a restaurant and venue near Drogheda, which dramatically upgraded the energy efficiency of its facility. The team put a boundary around their existing building and their new conference room extension and then used the EXEED process to challenge their biggest energy users and optimise building energy performance.

They installed high-grade insulation throughout and smart lighting in their conference rooms and car park. They designed the new conference centre to maximise natural daylight and provide an attractive bright space. Renewable energy heat pumps, one of which extracted energy from an on-site stream, replaced old gas boilers, providing heating and cooling to the building. Hot air, extracted from the kitchen, is used to heat the water. As a result, they expect to reduce energy consumption by 45%, improving profitability, and lowering carbon emissions. The projected payback is around three and a half years.

Monasterboice Inn have commenced the EXEED certification process and aim to achieve the EXEED Verified distinction, further showcasing their commitment and motivation to address their lifecycle energy and carbon costs and consumption.

The Monasterboice Inn received a grant from SEAI towards its EXEED upgrade project.





Snapshot of 2017



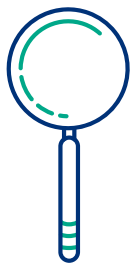
JANUARY

400 delegates participate in **1st annual Public Sector Conference**

JAN

FEBRUARY

SEAI Launches **interactive data portal** for researchers and policy analysts



FEB

MAR



MAY

Ursuline Secondary School, Tipperary take top honours at **One Good Idea** finals in Croke Park

APR

MAY

SEAI publishes study '**Ireland's solar value chain opportunity**'

MAY

JUNE

SEAI publishes study on '**Costs and benefits of renewable gas**'



JUN

JUNE

SEAI hosts first annual **Deep Retrofit Conference**

APRIL

€85 million business generated at annual SEAI Energy Show



JULY

SEAI announces 25 projects to share **€1 million RDD investment**



AUGUST

SEAI publishes new **five-year strategy**

OCTOBER

New €4 million central government **energy upgrade programme** completed in collaboration with OPW

NOVEMBER

SEAI Energy Award **winners announced**

JUL

AUG

SEPT

OCT

NOV

DEC



SEPTEMBER

New energy efficiency **support scheme for dairy farmers** launched

NOVEMBER

Energy Community Network annual conference takes place in Athlone

DECEMBER

SEAI publishes **'Energy in Ireland'** report



A worker wearing a white hard hat and a high-visibility safety vest is looking down at a document on a solar panel array. The background shows a landscape with hills and buildings under a clear sky. The entire image has a blue color overlay.

We provide Government
with robust evidence to

inform energy policy



Corporate Governance

The overall SEAI Governance Statement and Board Members Report, as required by the Code of Practice for the Governance of State Bodies 2016, is set out in the attached Financial Statements for 2017.

SWiFT 3000 Corporate Governance certification/External Evaluation

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 standard relating to a Code of Practice for Corporate Governance assessment in Ireland. The objective is to assess the corporate governance frameworks of organisations and specifically the level of compliance by organisations with governance codes and best practice. SEAI has maintained its SWiFT 3000 certification since then. The latest review of SEAI compliance with the SWiFT 3000 requirements was completed in February 2018, therefore SEAI continues to operate to best practice corporate governance standards.

The SWiFT 3000 certification process, entailed a comprehensive external 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. In the most recent evaluation SEAI was reviewed on the basis of compliance with the revised Code of Practice for the Governance of State Bodies issued in August 2016.

Governance

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 complied 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 the relevant officials in the Department of Communications, Climate Action and Environment and officials from other Government Departments and state agencies, in advancing its objectives and ensuring compliance with statutory, administrative and Ministerial /

Government requirements. At local level, SEAI works closely with other state agencies and a wide range of local organisations and public representatives to proactively develop sustainable energy policy and initiatives. This underpins the overall national strategic objective that SEAI will be central to bringing about a low carbon economy through measures and activities focussed on the transition to a smarter and more sustainable energy future. This work and interaction is carried out in accordance with various policy directives issued by the Minister for Communications, Climate Action and Environment.

Code of Practice for the Governance of State Bodies

In September 2016, the SEAI Board formally adopted the revised Code of Practice for the Governance of State Bodies, issued by the Department of Public Expenditure and Reform in August 2016. 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. As referred to above, SEAI is also evaluated on its compliance with the Code under the SWiFT 3000 certification process. 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 reviewed by the SEAI Board on an annual basis and 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 1: Role of the Board

Section 1.2 Ethical Standards: As stated above the SEAI Board, in consultation with SEAI senior management has devised a specific SEAI Code of Governance Framework. This sets out the appropriate structures and procedures to ensure that the governance and accountability arrangements are robust and effective across the Authority. This Framework includes a Code of Business Conduct for Board members, the conduct required at Board meetings. Board members and designated staff members are also required to comply with the Ethics in Public Office legislation on an annual basis.

1.7 Matters for Decision by the Board: 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 their hands.

Section 1.11 Conflict of Interest: The SEAI Board has established comprehensive procedures to monitor and manage potential conflicts of interests of management and Board members.

Section 1.14 Protected Disclosure: The SEAI Board at its meeting in 1 March 2017 approved a revised Whistle-blowers Charter, which takes account of the new requirements arising from the Protection of Disclosures Act 2014.

Section 1.17 Statement of Strategy: The SEAI Board has adopted a Statement of Strategy for the period 2017-2021 and this was formally launched in July 2017. The Board has agreed a consistent process to monitor updates on progress and developments in relation to the implementation of this strategy. This Strategy is available on the SEAI website www.seai.ie.

Section 6: Business and Financial Reporting

The SEAI Financial Statements are audited annually by the Comptroller and Auditor General and submitted to the Minister for Communications Climate Action and Environment with the SEAI Annual Report in compliance with the Sustainable Energy Act 2002. This includes an examination of the annual Statement of Internal Controls (SIC). The Chair submits these reports in accordance with the requirements set out in Paragraph 1.9 of the Business and Financial requirements of the revised Code. In this regard, SEAI confirms that it 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 Public Expenditure and Reform. 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. The schedule of Board fees and expenses for Board members is set out in the Governance Statement.

Section 7: Risk Management and Internal Controls

Section 7.1 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 Audit and Risk Committee have

established appropriate mechanisms to ensure that it is fully operational and also monitor and review its effectiveness.

Sections 7.4: Review of the Effectiveness of Internal Control

An effective system of internal control is maintained and operated by SEAI. The system of internal financial controls is reviewed on an annual basis by the outsourced internal auditors and this was the case in respect of 2017. The new requirements in relation to this review, as set out in the Code of Practice for the Governance of State Bodies, have been applied in respect of 2017. The review of internal controls and the associated Statement of Internal Controls (SIC) for 2017 have been approved 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, Climate Action and Environment. In addition, the Chairpersons statement on internal controls is included in the Annual Report (see Page 43).

Section 7.7 Internal Audit: 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 7.12 Audit and Risk 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,

Section 8: Parent Department and Oversight Role

Section 8.4 Oversight Agreements: The Department of Communications, Climate Action and Environment, and SEAI has a formal Oversight and Performance Framework/Service Level Agreement in place, which is reviewed on an annual basis.

Section 8.16 Procedures for Procurement: SEAI has an appropriate Public Procurement process, which is compliant with the current value thresholds for the application of EU and national rules. Competitive tendering is standard procedure in this procurement process.

Section 8.44 Tax Compliance: The Chairperson, in the separate letter furnished to the Minister for Communications Climate Action and Environment, 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 providing staff with options in relation to meeting their career and personnel 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 a high quality of service. This Charter includes a procedure for dealing with complaints, if they arise. In 2017 27 complaints were received under this Charter. This is also 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 a policy of SEAI 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, SEAI Board Members furnish each year, to the Secretary, 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.

Annual Energy Efficiency Report 2017

SEAI Offices

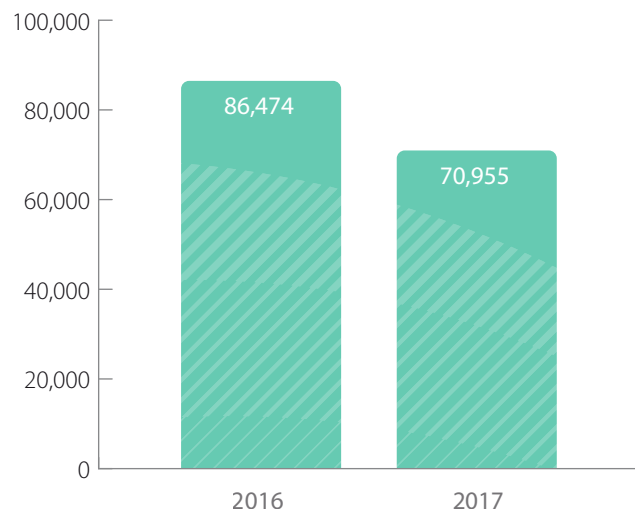
In 2017, SEAI reduced its total energy consumption by 7.6%. It reduced electricity and thermal energy consumption in their office space by 9%. This was offset slightly by higher transport fuel consumption which was due to increased use of the SEAI pool car in place of staff own transport. SEAI first achieved certification to the International Energy Management Standard ISO50001 in September 2016. The recent energy reductions are largely as a result of the improved operational control and energy monitoring required by ISO50001.

SEAI personnel occupy 1,398 m² of office space 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 below:

ENERGY USE DIRECT CONSUMPTION FOR OFFICES AND POOL CAR	2016	2017
Electricity for Lighting, ICT, Office Power, Heating Ventilation & Air Conditioning (kWh TFC*)	120,815	112,669
Natural Gas for Heating (kWh TFC)	63,894	56,144
Marked Gas Oil for Heating (kWh TFC)	11,602	11,164
Petrol for Pool Car (kWh TFC)	7,379	8,249
TOTALS FOR DIRECT CONSUMPTION	203,690	188,227
CO ₂ Emissions (kg)	86,474	70,955

*Total Final Consumption (TFC)

CO₂ Emissions (kg)



Energy-efficiency Actions Proposed for 2018

Maintain ISO50001 certification across the organisation which will ensure continuous focus on energy performance improvement. Projects proposed are primarily targeting the Dundalk office and include:

- Timer clock on burco boiler to reduce electricity consumption outside office hours
- Service of AC unit in server room to improve efficiency
- Increase temperature in server room to reduce cooling load
- Zoning of lights and improved controls to avoid over-lighting
- Complete the implementation of the Excellence in Energy Efficient Design (EXEED) pilot exemplar project at the head office building in Wilton Park House, Dublin 2. This will act as a demonstration project for SEAI's new EXEED Certified programme and also deliver an energy saving project for SEAI's existing ISO 50001 energy management system.
- Purchase of two electrical vehicles and installation of charging equipment at 3 of the 4 offices along with accompanying energy monitoring software.



Energy efficiency delivers

**measurable .
economic
& employment
benefits**

Governance Statement and Board Members' Report

For the Year Ended 31 December 2017

The Board of the Sustainable Energy Authority of Ireland (SEAI) was established under the Sustainable Energy Act 2002 and came into existence on 1 May 2002. This Act was further amended by the Energy Act 2016. The functions of the Authority are set out in Section 6 of this Act. The Board is accountable to the Minister for Communications Climate Action and Environment, is responsible for ensuring good governance, and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of SEAI are the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team must follow the broad strategic direction set by the Board, and must ensure that all Board members have a clear understanding of the key activities and decisions related to SEAI, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Board and management of SEAI.

Board Responsibilities

The broad role of the Board is set out in Section 10 of the Sustainable Energy Act 2002 and the more specific responsibilities of the Board, both individually and corporately, are detailed in the SEAI Code of Governance Framework, which is approved on an annual basis by the Board and is available on the SEAI website (www.seai.ie). This document also contains the matters specifically reserved for Board decision and the standing items considered by the Board include:

- Quorum and Declaration of Interest requirements
- Verification of Minutes of previous meeting
- Matters arising and associated Action Points
- Chairperson's Report
- CEO Report
- Finance, Budget and Expenditure Reports
- SEAI Strategy developments and performance reports
- Consideration of procurement and grant proposals, in accordance with approved delegated authority
- Consideration of Sub-Committee reports
- Corporate Risk Review /Risk management
- Governance and reserved matters

Section 24 (2) of the Sustainable Energy Act 2002 requires the Authority to keep, in such form as may be approved by the Minister, with the consent of the Minister for Finance, all proper and usual accounts of money received and expended by it. In preparing these financial statements, the Board of SEAI is required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and
- 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 adequate accounting records, which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Section 24 of the Sustainable Energy Act 2002. The maintenance and integrity of the corporate and financial information on the SEAI Website is the responsibility of the Board.

The Board is responsible for approving the annual plan and budget. An evaluation of the performance of SEAI by reference to the annual plan and budget was considered in early 2018 and was formally concluded on 19 April 2018.

The Board is responsible for safeguarding its assets and hence taking reasonable steps for the prevention of fraud and other irregularities. The SEAI Board has approved a specific Anti-Fraud Policy.

The Board considers that the financial statements for 2017 for SEAI give a true and fair view of the financial performance and financial position of SEAI at 31 December 2017.

SEAI Board and Committees 2017

Board Structure

Board members are appointed by the Minister for Communications, Climate Action and Environment, with the consent of the Minister for Finance, in accordance with the Sustainable Energy Act 2002, as amended by the Energy Act 2016. New members, on their appointment, are provided with extensive briefing on the agency and its operations. The SEAI Board consists of 12 members. The Minister for Communications, Climate Action and Environment designates one member of the Board (other than the Chief Executive) as Chairperson for a period not greater than 5 years. Board members are appointed for 5 year periods and may be reappointed.

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 Public Expenditure and Reform in August 2016. 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 Board operates in accordance with the provisions set out for the Board of the Authority in the Sustainable Energy Act 2002. In line 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.

In the context of Board effectiveness, in January 2018, the Board carried out a review of its activities for 2017. An external evaluation of SEAI compliance with the Code of Practice for the Governance of State Bodies commenced in December 2017 and was completed in February 2018, as part of the SWIFT 3000 Corporate Governance certification process.

SEAI Board 2017



Julie O'Neill

Chairperson
Appointed 6 May 2015

Julie 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 also Axa Life Europe. She holds an MSc in Policy Analysis from Trinity College Dublin and a B. Comm from UCD. She was previously a member of the SEAI Board from September 2011 to September 2014.



Jim Gannon

CEO Ex Officio
Appointed 23 May 2016

Jim is an Engineering Graduate of NUI Galway, with a Masters in Environmental Assessment from the University of Wales Aberystwyth and MBA from the UCD Smurfit School of Business. He has worked within the energy sector throughout his career, delivering projects at a European, national and regional level for public and private sector organisations. This has included projects across conventional and renewable energy, transmission and distribution infrastructure, energy demand management and technology development.



Anne Farrell

Appointed 24 April 2012
– retired on 1 May 2014,
reappointed on 27 May 2014, retired on 1 May 2016
and was reappointed on 3 October 2016

Anne is a Company director in the family business Squarefit Ltd. She has experience of energy and sustainability issues around transport, e.g. waste within the industry, the management and the recycling of tyres to 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.



Michael McGarry

Appointed 14 May 2013
– retired 1 May 2016 and re-
appointed 3 October 2016

Michael is 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 has worked in Kentz Corporation in Clonmel as Finance Director. In this role, he spent significant time overseas on commencement of operations in overseas countries and subsequent management of these. He has also spent some time in the UK in residential construction. He has a BComm Degree from UCD (1971) and qualified as a Chartered Accountant with KPMG in 1975.



Pat Gilroy

Appointed 14 May 2013, retired on 1 May 2015 was reappointed on 6 May 2015 and resigned on 30 September 2017

Pat is Managing Director in Ireland for Designer Group. He is 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. Following this he was COO of Industrial Customers and UK and Country Director of Veolia. He is a member of the IBEC National Council and the Governing Authority in Dublin City University.



Anne Connolly

Appointed on 2 May 2013, retired on 1 May 2015 was reappointed on 6 May 2015 and resigned on 13 June 2017

Anne is CEO 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 on from her role (2006-2013) as the Executive Director of the Ageing Well Network, an independent high level 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 developing their strategic plans and implementing 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.



Dr Peter Brennan

Appointed 6 May 2015, reappointed 9 May 2018

Peter is Managing Director of EPS Consulting, a public policy research consultancy, and Chairman of Bid Management Services, Ireland's largest tender and procurement advisory company. He has a particular interest and expertise in climate change and energy. He chaired the IEA's Climate Change Research Group from 2007 to 2015 and was an advisor to the Oireachtas Joint Committee on Climate Change and Energy. He lectured on the DCU Masters and Certificate Programme on Sustainable Energy Finance. He is author of an eBook on business opportunities in the green economy. He was IBEC's Director for European Affairs and Strategy Development and was Director of the Brussels based Irish Business Bureau from 1986 to 2001. In his earlier career he worked in the Departments on Industry and Energy and Foreign Affairs.



Dr Lisa Ryan

Appointed 6 May 2015, reappointed 9 May 2018

Lisa is a senior energy economist with expertise in energy efficiency, renewable energy and climate change economics. She joined UCD Energy Institute as senior researcher in energy economics in September 2014. She was the senior energy economist in the Energy Efficiency Unit at the International Energy Agency (IEA) in Paris until summer 2013 where she led projects relating to energy efficiency finance, transport, and cross-sectoral policy. She subsequently worked as an independent consultant in energy and environmental economics. Lisa has a PhD in environmental economics from University College Dublin (UCD), and other postgraduate and undergraduate degrees in economics and engineering from UCD and Colorado School of Mines, USA.



Michael Wall

Appointed 6 May 2015,
reappointed 9 May 2018

Michael is a barrister specialising in construction, planning and environmental law. He also teaches part-time at UCD on masters' degree programmes in planning, urban design and landscape architecture. He is a qualified architect and planner and has an MBA from the Smurfit Business School at UCD. Michael was a member of the Board of An Bord Pleanála from 1999 to 2006, prior to which he worked as an architect in private practice. He has served as a member of the NAMA Planning Advisory Committee since its establishment in 2010. Michael is also a qualified Mediator and Arbitrator.



Kevin Brady

Appointed 16 February 2017

Kevin is the Principal Officer leading the Strategic Energy Policy Division in the Department of Communications, Climate Action and Environment. In this role, he is responsible for the development and coordination of national and European energy policy. He is an engineering graduate with a Masters in economics from University College Dublin. Prior to taking up his current role in 2015, Kevin was an economic consultant specialising in the energy and transport sectors. He also has prior experience developing wind energy projects in Ireland and internationally.



Kate Ruddock

Appointed 16 February 2017

Kate is Deputy Director of Friends of the Earth, and a member of the Environmental Pillar Steering Committee. Kate works to promote sustainable energy policy and to raise awareness of sustainability issues particularly in the context of Climate Change and Ireland's role in responding to Climate Change. She has experience in community energy projects, environmental education and environmental consulting for renewable energy infrastructure projects. She has a Degree in Natural Science from Trinity College Dublin and a Masters in Environmental Sustainability from the University of Edinburgh.



Andrew Ennis

Appointed 14 July 2017

Andrew is Renewable Energy Director with Bartra Capital, which has investment activities in several areas in the Irish infrastructure market including, housing, healthcare, commercial property and renewable energy. He is a Chartered Accountant and holds a B.Comm and M.Acc from U.C.D. Andrew has over 16 years' corporate finance experience in the Irish infrastructure market, specialising in energy and renewable energy. Andrew has previously worked for the NewERA Unit of the National Treasury Management Agency which was established to provide corporate finance advice to the Irish Government in relation to the management and disposal of State assets and investment in key economic infrastructure. He also worked with NCB Corporate Finance (now part of Investec Ireland), specialising in infrastructure mergers and acquisitions, valuations and fundraising.



Ann Markey

Appointed 14 July 2017

Ann is a Fellow of Chartered Accountants Ireland and currently operates as a business adviser and non-executive director. She has extensive experience in the energy industry having held a number of financial and commercial executive management positions in the ESB group. Her experience spans traditional electricity businesses as well as investing in high growth technology and renewable energy companies focused on the low carbon economy. She is a Board member of the Digital Hub Development Agency and is Chair of its Audit & Risk Committee. She is a member of the Audit Committee of the HSE. A UCD law graduate, she is also an Associate of the Irish Tax Institute and an associate of the Association of Corporate Treasurers.

The SEAI Board has established two Committees as follows:

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. The Committee is independent from the financial management of the organisation and ensures that the internal control systems, including audit activities are monitored actively and independently. The Committee reports to the Board after each meeting and formally, in writing, annually. Six meetings of the Committee were held in 2017. The Committee comprises 3 Board members and two external members appointed by the Board.

Members

Sean Wyse (appointed Chair on 30 May 2012, external member)

Gerry Donnelly (appointed on 29 May 2013, external member)

Lisa Ryan (appointed on 27 July 2016)

Michael Wall (appointed on 27 July 2016)

Vacancy (one)

Performance Management and Remuneration Committee

This Committee is responsible for reviewing the terms and conditions for the CEO, within the guidelines established by Government. It is also responsible for reviewing and assessing the performance of the CEO on an annual basis in the context of agreed goals and objectives and the Service Level Agreement between SEAI and the Department of Communications Climate Action and Environment. In addition, the Committee approves the Authority's Action Plan in respect of any Public Sector Agreements, where applicable.

Members

Julie O'Neill (appointed Chair on 6 May 2015)

Kevin Brady (appointed on 4 July 2017)

Michael McGarry (appointed on 7 February 2018)

Committee Attendance

BOARD MEMBER	BOARD ATTENDANCE (9 meetings held in 2017)	AUDIT & RISK COMMITTEE ATTENDANCE (6 meetings held in 2017) (a)	PERFORMANCE MANAGEMENT & REMUNERATION COMMITTEE (b)	FEES 2017 (€)	EXPENSES 2017
Julie O'Neill	9	N/A		11,970	
Jim Gannon	9	N/A		NIL	
Anne Farrell	8	N/A		7,695	
Michael McGarry	8	N/A		7,695	438
Pat Gilroy (c)	6	N/A		5,771	
Anne Connolly (d)	3	N/A		3,527	
Peter Brennan	8	N/A		7,695	
Lisa Ryan	9	5		7,695	
Michael Wall	8	6		7,695	
Kevin Brady (e)	6	N/A		NIL	
Kate Ruddock (e)	6	N/A		6,701	
Andrew Ennis (f)	4	N/A		3,847	
Ann Markey (f)	4	N/A		3,847	

(a) There are two external (Non Board) members on this Committee

(b) There were no meetings of this Committee during 2017

(c) Resigned 30 September 2017

(d) Resigned 13 June 2017

(e) Appointed 16 February 2017

(f) Appointed 14 July 2017

There were two Board members (Kevin Brady and Jim Gannon (CEO) who did not receive a Board fee under the One Person One Salary (OPOS) principle.

Key Personnel Changes

Two members of the Board resigned during 2017.

Anne Connolly resigned on 13 June 2017 and Pat Gilroy resigned on 30 September 2017.

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Board is responsible for ensuring that the SEAI Ireland has complied with requirements of the Code of Practice for the Governance of State Bodies (the Code), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code.

Employees' Short Term Benefits Breakdown

Employees' short term benefits in excess of €60,000 are categorised into the following bands:

BENEFIT BAND €	NUMBER OF FTE EMPLOYEES AT 31 DECEMBER 2017	NUMBER OF FTE EMPLOYEES AT 31 DECEMBER 2016
60,001 – 70,000	8	10
70,001 – 80,000	11	13
80,001 – 90,000	7	7
90,001 – 100,000	4	3
100,001 – 110,000	0	0
110,001 – 120,000	1	1

Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

DETAIL	2017 €'000	2016 €'000
Legal Advice	214	156
Public Relations/ Marketing	4	8
Human Resources	47	0
Business Improvement	786	880
Other	3	0
TOTAL	1,054	1,044

Legal Fees

The table below provides a breakdown of legal costs recognised as expenditure in the reporting period. No settlements were made during the year.

DETAIL	2017 €'000	2016 €'000
Legal Costs	214	156

Hospitality Expenditure

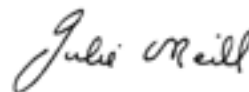
The Income and Expenditure account includes the following hospitality expenditure. No client related hospitality was incurred.

DETAIL	2017 €'000	2016 €'000
Staff Hospitality	23	13

Statement of Compliance

The Board has adopted the Code of Practice for the Governance of State Bodies and has put procedures in place to ensure compliance with the Code. SEAI was in full compliance with the Code of Practice for the Governance of State Bodies for 2017.

Signed on behalf of the Board



Julie O'Neill

Chairperson
Sustainable Energy Authority of Ireland

June 2018

Report of the Comptroller and Auditor General

Report for Presentation to the Houses of the Oireachtas

Opinion on Financial Statements

I have audited the financial statements of the Sustainable Energy Authority of Ireland for the year ending 31 December 2017 as required under the provisions of section 24 of the Sustainable Energy Act 2012. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Sustainable Energy Authority of Ireland at 31 December 2017 and of its income and expenditure for 2017 in accordance with Financial Reporting Standard (FRS) 102 – The Financial Reporting Standard applicable in the UK and the Republic of Ireland.

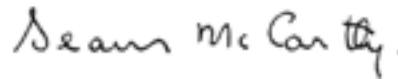
Basis of Opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Sustainable Energy Authority of Ireland and have fulfilled my other ethical responsibilities in accordance with the standards. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on Information other than the Financial Statements, and on other Matters

The Sustainable Energy Authority of Ireland has presented certain other information together with the financial statements. This comprises the annual report, the governance statement and Board members' report and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.



Seamus McCarthy

Comptroller and Auditor General

29 June 2018

Appendix to the Report

Responsibilities of Board Members

The governance statement and Board members' report sets out the Board members' responsibilities. The Board members are responsible for

- the preparation of financial statements in the form prescribed under section 24 of the Sustainable Energy Act 2012
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 24 of the Sustainable Energy Act 2012 to audit the financial statements of the Sustainable Energy Authority of Ireland and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error: design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sustainable Energy Authority of Ireland's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Sustainable Energy Authority of Ireland to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Information other than the Financial Statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other Matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if there are material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if there is any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

Statement on Internal Controls

Scope of Responsibility

On behalf of the Board of Sustainable Energy Authority of Ireland (SEAI), I acknowledge the Board's responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore 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 detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in the authority for the year ended 31 December 2017 and up to the date of approval of the financial statements.

Capacity to Handle Risk

SEAI has an Audit and Risk Committee (ARC) comprising two Board members and two external members, with financial and audit expertise, one of whom is the Chair. The ARC met six times in 2017.

SEAI has also established an internal audit function which is adequately resourced and conducts a programme of work agreed with the ARC. This function is currently outsourced to Mazars.

The organisation has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work within SEAI's risk management policies, to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

SEAI's Internal Programme Compliance Committee (formerly 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 Programme Compliance 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.

Where SEAI identify grants/scheme amounts repayable to it arising from irregularities or breaches in the grants' terms and conditions, grant refunds/repayments are pursued from the relevant homeowner/contractors. Where necessary, cases are notified to the Garda National Economic Crime Bureau.

Risk and Control Framework

SEAI has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing SEAI and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the ARC on an annual basis. The outcome of these assessments is used to plan the internal audit plan for the year and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff.

I confirm that a control environment containing the following elements is in place:

- procedures for all key business processes have been documented,
- financial responsibilities have been assigned at management level with corresponding accountability,
- there is an appropriate budgeting system with an annual budget which is kept under review by senior management,
- there are systems aimed at ensuring the security of the information and communication technology systems,
- there are systems in place to safeguard the assets, and
- control procedures over grant funding to outside agencies ensure adequate control over approval of grants and monitoring and review of grantees to ensure grant funding has been applied for the purpose intended.

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. I confirm that the following ongoing monitoring systems are in place:

- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies,

- reporting arrangements have been established at all levels where responsibility for financial management has been assigned, and
- there are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

Procurement

I confirm that SEAI has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2017 SEAI complied with those procedures with the exception of the procurement of Agency Staff where the expenditure increased above the initial anticipated levels. This resulted in non-compliance of procurement threshold levels. Just over €1 million was incurred across four recruitment agencies. Approximately €150,000 of this related to the agency fee, while the balance of €850,000 related to the salary cost of the recruited staff. A new tender process to address the issue commenced on 10th May 2018. Management are working to a tight timeline with the view to getting the framework established and contracts issued by August 2018.

Review of Effectiveness

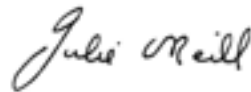
I confirm that SEAI has procedures to monitor the effectiveness of its risk management and control procedures. SEAI's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the senior management within SEAI responsible for the development and maintenance of the internal financial control framework.

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2017.

Internal Control Issues

No weaknesses in internal control were identified in relation to 2017 that require disclosure in the financial statements

Signed on behalf of the Board



Julie O'Neill

Chairperson
Sustainable Energy Authority of Ireland

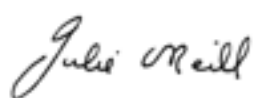
June 2018

Statement of Income and Expenditure and Retained Revenue Reserves

For the Year Ended 31 December 2017

	NOTES	2017 €'000	2016 €'000
INCOME			
State Grants	2	104,815	78,615
Building Energy Rating	9	2,556	2,523
EU Contract Income	3	4	(71)
Other Income	4	176	209
Net Deferred Funding for Pensions for the Year	15(c)	1,631	1,434
Pension Contributions Remitted to DCCA	5.1	(225)	(185)
Net Transfer to Capital Account	13	(53)	(49)
Total Income		108,904	82,476
EXPENDITURE			
Administration Expenditure	5	10,298	8,185
Programme Expenditure	6	96,363	69,933
Building Energy Rating	9	3,018	3,851
Total Expenditure		109,679	81,969
(Deficit)/Surplus for the Year before appropriations		(775)	507
APPROPRIATIONS			
Movement in Amounts due to DCCA	8	(21)	62
(Deficit)/Surplus for the Year after appropriations		(796)	569
Surplus at 1 January		993	424
SURPLUS AT 31 DECEMBER		197	993

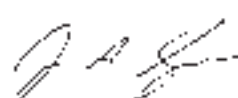
The Statement of Cash Flows and Notes 1 to 21 form part of these financial statements.



Julie O'Neill

Chairperson
Sustainable Energy Authority of Ireland

June 2018



Jim Gannon

Chief Executive Officer
Sustainable Energy Authority of Ireland

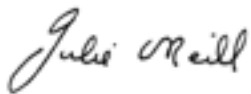
June 2018

Statement of Comprehensive Income

For the Year Ended 31 December 2017

	NOTES	2017 €'000	2016 €'000
STATEMENT OF COMPREHENSIVE INCOME			
(Deficit)/Surplus for the Year after Appropriations		(796)	569
Experience (Gain)/Loss on Retirement Benefit Obligations		(996)	725
Changes in Assumptions Underlying the Present Value of Retirement Benefit Obligations		480	(5,555)
Actuarial Loss in Year	15	(516)	(4,830)
Adjustment to Deferred Retirement Benefit Funding	15	516	4,830
TOTAL RECOGNISED (DEFICIT)/SURPLUS FOR THE YEAR		(796)	569

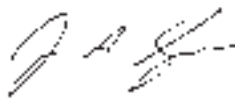
The Statement of Cash Flows and Notes 1 to 21 form part of these financial statements.



Julie O'Neill

Chairperson
Sustainable Energy Authority of Ireland

June 2018



Jim Gannon

Chief Executive Officer
Sustainable Energy Authority of Ireland

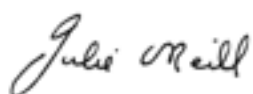
June 2018

Statement of Financial Position

As at 31 December 2017

	NOTES	2017 €'000	2016 €'000
ASSETS			
Property, Plant and Equipment	10	282	228
Current Assets			
– Bank	14	4,313	3,967
– Receivables & Prepayments	11	1,135	797
		5,448	4,764
CURRENT LIABILITIES			
Payables & Accruals	12	(5,251)	(3,771)
NET CURRENT ASSETS			
		197	993
Retirement Benefit Obligation	15B	(29,856)	(27,709)
Deferred Retirement Benefit Funding Asset	15B	29,856	27,709
TOTAL NET ASSETS			
		479	1,221
REPRESENTING			
Capital Account	13	282	228
Retained Revenue Reserves		197	993
		479	1,221

The Statement of Cash Flows and Notes 1 to 21 form part of these financial statements.



Julie O'Neill

Chairperson
Sustainable Energy Authority of Ireland

June 2018



Jim Gannon

Chief Executive Officer
Sustainable Energy Authority of Ireland

June 2018

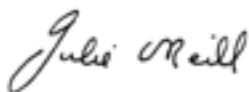
Statement of Cash Flows

For the Year Ended 31 December 2017

	Notes	2017 €'000	2016 €'000
NET CASH FLOWS FROM OPERATING ACTIVITIES			
Excess Expenditure / Income over Income / Expenditure		(796)	569
Transfer to Capital Account	13	53	49
Bank Interest Received		–	(1)
Depreciation of Fixed Assets	10	333	165
(Increase) / Decrease in Accounts Receivable	11	(337)	163
Increase / (Decrease) in Accounts Payable		1,368	(2,123)
Net Cash Flow from Operating Activities		621	(1,178)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to Acquire Property, Plant & Equipment	10	(275)	(213)
CASH FLOWS FROM FINANCING ACTIVITIES			
Bank Interest Received		–	1
Increase in Cash and Cash Equivalents		346	(1,390)
Net Increase / (Decrease) in Cash and Cash Equivalents		346	(1,390)
Cash and Cash Equivalents at 1 January		3,873	5,263
CASH AND CASH EQUIVALENTS AT 31 DECEMBER (NOTE 14)		4,219	3,873

The balance of €4,219,697 does not include an amount of €93,699 held in a separate bank account relating to the Dundalk 2020 Holistic project (See Note 14).


Notes 1 to 21 form part of these financial statements.



Julie O'Neill

Chairperson
Sustainable Energy Authority of Ireland

June 2018



Jim Gannon

Chief Executive Officer
Sustainable Energy Authority of Ireland

June 2018

Notes to the Financial Statements

1. Accounting Policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout the year and for all the preceding years.

(A) Period of Financial Statements

The financial statements cover the year from 1 January to 31 December 2017.

(B) Statement of Compliance

The financial statements have been prepared on an accruals basis, except as stated below. They are prepared in compliance with Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS 102"). The Financial Statements have been prepared under the historical cost convention, and in the format approved by the Minister for Communications, Climate Action and Environment. The unit of currency in which the financial statements are denominated is the Euro. The Authority adopted FRS 102 in the comparative year.

(C) State Grants

State Grants (Note 2), grant refunds and workshop income (Note 4) shown in the Statement of Income and Expenditure and Retained Revenue Reserves reflect the amount received in the year.

(D) Grant Expenditure

Grant Commitments are recognised as expenditure in the Statement of Income and Expenditure and Retained Revenue Reserves when all conditions pertaining to the grant or a phased payment thereof, have been complied with. Grant Commitments will be reduced on payment of a grant or the expiration of the grant agreement. All open Grant Commitments are disclosed in Note 16.

(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.

The gain or loss, being the difference between the sales proceeds and the carrying amount of the asset, arising on disposal or retirement of an item of tangible assets is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

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

IT Systems Development costs that relate to specific SEAI programmes are expensed in the year in which they occur. Management have considered the policy and believe due to the dynamic and changing nature of the programmes it is appropriate to expense these costs.

(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, Climate Action and Environment 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 Income and Expenditure and Retained Reserves and a corresponding adjustment is recognised in the amount recoverable from the DCCAE.

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 DCCAE.

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. The related liabilities in relation to future pension payments are included in SEAI's financial statements.

(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 Statement of Income and Expenditure and Retained Revenue Reserves 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.

(J) EU Contract Income

EU contract income is from activities in Energy Efficiency and Renewable Energy including technology promotion, information dissemination, research and event co-ordination and management. Income is recognised in line with the terms of the contract and is based on the timing and performance requirements of the contract. As such funds are remitted back to DCCAE a corresponding liability is recognised on recognition of the income.

(K) Significant Accounting Judgements and Estimates

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

The assumptions can be affected by:

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds
- (ii) future compensation levels, future labour market conditions

2. State Grants

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

	2017 €'000	2016 €'000
PROGRAMME		
C3: SEAI Administration		
– Current	8,590	7,185
C4: Sustainable Energy Programmes		
– Current	6,576	6,298
– Capital	83,547	59,898
C5: Energy Research Programmes		
– Current	845	849
– Capital	5,257	4,385
TOTAL PROGRAMME EXPENDITURE	104,815	78,615

All programmes under sub-heads C3, C4 and C5 above are fully funded under Vote 29 by the DCCAE.

3. EU Contract Income

The funds from EU contracts of €4,264 (2016: -€70,926) are from activities in Energy Efficiency and Renewable Energy including technology promotion, information dissemination, research and event co-ordination and management.

The income is accrued on an annual basis based on assumptions pertaining at that time. The amounts fluctuate from year to year based on the updated progress of the contract. This may result in an increase or decrease in income from year to year. During 2016 assumptions changed for a number of contracts and resulted in a reduction in the accrual from the prior year. This has led to a debit balance in the Income and Expenditure account for 2016.

Any payments received during the year are remitted back to DCCAE.

4. Other Income

Other income consists of proceeds from courses and receipts of sponsorship.

	2017 €'000	2016 €'000
Sponsorship Sustainable Energy Awards	45	68
Bank Interest	-	1
Other Income	33	42
One Good Idea Schools Programme	98	98
	176	209

5. Administration Expenditure

Administration Expenditure is made up of the following items:

	NOTES	2017 €'000	2016 €'000
Salaries & Related Charges	5.1	5,258	4,284
Pension Costs	15	1,589	1,421
Recruitment, Training & Education	5.2	347	116
Advertising and Promotion	5.3	247	180
General Professional fees	5.4	404	364
General Administration	5.5	2,453	1,820
		10,298	8,185

5.1 Salaries and Related Charges

	NOTES	2017 €'000	2016 €'000
Salaries		4,148	3,390
Employer's PRSI		405	324
Agency / Contract Staff		630	501
Board Member	18	75	69
Emoluments			
		5,258	4,284

The Authority deducts employee superannuation contributions which are remitted to the Department of Communications, Climate Action and Environment in respect of SEAI's benefit scheme and DPER in respect of Single Scheme members. Included in the salaries cost is €225,000 (2016: €184,760) in respect of employee superannuation contributions. The Authority is not required to make employer contributions to the scheme.

Chief Executive's Remuneration

The current CEO was appointed on 23rd May 2016. The value of his remuneration in 2017 was €119,648 (2016: €71,739) and expenses were €8,335 (2016: €2,481). The current CEO pension entitlement does not extend beyond the standard entitlements in the public sector single pension scheme. His contract of employment does not include a performance related award scheme or any benefit-in-kinds/perquisites.

Key Management Remuneration

Key management personnel in SEAI consists of the CEO, the COO and seven Heads of Departments in 2017 (2016: six Heads of Department). The total value of the employee benefits for key management personnel is set out below:

	2017 €'000	2016 €'000
Salaries	806,162	695,243

The management's pension entitlements do not extend beyond the standard entitlements in the model public sector scheme or the public sector single scheme. Contracts of Employment do not include a performance related reward scheme or any benefit-in-kind/perquisites.

Pension Levy

€205,683 (2016: €195,513) of pension levy has been deducted from salaries and has been paid over to the Department of Communications, Climate Action and Environment during the year.

BENEFIT BAND €	NUMBER OF FTE EMPLOYEES AT 31 DECEMBER 2017	NUMBER OF FTE EMPLOYEES AT 31 DECEMBER 2016
60,001-70,000	8	10
70,001-80,000	11	13
80,001-90,000	7	7
90,001-100,000	4	3
100,001-110,000	0	0
110,001-120,000	1	1

Board Fees

Board fees are disclosed in Note 18.

Permanent & Long Term Contract

The average number of permanent and long term contract employees for the period was 68 (2016: 54).

5.2 Recruitment, Training and Education

	2017 €'000	2016 €'000
Staff Recruitment, Training & HR Systems	328	104
Staff Subscriptions & Publications	19	12
	347	116

5.3 Advertising and Promotion

	2017 €'000	2016 €'000
Advertising Costs	29	3
Print & Design	50	29
Sponsorship	30	17
Communications and Public Relations	97	105
Workshop Materials and Event Costs	29	17
Other	12	9
	247	180

5.4 General Professional Fees

	2017 €'000	2016 €'000
Organisational Development	47	–
Schools Programme	318	322
Company Secretarial Fees	39	42
	404	364

5.5 General Administration

	2017 €'000	2016 €'000
Rent, Rates and Service Charges	612	595
Travel & Subsistence – Staff	13	7
Travel & Subsistence – Board	2	1
IT General Expenditure	10	7
IT Maintenance	382	227
IT Systems Development	155	63
IT Licences	307	161
IT Consumables	55	15
IT Helpdesk	131	155
Depreciation	333	165
Audit Fees – External	32	32
Audit Fees – Internal	34	20
Insurance and Legal	77	58
Telephone & Data Lines	165	169
Stationery	8	9
Other	137	136
	2,453	1,820

Expenditure in 2016 of €146,000 relating to Market Surveillance has been reclassified from Administration Expenditure to Programme Expenditure.

6. Programme Expenditure

	NOTES	2017 €'000	RE- CLASSIFIED 2016 €'000
ENERGY EFFICIENCY			
Better Energy Warmer Homes	6.1	24,381	20,885
Better Energy Warmth Wellbeing	6.2	6,912	851
Industry & Business Programme	6.3	3,355	1,623
Better Energy Homes	6.4	18,764	18,657
Public Sector Energy Efficiency	6.5	6,720	1,905
Market Surveillance	6.6	302	146
Retrofit Development Programme	6.7	1,022	1,081
Better Energy Communities	6.8	22,196	15,196
Better Energy Smart Metering	6.9	54	88
Better Energy Financing	6.10	436	619
Deep Retrofit	6.11	877	–
RENEWABLE ENERGY			
Renewable Energy Research, Development & Deployment	6.12	2,476	1,228
Ocean Energy	6.13	3,397	3,848
INNOVATION & INTEGRATION			
Renewable Energy Information	6.14	24	39
Sustainable Energy Communities	6.15	540	207
Energy Statistics and Modelling	6.16	429	424
Electric Vehicles	6.17	4,478	3,136
		96,363	69,933

- All administration costs directly related to programme expenditure are included in programme costs above.
- Expenditure in 2016 of €146,000 relating to Market Surveillance has been reclassified from Administration Expenditure to Programme Expenditure.
- Certain comparative figures for the year have been reclassified and re-presented on the same basis as those for the current year.

6.1 Better Energy Warmer Homes

	2017 €'000	RE- CLASSIFIED 2016 €'000
Private Contractors	20,090	18,595
Grants Issued	10	43
Technical Services & Inspections	3,136	1,752
Customer Management & Quality Assurance	643	207
Other Costs	134	103
IT Systems Development & Maintenance	361	179
Travel Costs	7	6
	24,381	20,885

The Better Energy Warmer Homes scheme supports upgrading the energy efficiency of privately owned homes experiencing fuel poverty.

6.2 Better Energy Warmth and Wellbeing

	2017 €'000	2016 €'000
Private Contractors	6,535	786
Programme Operation / Promotion	377	65
	6,912	851

The Warmth and Wellbeing Scheme aims to improve the living conditions of vulnerable people living with chronic respiratory conditions.

6.3 Industry and Business Programme

	2017 €'000	2016 €'000
EXEED	1,556	382
Energy Agreements and LIEN	451	615
SME Capital Pilots	725	–
Promoting Energy Efficiency in Business	175	242
ACA/Triple E Operational Costs	181	139
SME & Other Industry Costs	134	206
IT Systems Development & Maintenance Costs	124	29
Travel Costs	9	10
	3,355	1,623

This programme supports efforts across all business sectors to accelerate adoption of energy efficiency. This is achieved through networks and services promoting structured energy management to world class standards, while developing markets for energy efficiency advice and services. Pilot actions (Lighting and Dairy Farms) were undertaken in 2017 to simulate projects in SME sector.

EXEED Certified is a Programme with oversight by SEAI that provides independent certification of assets – either created new by design or retrospectively by upgrade achieving optimised energy performance and with future energy management capability.

6.4 Better Energy Homes

	2017 €'000	2016 €'000
Grants Issued	16,330	17,030
Technical Services & Inspections	732	415
Operational Delivery	939	693
Other Costs	175	160
IT Costs	406	319
Advertising	172	30
Travel Costs	10	10
	18,764	18,657

The Better Energy Homes Programme is a national Programme open to all homeowners including landlords of dwellings built prior to 2006. It incentivises homeowners to make their homes more energy efficient. This is achieved through the provision of grants for a suite of measures such as insulation, heating upgrades and solar thermal.

6.5 Public Sector Energy Efficiency

	2017 €'000	2016 €'000
Public Sector Capital Grants	5,363	448
Grants	66	–
Client Advisory Services	724	994
Energy in Education Schools Resource	–	34
Other Operational Costs	154	182
IT Systems Development & Maintenance	408	240
Travel Costs	5	7
	6,720	1,905

This programme promotes structured energy management practices and delivers direct energy efficiency advice, mentoring, training and specialist technical supports to public sector organisations. In 2017 pilot actions were undertaken to test approaches for retrofit actions in central government buildings and schools.

6.6 Market Surveillance

	2017 €'000	2016 €'000
Market Surveillance	302	146
	302	146

SEAI carries out market surveillance functions relating to the EU Ecodesign Directive, the EU Energy Labelling Directive and the EU Tyre Labelling Regulations on behalf of the Minister for Communications, Climate Action and Environment who is the Market Surveillance Authority (MSA).

Activities include compliance promotion, monitoring and verification. SEAI took on these responsibilities from DCCAE on 31 March 2017 and the majority of work undertaken during 2017 related to programme development.

6.7 Retrofit Development Programme

	2017 €'000	2016 €'000
Programme Development	201	151
IT Systems Development	325	181
Other Costs	331	573
Strategic Advice	36	71
Client Advisory	116	94
Travel Costs	13	11
	1,022	1,081

Retrofit Development supports the wider development of the Energy Efficiency Obligation Scheme pursuant to implementation of Article 7 of Energy Efficiency Directive 2012 and the National Energy Efficiency Action Plan. This includes the administration and energy credit management of the Irish energy supplier obligations programme and supports for development of new retrofit programmes.

6.8 Better Energy Communities

	2017 €'000	2016 €'000
Grants Issued	21,604	14,650
Programme Operation / Promotion	592	546
	22,196	15,196

The Better Energy Communities programme supports 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 including energy poor homes.

6.9 Better Energy Smart Metering

	2017 €'000	RE- CLASSIFIED 2016 €'000
Commissioned Studies / Reports	15	15
Programme Operation / Promotion	39	73
	54	88

SEAI participate in the national smart metering project which is co-ordinated by the Commission for Energy Regulation and are involved in the 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.

6.10 Better Energy Financing

	2017 €'000	2016 €'000
Grants Issued	193	400
Commissioned Research Studies	85	54
Travel Costs	4	4
Other Operational Costs	154	161
	436	619

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.

6.11 Deep Retrofit

	2017 €'000	2016 €'000
Grants Issued	752	–
Technical Services & Inspections	26	–
IT Systems Development	50	–
Travel Costs	3	–
Other Operational Costs	46	–
	877	–

Deep Retrofit Pilot programme was created to tackle housing energy efficiency challenges in Ireland. It will investigate the challenges and opportunities of deep retrofit. The learning from these pilots will inform our approach towards a large scale deep retrofit of buildings in Ireland. The initial focus is on the residential market.

6.12 Renewable Energy Research, Development & Deployment

	2017 €'000	2016 €'000
Grants Issued	2,011	702
Supported Research	–	6
Research Engagement & Partnerships	377	304
IT Development & Maintenance	14	38
Commissioned Studies / Reports	24	158
Travel Costs	50	20
	2,476	1,228

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

6.13 Ocean Energy

	2017 €'000	2016 €'000
Grants Issued	1,155	1,329
Sub Contracted Works	1,638	1,803
Commissioned Research / Studies	–	12
Other Costs	278	267
Mayo Test Site Work	306	433
Travel Costs	20	4
	3,397	3,848

The Ocean Energy Programme is administered by SEAI to implement the Government's policy decision to accelerate the development of Ocean Energy in Ireland, as set out in the Offshore Renewable Energy Development Plan.

6.14 Renewable Energy Information

	2017 €'000	2016 €'000
Programme Operation / Promotion	24	39
	24	39

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

6.15 Sustainable Energy Communities

	2017 €'000	2016 €'000
Operation Delivery	512	127
Strategic Advice	17	67
Travel Costs	11	13
	540	207

This programme involves building capacity in communities to enable delivery of large scale sustainable energy projects and the transition to sustainable energy communities (SEC) and has developed a national SEC network with currently over 130 members (2016: 60).

6.16 Energy Statistics and Modelling

	2017 €'000	2016 €'000
Commissioned Research / Research	226	183
Other Costs	190	159
Travel Costs	10	19
IT Development and Maintenance	3	63
	429	424

This programme fulfils SEAI's responsibility for developing, maintaining and publishing comprehensive national and sectoral statistics for energy production, transformation and end-use. This also 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.

6.17 Electric Vehicles

	2017 €'000	2016 €'000
Grants Issued	4,272	3,039
Other Costs	126	85
IT Development & Maintenance	79	5
Travel Costs	1	7
	4,478	3,136

This programme is supporting the deployment of electric vehicle technology in the Irish transport system and provides grant aid towards the purchase of electric vehicles and funded an additional 907 electric cars in 2017 (2016: 665 cars) which were grant aided under this programme in 2017.

7.1 Consultancy Costs

The Income & Expenditure Account includes the following consultancy expenditure which is categorised as follows:

	2017 €'000	2016 €'000
Legal Advice	214	156
Public Relations / Marketing	4	8
Human Resources	47	–
Business Improvement	786	880
Other	3	–
	1,054	1,044

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

7.2 Travel and Subsistence Expenditure

The Income & Expenditure Account includes the following travel and subsistence expenditure which is categorised as follows:

	2017 €'000	2016 €'000
Domestic – Board	1	1
Domestic – Employee	109	82
International – Board	–	–
International – Employee	26	35
	136	118

7.3 Hospitality Expenditure

The Income & Expenditure Account includes the following hospitality expenditure which is categorised as follows:

	2017 €'000	2016 €'000
Staff Hospitality ¹	23	13
	24	39

¹Included in staff related expenditure for 2017 is an amount of €4,922 (2016: €3,519) relating to SEAI's contribution to the staff Christmas event. Staff also contribute to this event.

8. Appropriations

	2017 €'000	2016 €'000
EU Contract Income	4	(76)
Grant Refunds	17	2
Other	-	12
	21	(62)

Non Exchequer funds received by SEAI are remitted back to the DCCAE. As such funds are recognised as income, a corresponding liability to DCCAE is also recognised.

The above note details the movement in the amount due to the DCCAE during 2017.

EU Contract income is accrued on an annual basis (see Note 3) and can fluctuate from year to year based on the updated progress of the contract. During 2016 assumptions changed for a number of contracts and resulted in a reduction in both the income and liability from the prior year.

9. Building Energy Rating

	2017 €'000	RE- CLASSIFIED 2016 €'000
Outsourced Programme Operation	730	610
Programme Delivery and Development	129	206
Quality Assurance	1,043	1,140
IT Support & Maintenance	333	254
IT System Development	774	1,633
Travel Costs	9	8
	3,018	3,851

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 €2,556,255 (2016 €2,523,430) resulting in a loss in the year of €460,618 (2016: €1,327,698).

10. Property, Plant and Equipment

	IT EQUIPMENT & SOFTWARE €'000	OCEAN PROGRAMME €'000	OFFICE EQUIPMENT €'000	FIXTURES & FITTINGS €'000	MOTOR VEHICLES €'000	TOTAL €'000
COST						
Balance at 1 January 2017	1,048	1,717	11	243	28	3,047
Additions ²	115	51	–	221	–	387
Disposals	(80)	(43)	–	–	–	(123)
Balance at 31 December 2017	1,083	1,725	11	464	28	3,311
DEPRECIATION						
Balance at 1 January 2017	(886)	(1,691)	(11)	(203)	(28)	(2,819)
Disposals	80	43	–	–	–	123
Charge for Current year	(174)	(30)	–	(129)	–	(333)
Balance at 31 December 2017	(980)	(1,678)	(11)	(332)	(28)	(3,029)
NET BOOK VALUE BALANCE AT 31 DECEMBER 2017	104	45	–	133	–	282
Balance at 31 December 2016	162	26	–	40	–	228

²The additions to Fixtures and Fittings in the current year relates to works completed in Wilton Park House. These are depreciated over a two year period in line with the remaining lease.

11. Receivables & Prepayments

	2017 €'000	2016 €'000
Dundalk Concerto Bid	32	32
EU Contracts	46	41
EPBD Receivables	170	175
Prepayments	441	534
Other Receivables	446	15
	1,135	797

12. Payables & Accruals

	2017 €'000	2016 €'000
Payables	1,341	671
Accruals	1,040	1,453
Dundalk 2020 Holistic Project	94	94
VAT	1,430	708
PSWT	382	439
PAYE / PRSI	147	106
Other Payables	188	201
Deferred Income	629	99
	5,251	3,771

13. Capital Account

	2017 €'000	2016 €'000
Opening Balance	228	150
Transfer (to) / from Statement of Income and Expenditure and Retained Revenue Reserves:		
Amount Capitalised in Respect of Purchased Assets	387	213
Amortisation in Line with Asset Depreciation	(333)	(165)
	53	49
Adjustment	–	29
BALANCE AT END OF YEAR	282	228

14. Bank

	2017 €'000	2016 €'000
Current Bank Account	9	10
Savings Account	2,812	1,689
EPBD Account	1,398	2,174
	4,219	3,873
Dundalk 2020 Holistic Project	94	94
	4,313	3,967

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.

	2017 €'000	2016 €'000
Funds on Hand at 1 January	94	94
Receipts in Year	–	–
Payments in Year	–	–
FUNDS ON HAND AT 31 DECEMBER	94	94

15. Retirement Benefit 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 2017. This valuation was carried out by a qualified independent actuary for the purposes of the accounting standard, Financial Reporting Standard No. 102 (FRS 102).

A. Analysis of Retirement Benefit Costs Charged to Expenditure

	2017 €'000	2016 €'000
Current Service Costs	1,273	1,008
Interest on Pension Scheme Liabilities	541	598
Staff Superannuation Deductions	(225)	(185)
PENSION COST IN THE PERIOD	1,589	1,421

B. Analysis of the Movement in Liability During the Year

	2017 €'000	2016 €'000
Scheme Liability at 1 January	27,709	21,445
Current Service Cost	1,273	1,008
Interest Cost	541	598
Actuarial Loss / (Gain)	516	4,830
Benefits Paid in the Year	(183)	(172)
SCHEME LIABILITY AT 31 DECEMBER	29,856	27,709

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.

Net Deferred Funding for Pensions for the Year

	2017 €'000	2016 €'000
Funding Recoverable in Respect of Current Year Pension Costs	1,814	1,606
State Grant Applied to Pay Pensions	(183)	(172)
	1,631	1,434

The deferred funding asset for pensions as at 31 December 2017 amounted to €29,856,000 (2016: €27,709,000).

D. History of Experience Gains and Losses

	2017 €'000	2016 €'000	2015 €'000
Amount (€)	(996)	725	187
Percentage of Present Value of the Scheme Liabilities	(3.3%)	2.6%	0.9%
Total Amount Recognised in Statement of Comprehensive Income	(516)	(4,830)	5,817
Percentage of Present Value of the scheme liabilities	(1.7%)	(17.4%)	27.1%

The cumulative actuarial loss recognised in the Statement of Comprehensive Income amounts to €11,712,000 (2016: €11,196,000).

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 FRS102 disclosures has been based on a full actuarial valuation on 9th February 2018 by a qualified independent actuary taking account of the requirements of the FRS in order to assess the scheme liabilities at 31 December 2017.

The main financial assumptions used were:

	AT 31/12/17	AT 31/12/16	AT 31/12/15
Discount Rate	2.02%	1.96%	2.80%
Rate of Increase in Salaries	3.25%	3.25%	3.25%
Rate of Increase in Pensions	3.25%	3.00%	3.25%
Inflation	1.96%	1.95%	1.75%

Mortality Tables used are as follows:

Active & Deferred:

	PRE- RETIREMENT	POST- RETIREMENT	PENSIONERS
Male	62% of PNML00	58% of ILT15	58% of ILT15
Female	70% of PNFL00	62% of ILT15	62% of ILT15

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

	CURRENT PENSIONER (IN 2017) AT AGE 65	FUTURE PENSIONER (IN 2037) AT AGE 65
Male	21.1 years	23.7 years
Female	23.7 years	25.8 years

16. Grant Commitments and grant repayments/refunds

(i) Grant Commitments

It is estimated that the maximum future payments likely to arise from commitments entered into under various support schemes will amount to €28,866,472 (2016: €26,633,658).

	COMMITTED AS AT 1 JAN 2017 €'000	COMMITTED DURING THE PERIOD €'000	DE- COMMITTED €'000	PAYMENTS €'000	COMMITTED AS AT 31 DEC 2017 €'000
ENERGY EFFICIENCY					
Better Energy Warmer Homes	97	1	(40)	(10)	48
Better Energy Finance Pilot	906	1,205	(898)	(193)	1,020
Energy Agreements Special Investigation	93	10	0	(10)	93
Exemplars	421	3,285	(133)	(3,276)	297
Warmer Homes Areas	108	0	0	(84)	24
Better Energy Homes	9,017	20,458	(5,782)	(16,330)	7,363
Better Energy Communities	10,023	28,209	(2,857)	(21,519)	13,856
Sustainable Energy Communities	0	190	0	0	190
EXEED	299	1,938	(224)	(1,498)	515
SME GRANTS	0	839	0	(725)	114
RENEWABLE ENERGY					
Renewable Energy Research, Development & Deployment	756	1,445	(302)	(980)	919
Electric Vehicles	592	4,987	(273)	(4,272)	1,034
Ocean	4,321	1,067	(842)	(1,154)	3,392
	26,633	63,634	(11,351)	(50,051)	28,865

17. Related Parties Disclosures

Total compensation paid to the CEO and the Board, including Board members' fees and expenses and total CEO remuneration amounted to €194,226 (2016: €189,944). For a breakdown of the remuneration and benefits paid to key management personnel, please refer to note 5.1 and note 18.

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 two occasions during the year, two Board members excused themselves from a Board decision in order to avoid any potential or perceived conflict of interest in relation to the Better Energy Communities Programme.

18. Board Members Fees and Expenses

SEAI pays fees and expenses to its Board members in accordance with Department of Public Expenditure and Reform 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 €438 were paid in 2017 (2016: €669).

Board Fees

	2017 €'000	2016 €'000
Julie O'Neill (a)	12	12
Anne Farrell (c)	7	3
Michelle Green (d)	–	2
Paddy Phelan (e)	–	7
Michael Wall (a)	7	8
Lisa Ryan (a)	8	8
Peter Brennan (a)	8	8
Anne Connolly (b)	4	8
Michael McGarry (c)	8	5
Patrick Gilroy (b)	6	8
Kate Ruddock (f)	7	–
Kevin Brady (f)	–	–
Andrew Ennis (g)	4	–
Ann Markey (g)	4	–
Jim Gannon (h)	–	–
TOTAL	75	69

- a) Appointed 6th May 2015
- b) Reappointed 6th May 2015
- c) Retired 1st May 2016 and reappointed 3rd October 2016
- d) Retired 1st May 2016
- e) Appointed 6th May 2015 and resigned 18th November 2016
- f) Appointed 16th February 2017
- g) Appointed 14th July 2017
- h) Appointed (CEO) 23rd May 2016

Board Members Expenses

	2017 €'000	2016 €'000
Domestic mileage	–	–
Domestic subsistence	–	–
Domestic other	1	1
Overseas airfares	–	–
TOTAL	1	1

19. Operating Leases – 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. The Authority has the following future non-cancellable minimum lease payments under operating leases for each of the following periods:

Operating Leases

	2017 €'000	2016 €'000
Within 1 Year	461	467
During 2 to 5 Years	374	839
Over 5 Years	–	–
TOTAL	835	1,306

Operating lease payment recognised as an expense was €416,313 (2016: €459,186).

20. 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.

21. Approval of Financial Statements

The Board approved the financial statements on 1st March 2018.



We can help you, your business
and your community to be more

more energy
efficient and use
cleaner
energy



Sustainable Energy Authority of Ireland
Wilton Park House, Wilton Place, Dublin 2, Ireland D02 T228

t +353 1 808 2100 | e info@seai.ie
f +353 1 808 2002 | w www.seai.ie

 |  @seai_ie

