



UK Offshore Wind Growth

2nd September 2009

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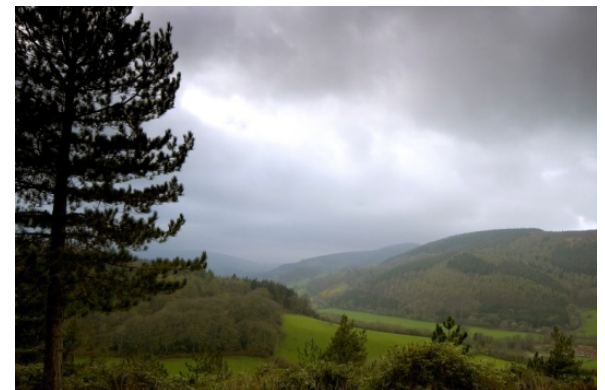
The Crown Estate

Is a landowner

Is not a regulator

Is a public body – Crown Estate Act 1961

Is not part of Government – but works closely with Government, statutory bodies etc



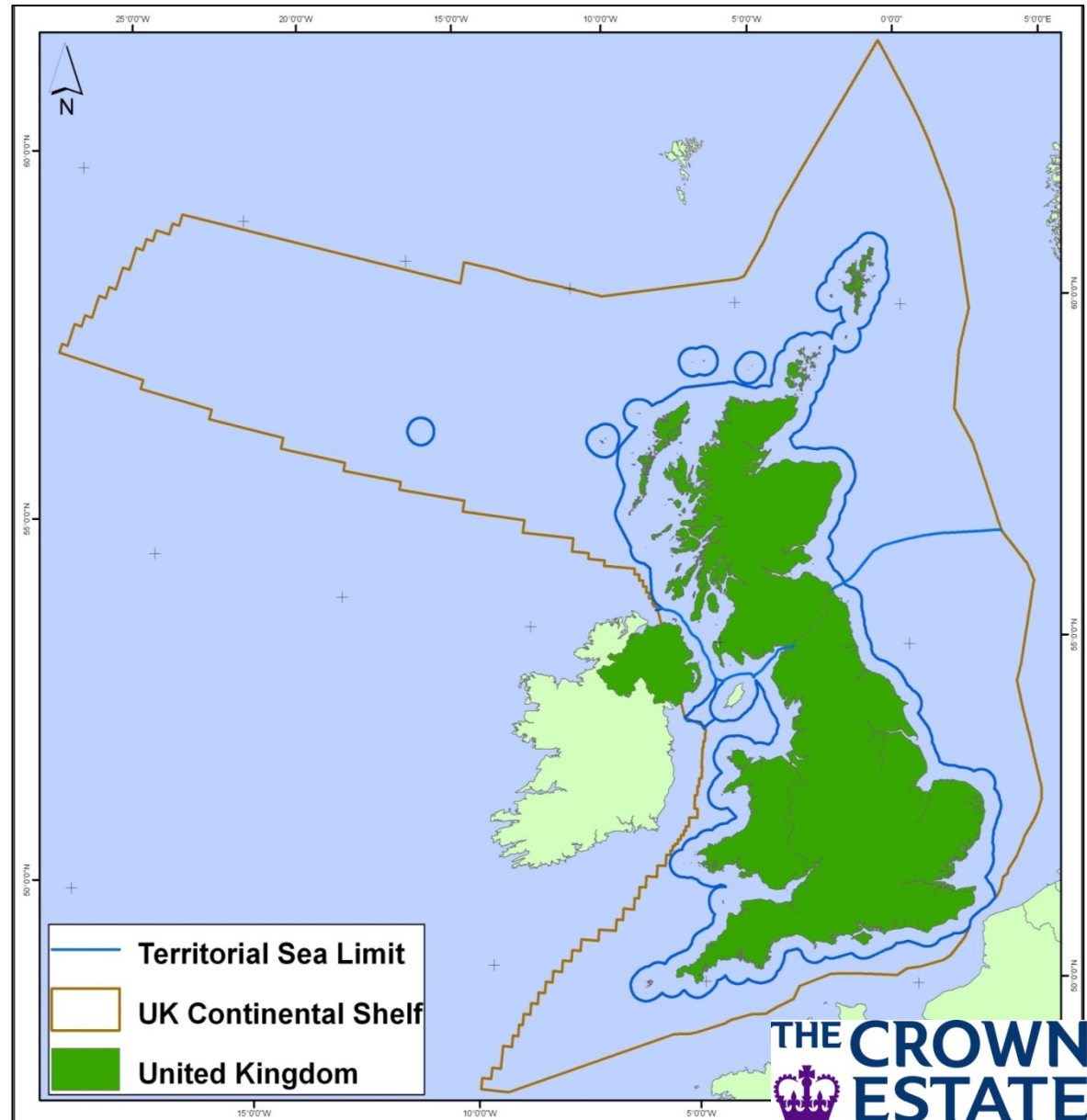
The Marine Estate

Approx. 17,250km of foreshore (55%)

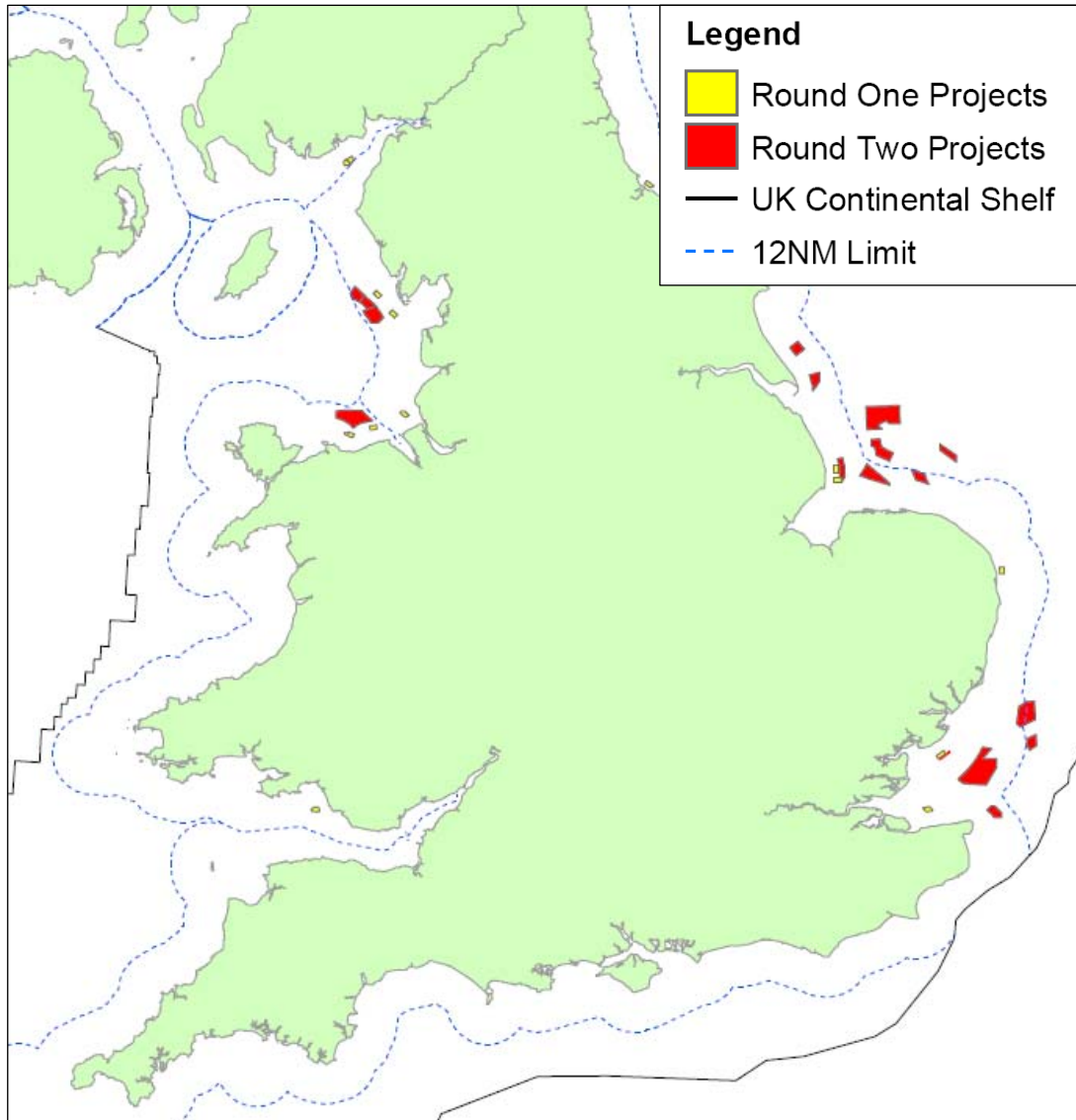
The Territorial Seabed (out to 12 nautical miles)

Rights to explore & utilise the natural resources of the continental shelf out to 200nm (excluding hydrocarbons)

Rights to lease areas for the generation of renewable energy within the UK's Renewable Energy Zone & rights to lease areas for CCS/gas storage



Round 1 and 2 Sites



UK is the world leader in offshore wind

Total 8GW

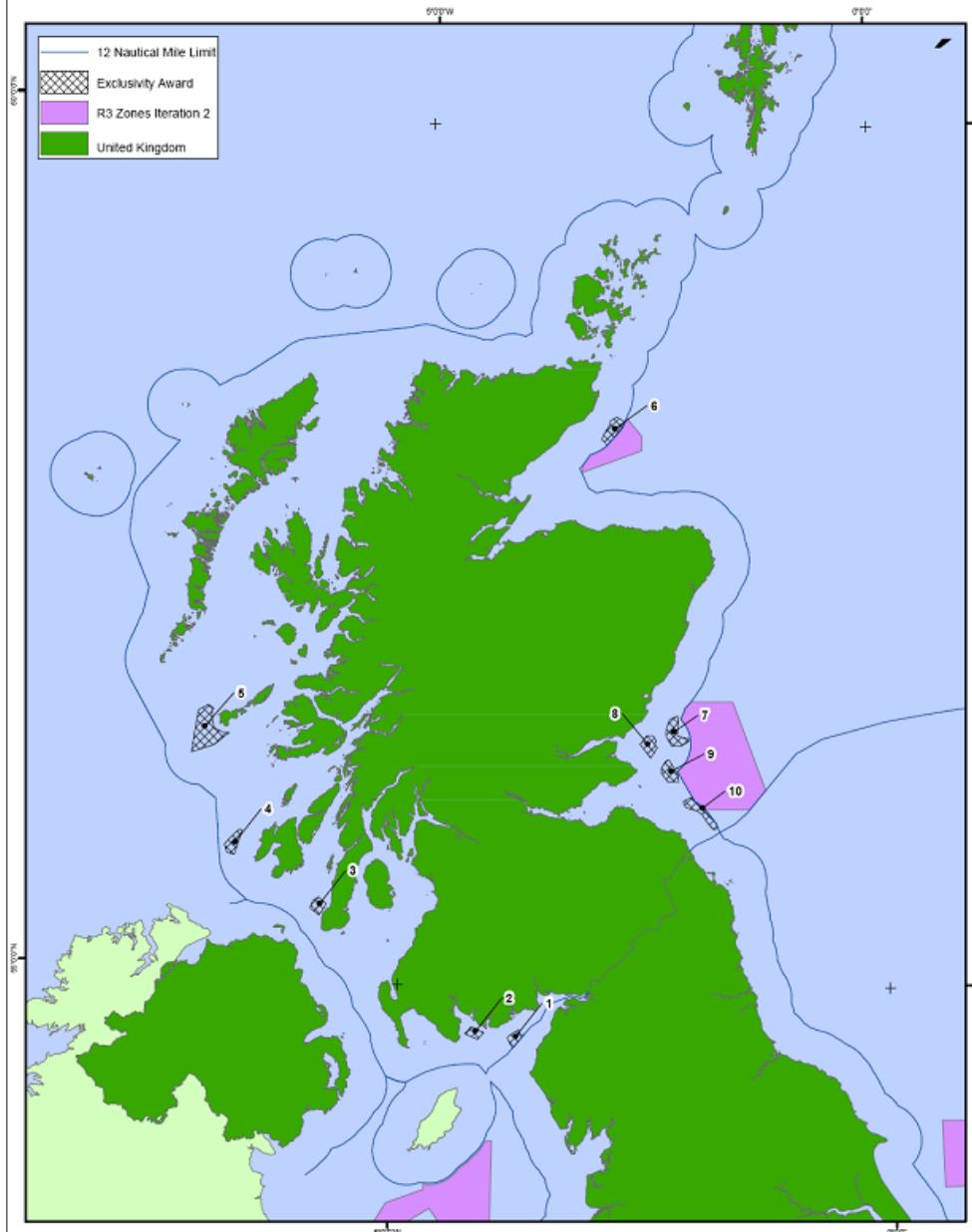
>1GW operational by the end of 2009

Additional 1GW under construction by 2010

8 projects online

6 projects now under construction

Scottish Offshore Wind - Award of Exclusivity Agreements



Scottish Territorial Waters

- 10 Sites awarded exclusivity agreements
- Total 6.5GW
- Scottish Government currently carrying out an SEA

Round 3: Why?



The UK's 15% target is a share of the total EU target of gaining 20% of energy from renewable sources by 2020

- Climate change mitigation
- Security of supply

In response, The Crown Estate launched Round 3

25GW by 2020

The Approach to Round 3

Round 3 is designed to improve on some of the aspects that have hampered previous development rounds.

- Development in partnership with The Crown Estate to consent
Shared development risk. £70m co-funding.
- A zonal approach (zone is awarded to one development partner)
Assess cumulative impact, engage holistically with stakeholders, supply chain confidence, purchasing power etc
- The use of the Marine Resource System (MaRS) tool to identify sites
Robust, transparent and rational approach to site selection
- Early engagement with stakeholders over national and zonal issues
Highlight issues early, build long-term relationships

Round 3: Programme

DATE	PROGRAMME
Mar 09	Bids received
July 09	Shortlisted bidders interviewed
End 2009	Preferred bidder for each zone identified and negotiation of zone development agreements
2010 onwards	Site selection within Zones and submission of planning applications for sites
2014-16	Construction begins
2020	25GW installed

Round 3 Key Challenges

- Health and safety
 - Rapid sector growth, further from shore
- Consenting
 - Zone assessment and planning, new IPC approach
- Grid
 - Onshore reinforcement, new OFTO regime
- Supply chain
 - Competing markets, investor confidence
- Economics
 - Marginal returns, technology risk

Round 3 Enabling Actions

The Crown Estate is taking action to promote Round 3:

- Purchase of Clipper 7.5MW prototype turbine
- Aerial bird surveys of zones
- Development of the consents framework
- Funding for key agency caseworkers
- Marine mammal survey and research strategy
- Funding to support the industry Aviation Plan
- Engagement with relevant bodies to undertake strategic planning for offshore grid

Closing Remarks

- UK offshore wind shows strong growth
- The Crown Estate has made 40GW available to developers
- There is a notable increase in market confidence
- Come to The Crown Estate and we will help define the market demand for your business

Thank you

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