

ENDLESS ENERGY

**'I wanted somebody different,
someone young, and with flair –
the most important thing in a
chief executive'**

IRISH DIRECTOR

Interview with

Brendan Halligan

Summer 2010

A former general secretary of the Labour Party and a committed European, today Brendan Halligan is chairman of the Sustainable Energy Authority of Ireland. He tells Ann O'Dea about his vision for Ireland as one of Europe's largest suppliers of green energy.

It is not hard to see why Minister Eamon Ryan TD appointed Brendan Halligan as chairman of the Sustainable Energy Authority of Ireland (SEAI) back in 2007. When we meet in the Baggot Street offices of the public affairs company CIPA he founded in 1985, it quickly becomes apparent that what Halligan does not know about Europe and about the area of renewables is probably not worth knowing. His seemingly endless energy and positivity is highly contagious.

Having served as a member of the Seanad and Dáil Eireann, a member of European Parliament and general secretary of the Labour Party for 13 years, Halligan is far more than simply a political animal. The word 'entrepreneurial' comes up regularly throughout our conversation, usually employed as a strong compliment whether describing politicians, businesspeople, or state employees.

A Dubliner born and bred in Rialto surrounded by a large extended family, Halligan followed his father and his mother's brothers to James Street CBS, before proceeding to Kevin St (today Dublin Institute of Technology), at the time a vocational school, on the very first scholarship Dublin VEC ever offered. "Their intention was to move the kids onto third level," says Halligan. There followed a move to the CIE Works in Inchicore as a junior analytical chemist, a time he remembers fondly, and which left him with a high regard and respect for engineers and craftspeople, he tells me.

Next was a two-year stint in London where he worked with a boutique engineering company "in order to raise the money to go to university". Halligan did return to take his degree in economics at University College Dublin (UCD), and worked all through college, at one time spending five months with Aer Lingus - "when I should have been at college", he says.

The General

Halligan graduated in 1963 with a master's degree from UCD. "I graduated on a Friday and started work the following Monday with the Irish Sugar Company," he recalls, under "a fantastic chief executive" Lieutenant General Michael Joseph Costello, who had been a senior figure in the War of Independence and Emergency, before being appointed as managing director of the State company.

“He is one of the most powerful personalities I have ever met in my life, and he had a lasting influence on everybody, a great entrepreneur,” says Halligan. “Sean Lemass had asked the state bodies to become development corporations. The Sugar Company and the General, as he was called, had succeeded in doing just this. He had seen the synergy between sugar beet, grown by 40,000 farmers, and vegetables, and he set up vegetable-growing cooperatives that eventually morphed into Erin Foods.

“It was a great time to be young and to be working for such a man,” says Halligan. The two remained firm friends until Costello’s death in 1986.

Political bent

Halligan had a political bent, however, and was soon drawn to the Labour Party, applying successfully for a job as political director of the party, and taking up duty on 1 May 1967. The following January he was appointed general secretary at the age of just 30.

“I had the great privilege of working with the then leader Brendan Corish, who was again an entrepreneur in a very real sense - a political entrepreneur,” recounts Halligan. “He wanted to change the whole political configuration of the country. He wanted to push Fianna Fáil and Fine Gael together, and felt that there should be a social democratic party emerging as the opposition. It was an idea into which a lot of us bought, including myself.”

The Arms Crisis of May 1970 changed all that. “It caused everyone in Opposition to reevaluate what we were at, and Brendan Corish came to the conclusion that it was essential, in terms of Irish democracy, to offer a real alternative.”

The party was forced to change its strategy of not entering coalition, a decision that was somewhat ‘traumatic’ for the party says Halligan, citing John Maynard Keynes: “When circumstances change, I change my views. What do you do Sir?”

There followed the National Coalition, which saw the party go into Government in 1973 with Fine Gael. Halligan himself was appointed to the Senate where he spent three years. Topically enough today, Halligan has great time for the Senate, where, in his view, the level of debate is higher than in the Dáil.

“Certainly there are some things I would change, but it has a very important role as a second chamber, which is that bit distanced from the day-to-day burly-burly of politics. You could argue that successive Governments haven’t used it properly.”

In 1976 he was chosen to contest a by-election in Dublin South West for Labour, successfully. There followed a year in the Dail, until the coalition lost the 1977 election “devastatingly”, and Halligan found himself back in party head office, where he stayed until 1980, when he decided it was time to move on. He returned to Kevin St to teach economics and management and then an opportunity arose in 1983 to fill a vacancy in the European Parliament, and he found himself in Europe for a year and a half, an experience Halligan relished. “If I had to choose a lifestyle this would be it - being an MEP,” he smiles.

Europe and energy

Halligan specialised in energy and monetary affairs, and from then, Europe and energy security would continue to be a key focus in his professional life. “At that time, energy was at the root of the world global depression that had been induced in 1974 as a result of OPEC’s decision to triple the price of oil,” he says. “You suddenly realised how vulnerable we were. This was a period when people were queuing for hours for petrol, and pushing their cars.”

“I have great time for the European Parliament, a wonderful organisation, superbly organised, and a model we should be using here for Dáil Eireann ... but that’s another day’s work,” says Halligan. On his return to Ireland in

1985, he set up his own public affairs business, CIPA, of which he is still CEO today.

Also in 1985, Halligan was appointed chairman of Bord na M6na by Dick Spring TD, Minister for Energy at the time. The company was at a difficult phase and had been without a chairman for over a year. "The technology, the harvesting of the peat crop, was very weather-dependent, and we had had several bad summers. We needed to turn the company around."

This was where Halligan was to first come into contact with Eddie O'Connor, who later went on to set up Airtricity and Mainstream Renewable Power. O'Connor was chosen after a rigorous interview process under Halligan. "I knew I wanted somebody different, someone young, and with flair - the most important thing in a chief executive." O'Connor had it in spades.

Together the new team reorganised the company into four divisions, one of which was Horticulture. "This was the beginning of a recognition that what we were doing wasn't ecologically the best thing in the world. On the other hand, as regards energy security and economic development, it made sense."

It was Halligan's first taste of life in the boardroom chair, and one he describes as an excellent experience. "The first thing as chair is to create a unified board and maintain it as such. The board must be cohesive," he says. And cohesive it was for his 10 years at Bord na M6na, helped in part by the fact that the company had been in serious trouble, says Halligan: "Crisis is a great unifier."

"They knew they had to change to save some of the jobs. Provided people can be part of the process of change and can have input, then they are going to consent. I have no time for management by diktat. Anyone can do that. It's to bring people with you, that is the thing, and Eddie was wonderful at that."

His experience as general secretary of the Labour Party stood to him he says. "I wouldn't

overstate the analogy, but I saw my role then as making space for the leader to do all the things he wanted to do, ensuring that he never had to worry about his back.

"The thing was to allow Eddie's flair to flower, and as a consequence he began to think about green energy, and see the importance of wind, and that's where it all started." In 1992, Bord na M6na built the first wind farm in Ireland at Ballycroy in Co Mayo.

But it was when O'Connor left to set up Airtricity in 1997, and asked Halligan to come on-board as a public affairs consultant, that he had his real "baptism of fire" into wind, especially onshore wind. "I began to learn a lot and to really look at the green agenda, which was by now becoming quite significant."

European agenda

In parallel, Halligan continued to pursue his interest in the European movement. "In 1989 I began to get very concerned about the future of the country in the European Union. We had voted in the 1987 referendum on the Single European Act in a way that I felt was extraordinarily dangerous. There was a 44pc turnout, and a two to one majority in favour, but that represented just 25pc of total voters, which means that three out of four people did not vote in favour.

"With a group of others, we decided that we needed a forum where we could debate European issues on a continuous basis, as objectively as one can, and that it could provide strategic advice, or raise strategic issues with the decision makers, the policy makers." The result was the founding in 1991 of the Institute of International and European Affairs, "a policy research think-tank and forum".

In 2008, when O'Connor moved on from Airtricity to found Mainstream Renewable Power, he invited Halligan onto the board. "At this point, offshore wind becomes very important - I had known about offshore thanks to Arklow Bank (Ireland's first offshore wind farm,

developed by Airtricity and GE Wind Energy), but Mainstream was quite different, with an aim to make a huge statement offshore.

“There are societal limits to onshore, and there are things you can’t do,” explains Halligan. “So if you consider we have to decarbonise society by 2050, then you’ve got to replace carbon fuels over a period of just 40 years. To get to 100% renewable power generation, you’ve got to look offshore, which is a whole different technology.

“And it is not like this is an option, it’s not a fashion accessory, a debating point, it’s not a question of whether it’s competitive or not. We’ve just got to do it,” he says.

The supergrid

In this context, Halligan strongly supports O’Connor’s call for a European ‘supergrid’. Mainstream is one of ten European energy and engineering firms lobbying for a pan-European electricity supergrid, capable of supporting future renewable-energy capacity.

“For Europe there will be three major contributions from renewables. In Scandinavia it’ll be hydro, in the Northern seas, it will be offshore, and then in southern Europe and across north Africa, it’s mainly solar. The idea is that the three of these would be joined up via the supergrid.

“The concept arose out of Eddie’s thinking about the intermittency of wind,” Halligan continues. “He came up with the idea that wind is always blowing somewhere, and if you can have a system that will capture that wind and feed it into the same grid then you’ve gotten over this problem. You can match it with solar, add on wave and tidal power - they can all feed in.”

Key to this is the emergence of a new piece of technology high voltage direct current (HVDC). “Suddenly you have the possibility of transmitting power across long distances with no transmission losses, whereas AC has huge transmission losses.

“Of course, the supergrid acts as an interconnector as well as just transmitting the electricity. With this ability to shunt the power around, you are creating market conditions for trading. You now have the basis for energy security, and for a Single European Energy market. And, of course, the benefits as regards the climate change challenge are obvious.”

Ireland’s green future

“The resources at sea are almost infinite, so there are no limits to what Ireland could do in terms of offshore wind,” he says. “Two thirds of the power in Europe is consumed within 1,500 and 2,000km of Dublin, so we’ll use the supergrid to connect ourselves with the rest of Europe,” continues Halligan.

“We’re now at the point where a number of organisations, and more importantly the Minister himself, see this as an ambition that should be pursued. By 2050 we will have 50GW of installed capacity, and that will be generating power that will be transmitted through the supergrid into Europe.”

Not that Halligan underestimates the hurdles that have to be overcome to achieve this. “Look, it’s like climbing Mount Everest. We’re just at Base Camp, but we will climb it.”

“When I was a young man going to the tech, I used to see the drovers drive cattle past me on the way to the docks for slaughter. Now it is all done here, and Kerry Group is one of the biggest food-ingredient companies in the world. We have to think the same way about green energy, and we should have no limit to our ambitions, none whatsoever, in my view.” This interviewer certainly left Halligan’s office with dreams of a better future.

An extended version of this interview is available at
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