renewableUK

II Congreso Eólica Marina

Las Palmas, 8th November 2023

RenewableUK is the UK's largest zero-carbon trade body representing 500 member companies…

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2022 Key Figures

8,000+ Event Attendees	**30+** Networking Receptions
350+ Expert Presenters	**48** Countries Represented
100,000+ Meetings & Introductions	**16** Conferences & Exhibitions
30+ Policy Wins	**190+** Meetings with MPs & Senior Officials
3,000+ Media Hits	**60,000+** LinkedIn Followers

RenewableUK is the UK's largest zero-carbon trade body representing 500 member companies…

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- Prime Ministerial Roundtable on Wind
- Annual CfD Auctions Secured
- Increased Green Hydrogen, Offshore & Floating Targets
- Leading the Offshore Wind Acceleration Taskforce
- Record New CfD Capacity – Support for Floating & Tidal
- £60m R&D Funding for Floating Wind
- Progress on Onshore Wind Planning Reform
- Anticipatory Investment for Grid Development
- Launch of FLOWMISS Scheme for Supply Chain

Fish, birds and err… sandwiches!

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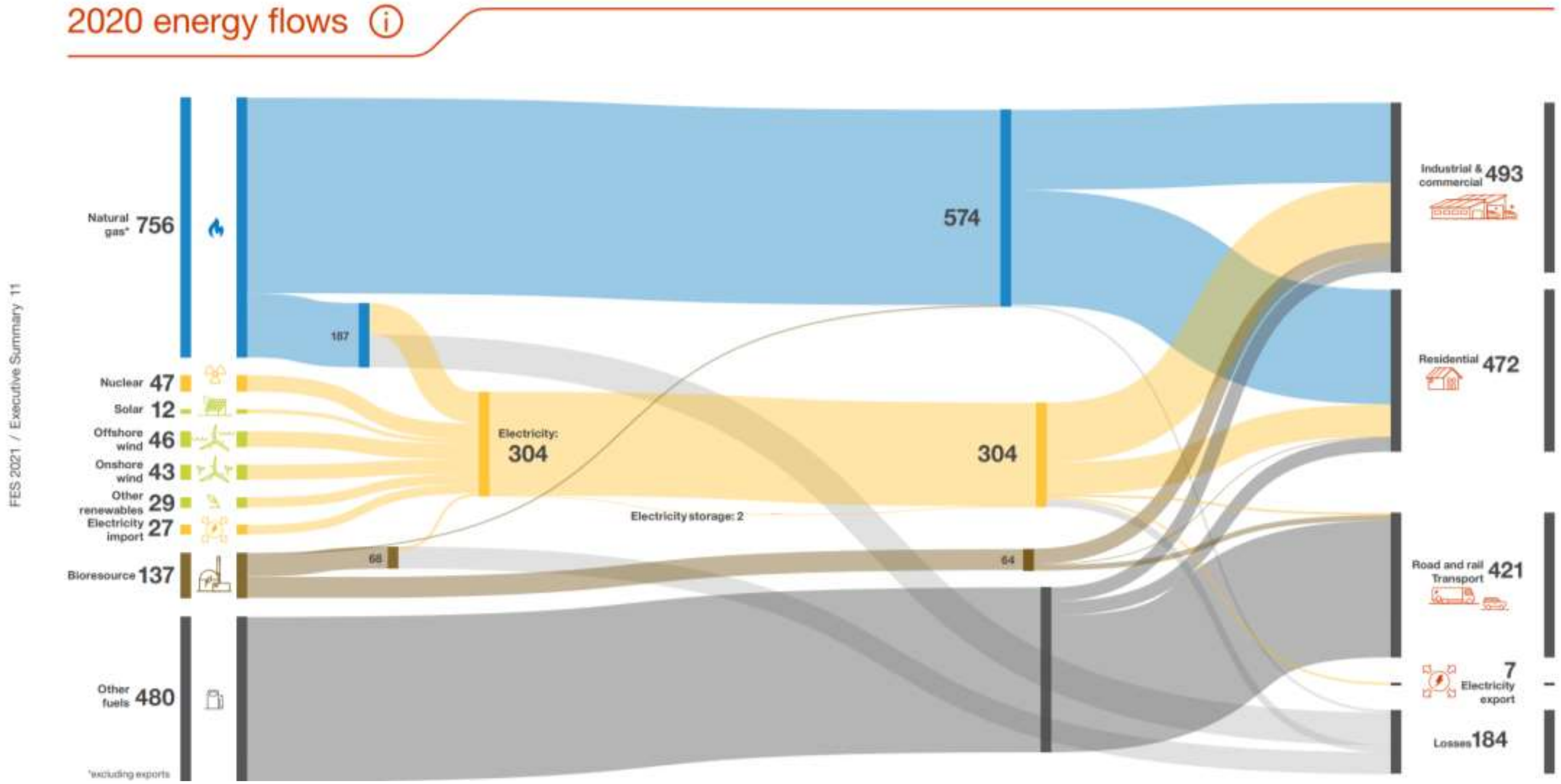
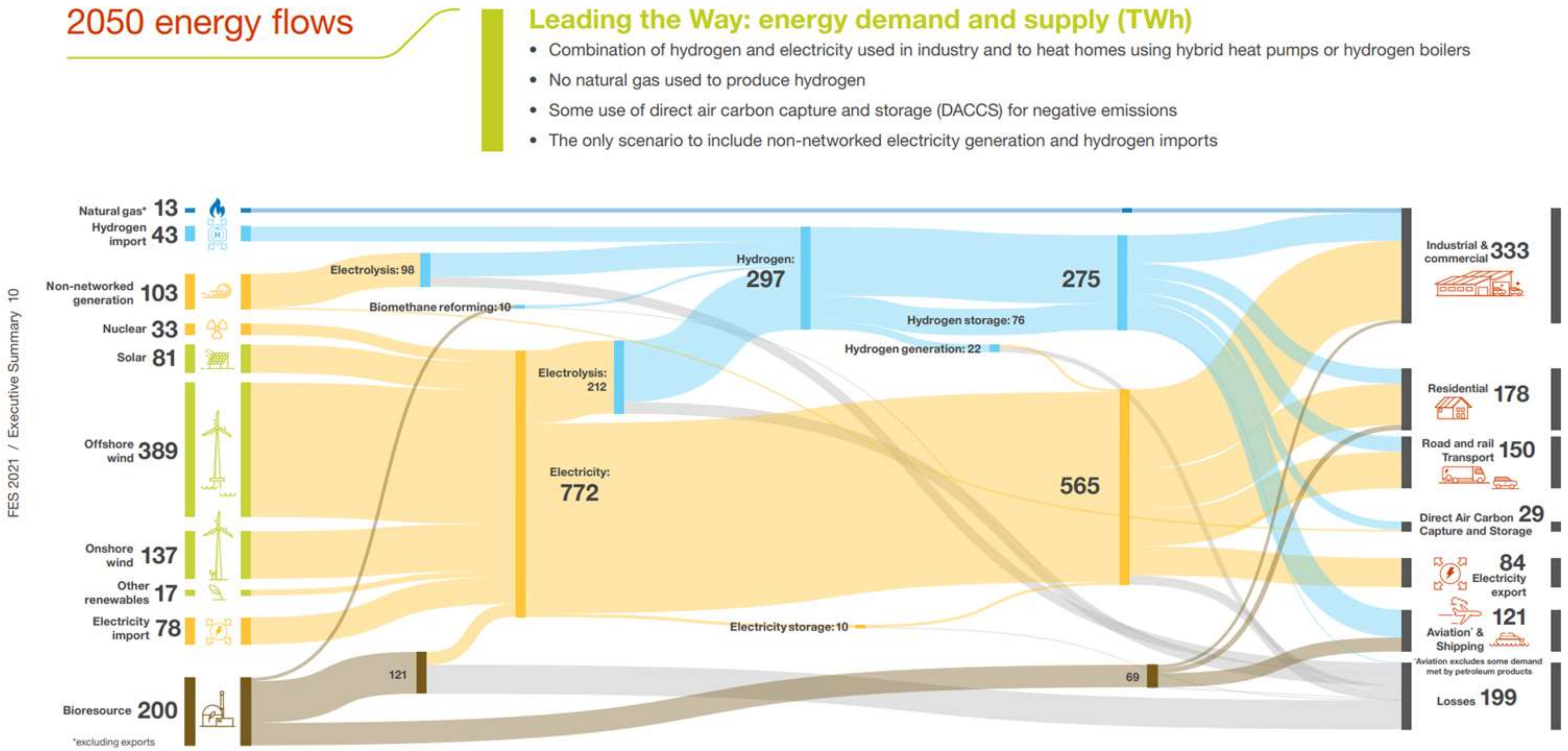
The UK energy system is in the middle of a transformation…

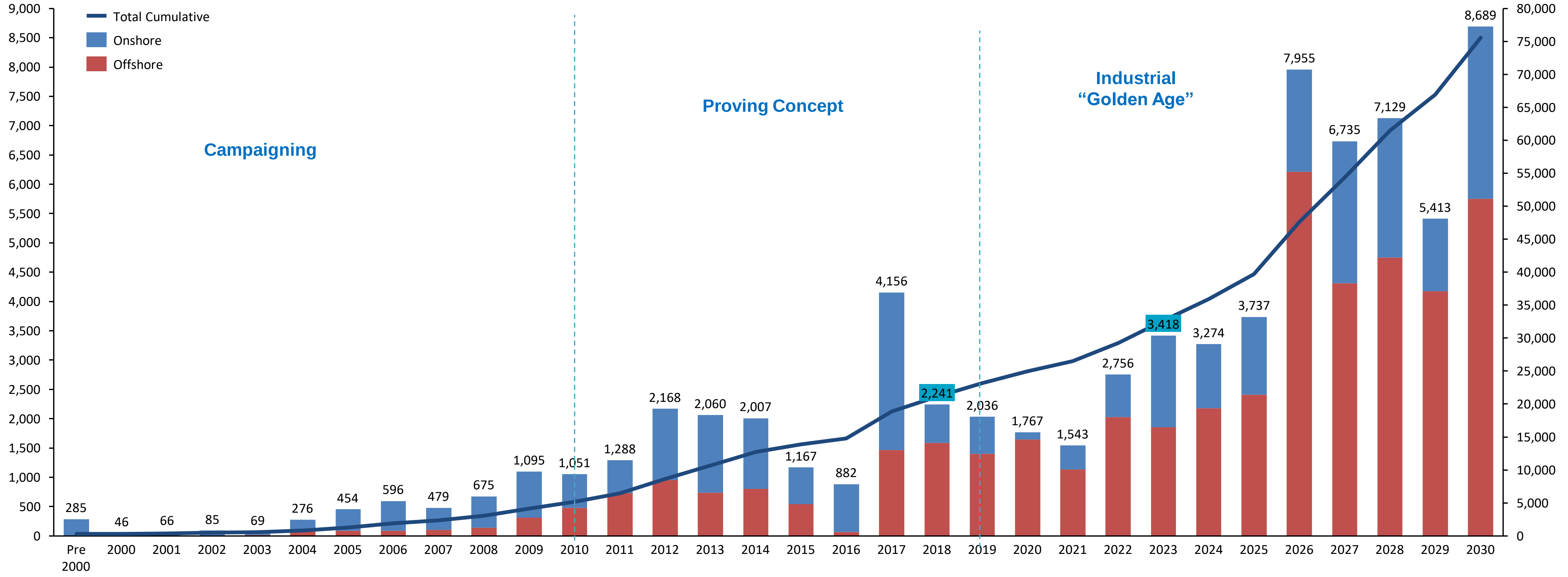


And wind is expected to be the backbone of our net-zero energy system…



The market environment implies a golden age for renewables ahead but significant obstacles remain…

Historical and projected Wind installations (MW)



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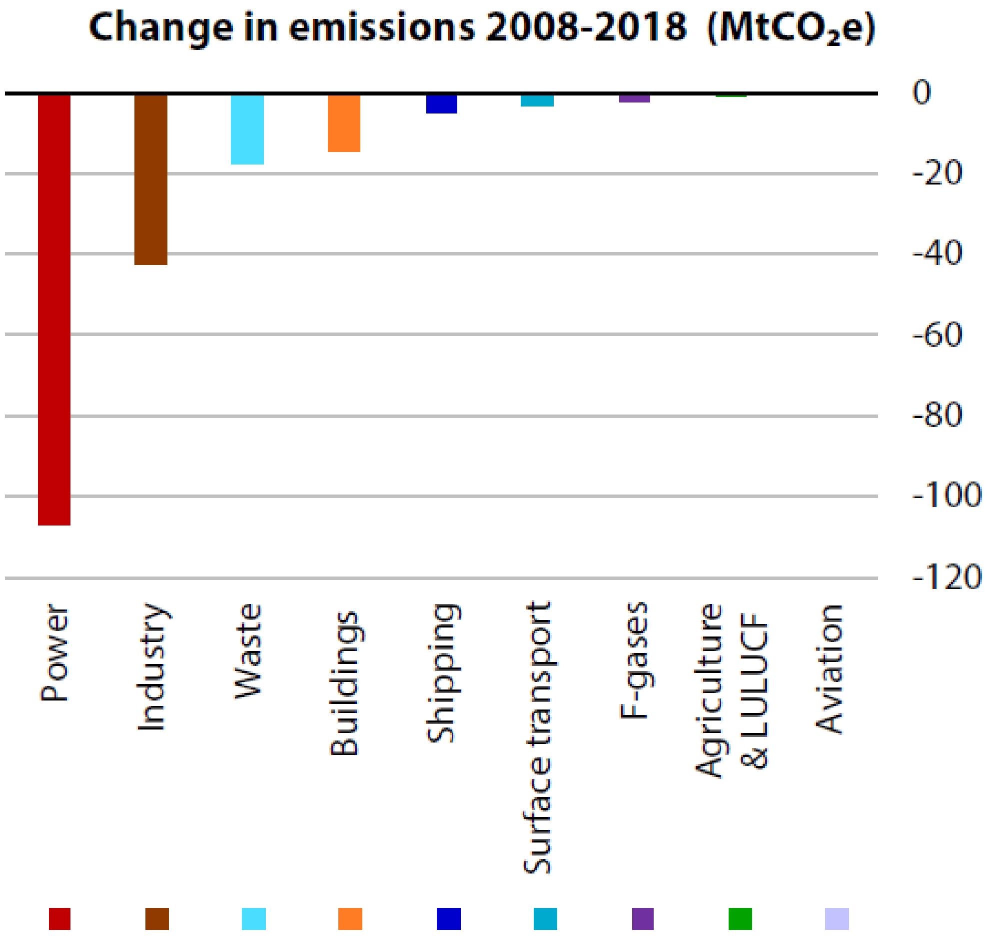


Resource

- Shallow seabed in North Sea and among the best wind resource in Europe

Laws

- 2008 Climate Change Act legal target of 80% C02 reduction by 2050 – updated to net zero in 2019

Targets

- Offshore wind target of 30GW by 2030 – increased to 50GW in 2022

Investment Framework

- Financial support for offshore wind from mid-2000s – world-leading Contract for Difference introduced in 2013

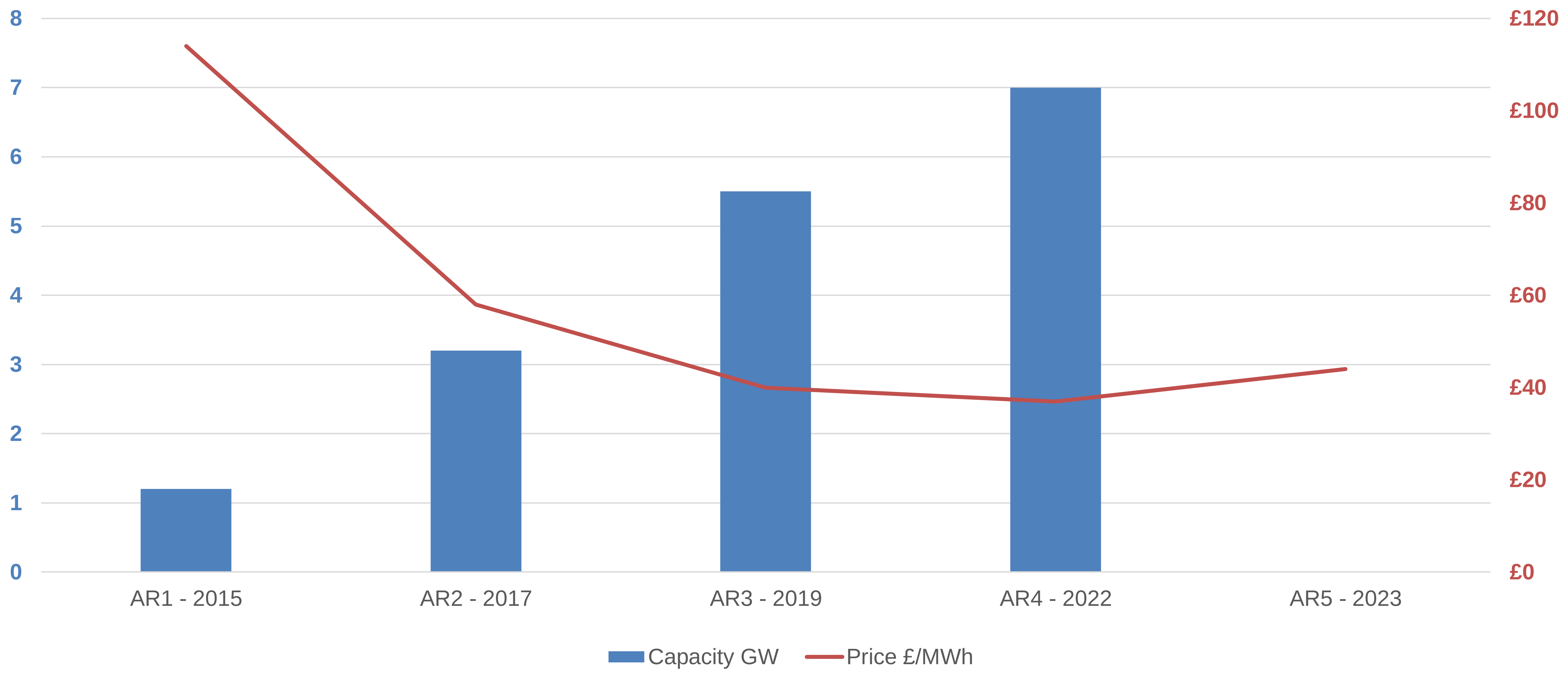
Innovation

- Turbine size has grown from 3.6MW 10 years ago to 15MW+ today

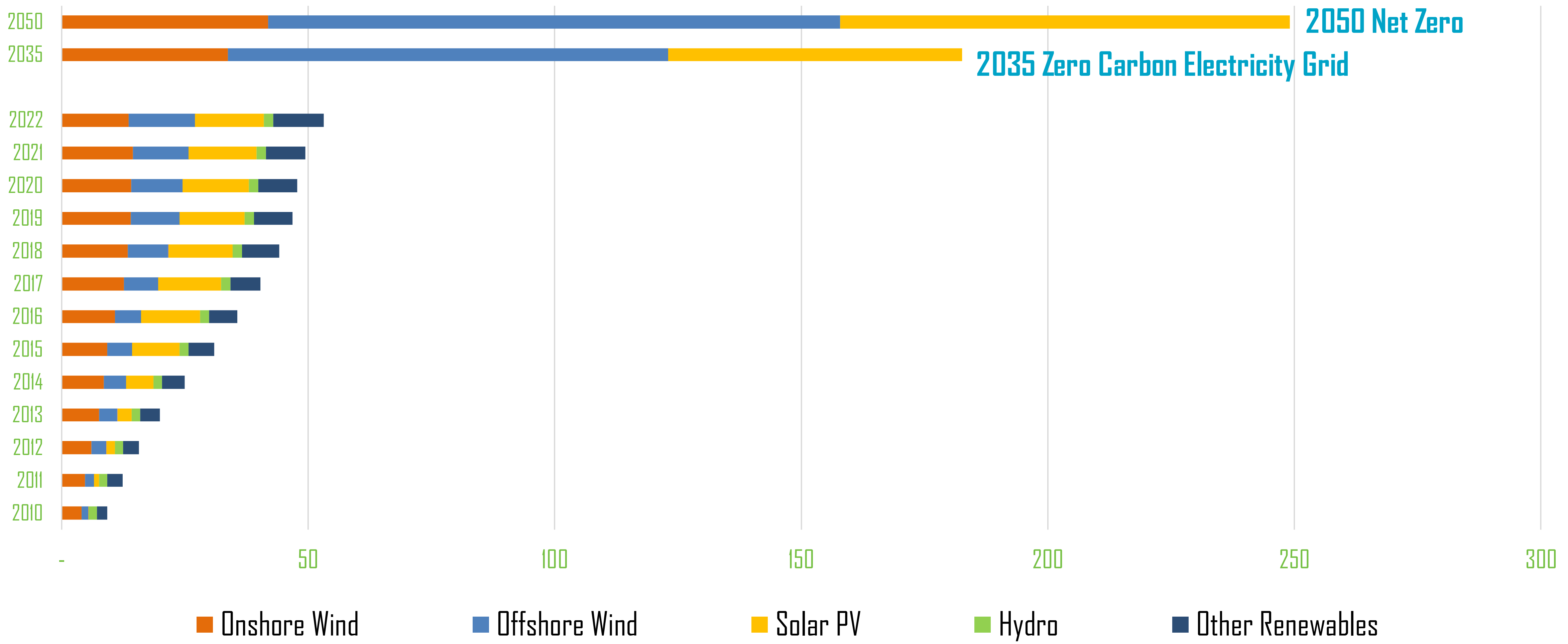
Collaboration

- Stable, long-term partnership between industry and Government

Scale and market design have enabled big cost reduction but it has gone too far…



But the journey has really only just begun,
Unprecedented build of offshore wind is being lined-up…



The dimensions of British offshore ambition is leading to new unforeseen challenges…

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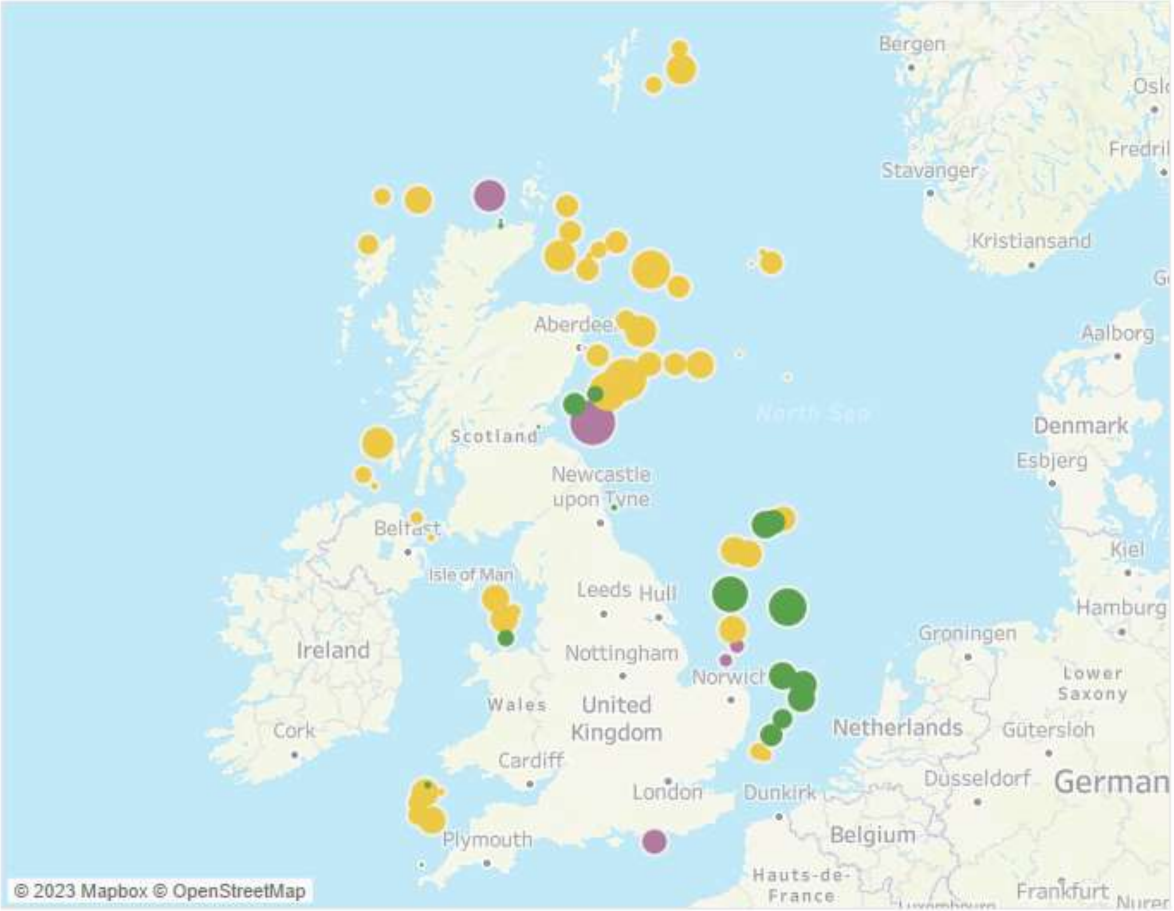
Operational & Under Construction

Planned Offshore Wind Farms to 2035



Planning, Grid, Supply Chain and Skills…

The UK is now trying to cure it's growing pains which should set up for future success…


ITV NEWS   Your Area   Cost of Living Advice   Ukraine   Politics   Royal   World   Climate

Major blow for renewable energy industry as Vattenfall halts plans for Norfolk Boreas wind farm

- **Inflationary pressures** impacting project economics
  - Turbines costs have increased by 20-40%
  - CfD AR4 (2022) projects been cancelled. 2023 auction failure
  - 2023 auction was capped at £60/€68 in current prices
- Reforms needed for **sustainable CfD pricing**

- Building renewables in areas of **best resource** does not fit legacy fossil fuel grid
- By 2030, the UK needs **5x the new transmission capacity** built since 1990
- Shift from project-by-project connections to strategic planning, shared connections and **Holistic Network Design**

- **Derogations & compensation** under Habitats Directive is challenging & complex.
- Complexity of assessing **cumulative impacts** of wind and other seabed users
- Regulators & conservation bodies **under-resourced**
- Comprehensive **marine spatial plan** and **policy**

Upgrading the Transmission Network is a national endeavour…

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£54 billion
Investment required for HND 1

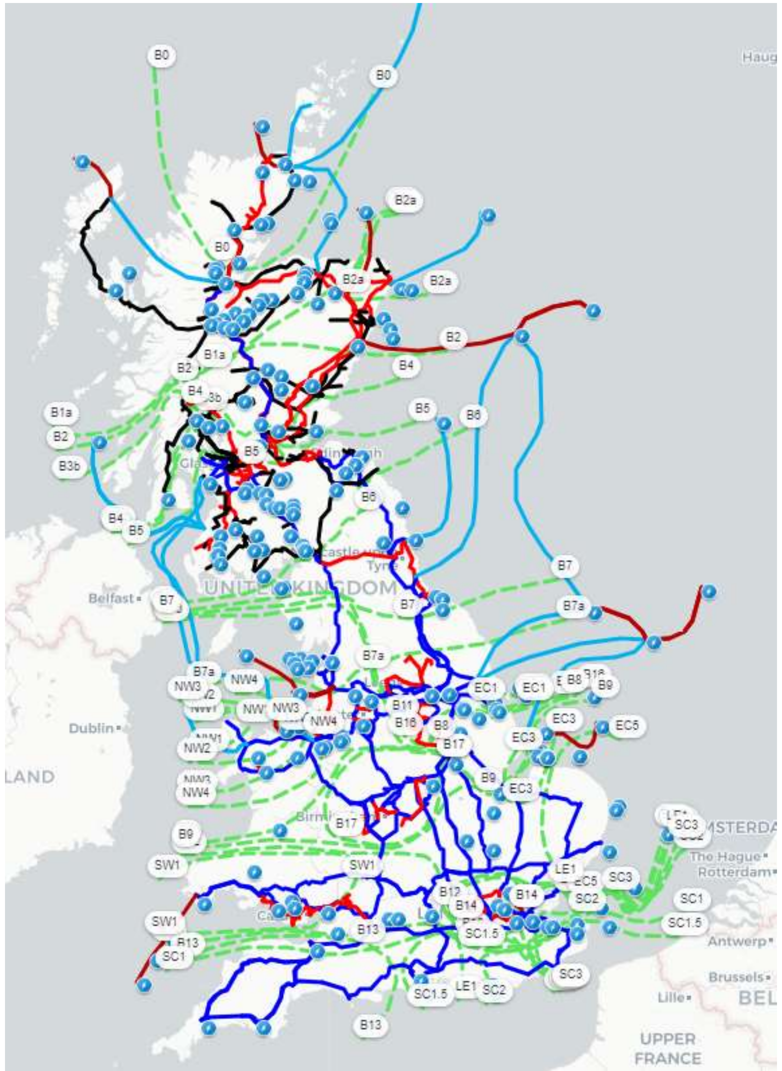
5x
The network build in the next 10 years than previous 30

348GW
Current connection queue

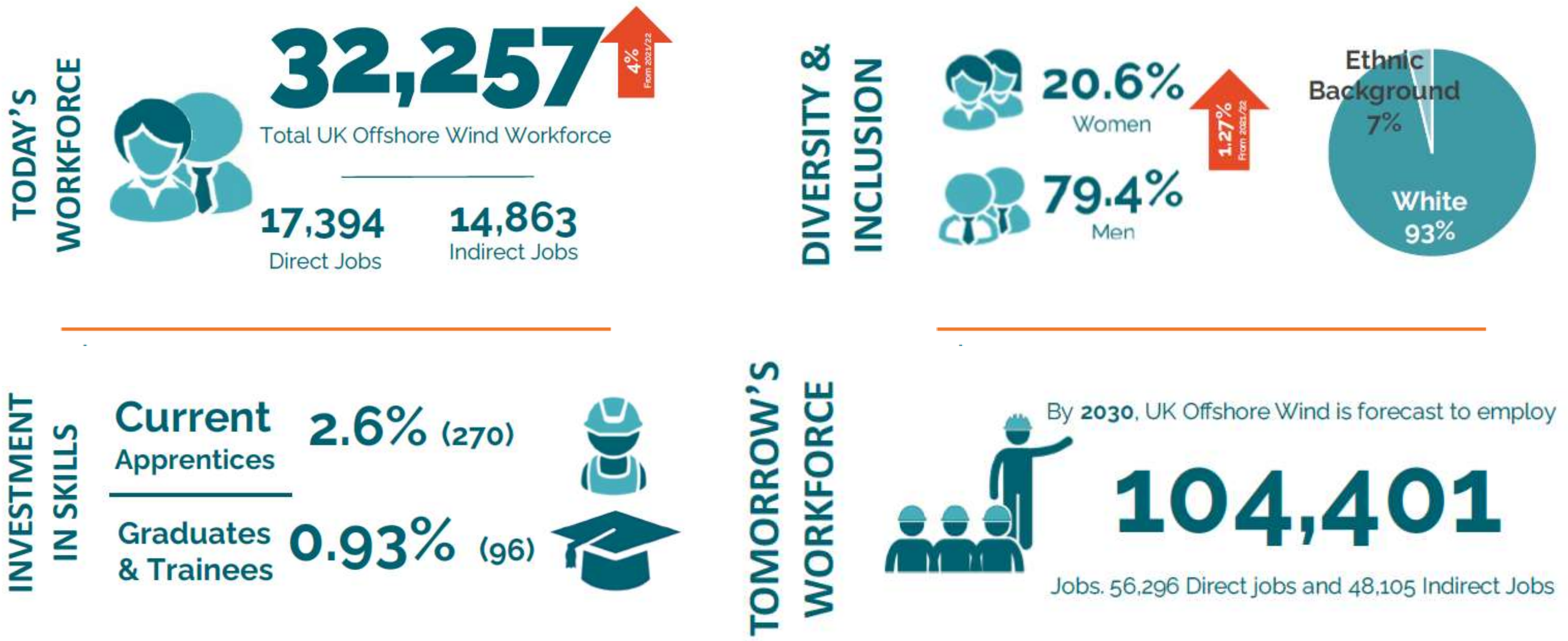
600GW
Connection queue by April 2024

October 2039
Latest connection date offer in the TEC Register

£3 billion
Anticipated constrain costs by 2030 (without action)



This radical transformation requires people: a lot of people…



What are we focused on now and what can emerging markets learn: you cannot deliver a sector project by project…

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	UK Action	Possible Takeaways
Markets	▪ Increased Auction Prices ▪ Non-Price Factors	▪ NPFs from the beginning ▪ Central allocation?
Permitting	▪ Critical National Infrastructure ▪ Strategic Compensation & MSP	▪ Early Marine Spatial Prioritisation ▪ National Compensation Strategy
Supply Chain	▪ Industrial Growth Plan ▪ Social Value Model	▪ Sector delivery, not project ▪ Early collaborative models
Grid	▪ Connections Reform ▪ Transmission Acceleration (AI)	▪ TSO driven offshore grid ▪ Early spatial plan
Skills	▪ National Skills Programme ▪ O&G Passport	▪ Predict and address scarcity of critical skills e.g. HV / permitting

Any questions?