



Green Financing in a Green World

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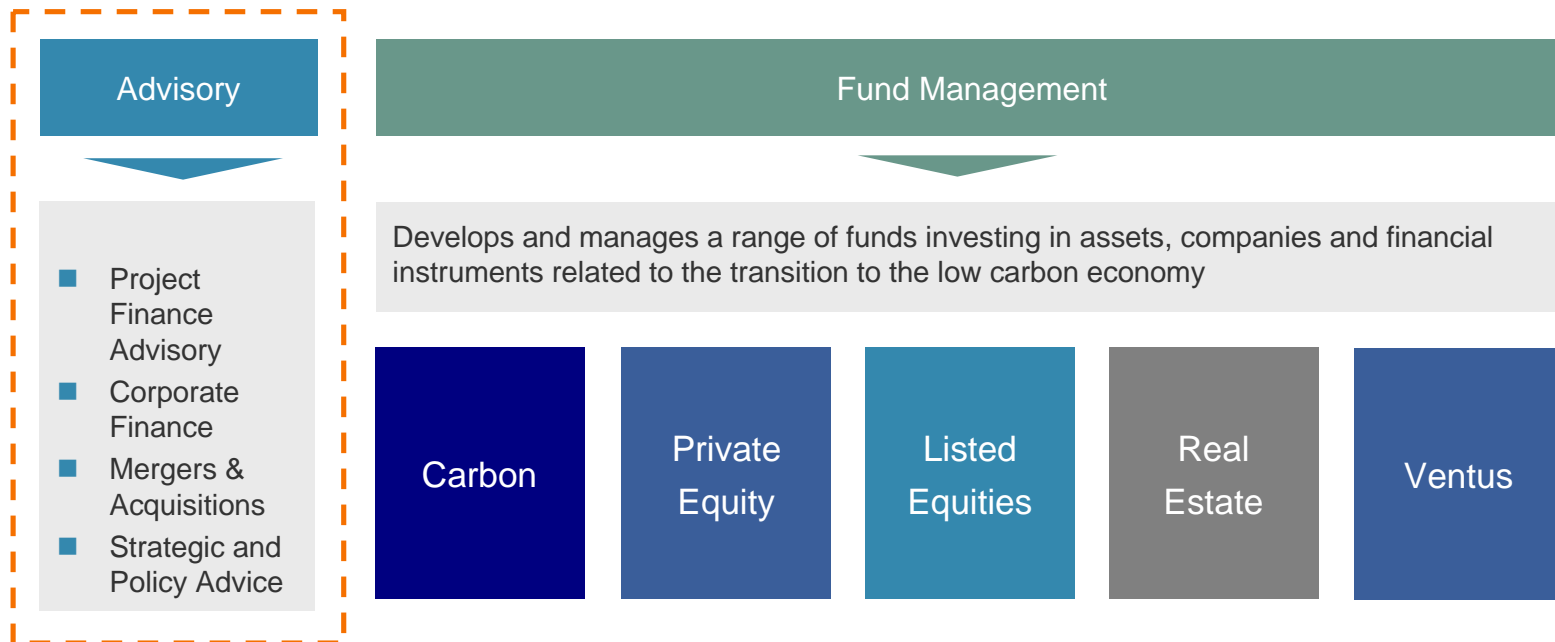
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Climate Change Capital – an overview

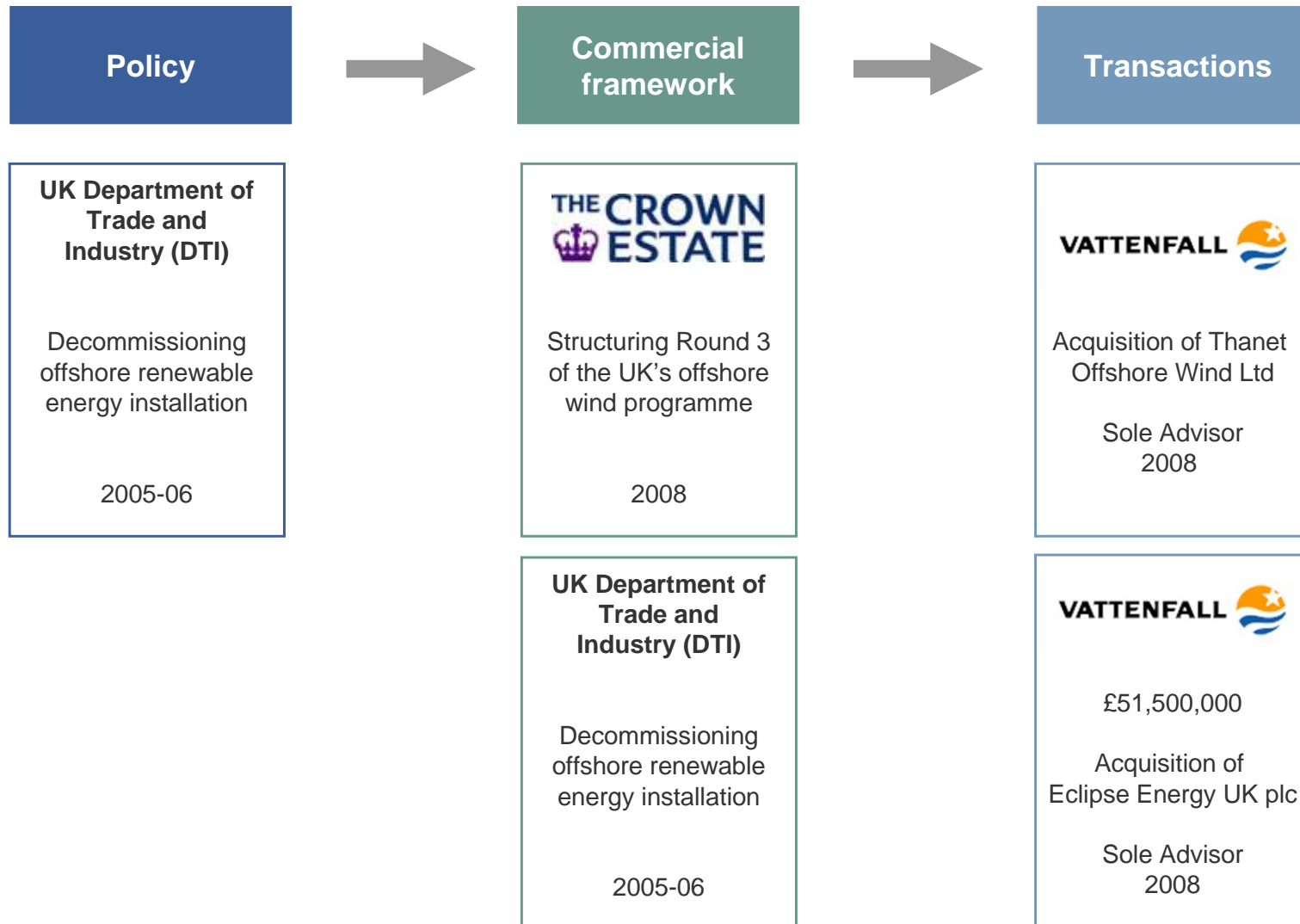
Climate Change Capital (“CCC”) is an investment manager and advisor specialising in the opportunities created by the transition towards the low carbon economy. Our activities aim to make the world’s environment cleaner while delivering attractive financial returns.

CCC is headquartered in London and has offices in Beijing and Boston, with our activities focused on the EU, North America and China.

Through the combined talents of investment professionals, market specialists, thought leaders and access to a significant capital base, CCC is perfectly placed to deploy capital, at scale, to accelerate the transition to the low carbon economy. We call this creating wealth worth having.



The CCC advisory team has been at the centre of the development of the UK offshore wind sector

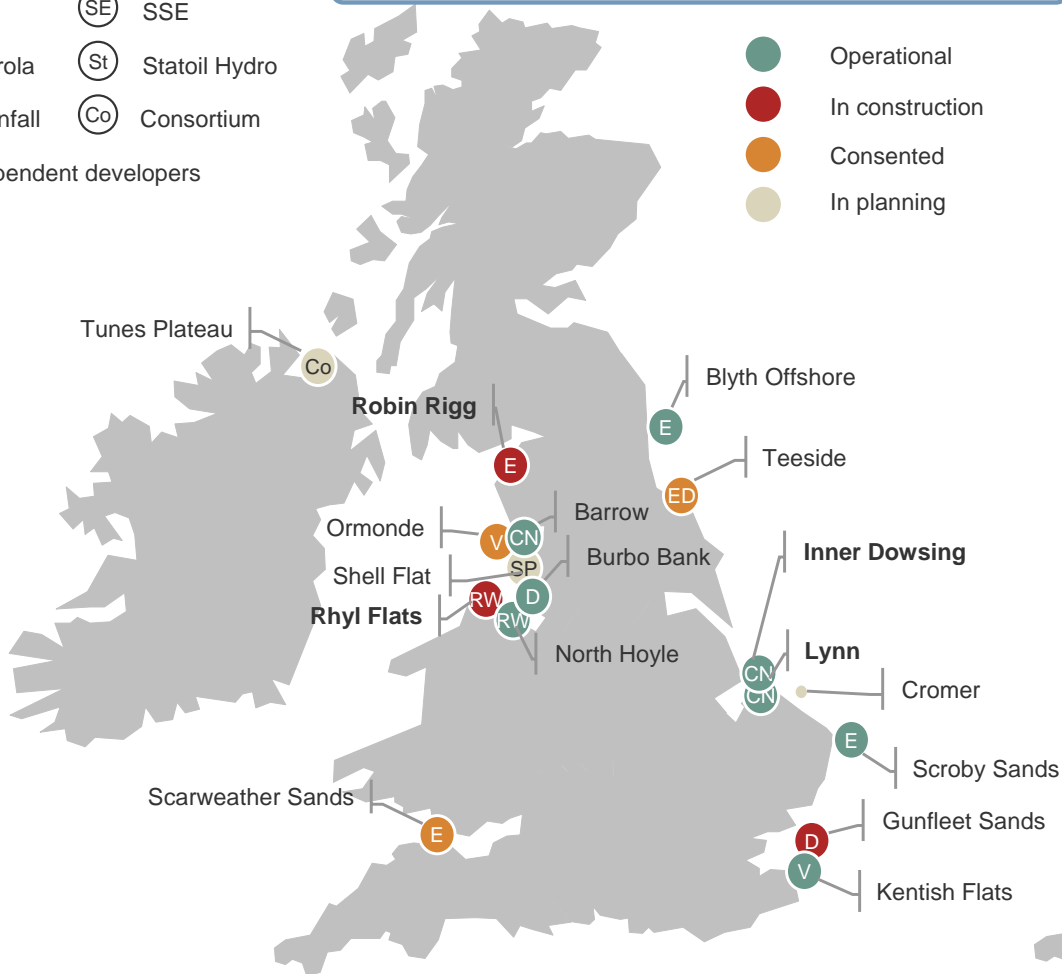


Some 9GW of UK offshore wind capacity were awarded during Rounds 1 and 2 by the Crown Estate

- Centrica (D) Dong
- E.ON (ED) EDF
- RWE (SE) SSE
- iberdrola (St) Statoil Hydro
- Vattenfall (Co) Consortium
- Independent developers

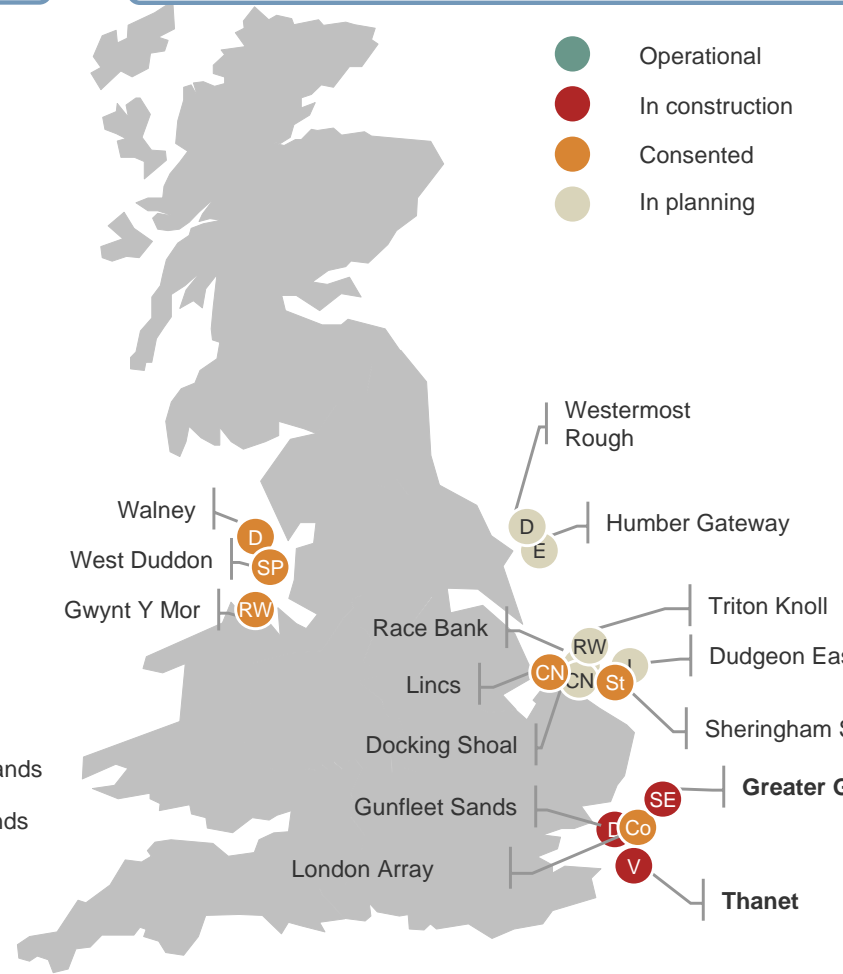
Round 1 – awarded December 2000

15 projects – 1,560MW total capacity



Round 2 – awarded December 2003

15 projects – 7,349MW total capacity

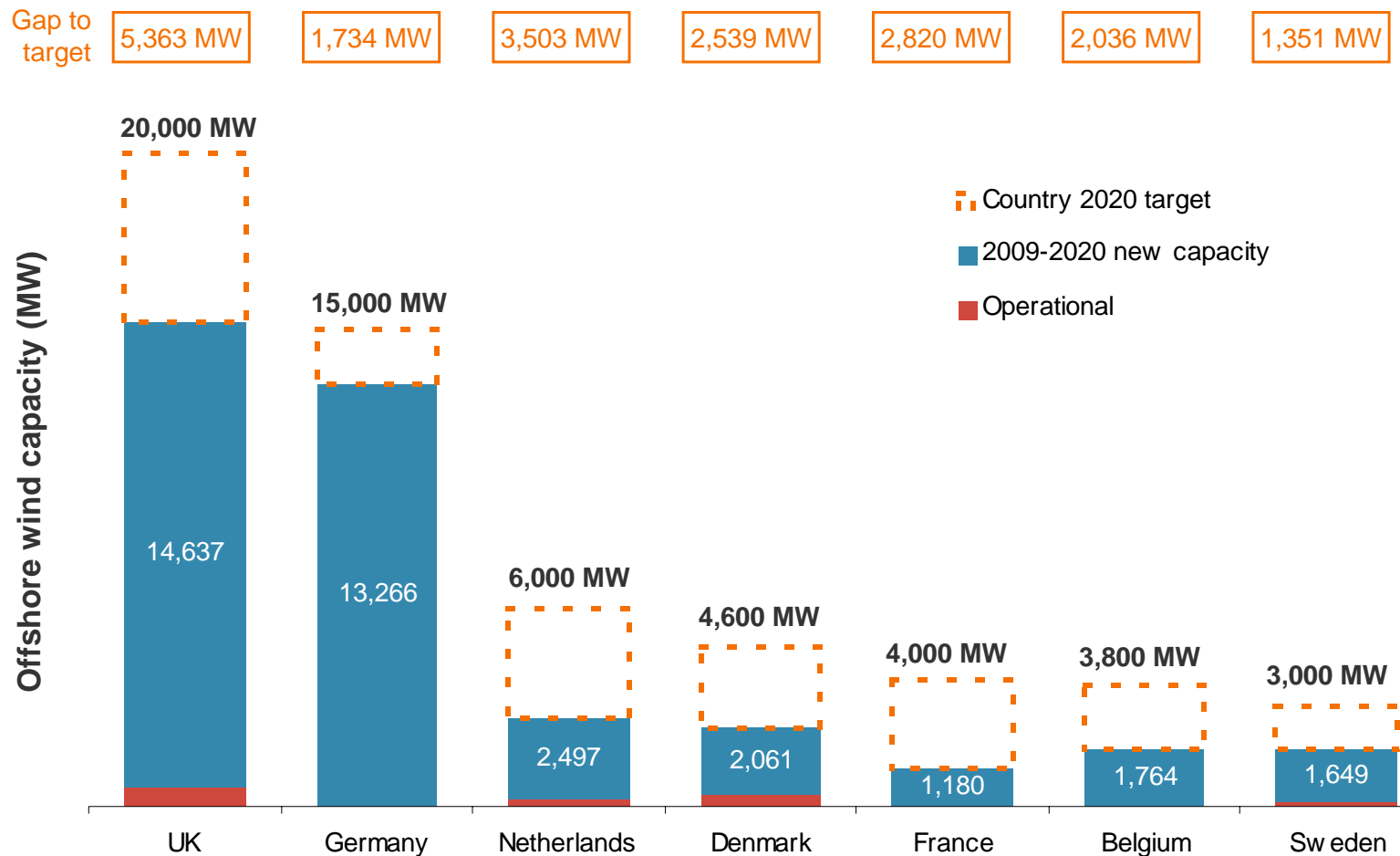


The Crown Estate announced on 3 August 2009 an offer to Round 1 and Round 2 projects to seek area extensions (up to 2GW in total), subject to certain criteria. The tender process for area extensions is

The UK and wider European offshore wind sector is set for a significant capacity ramp-up over the next decade...

...as countries work to bridge the large gap against ambitious targets for offshore wind by 2020

- As of end of 2008, out of 65 GW of European installed wind capacity, just 2% was offshore
- Despite substantial scaling up of offshore wind capacity, countries are likely to fall short of stated targets for 2020



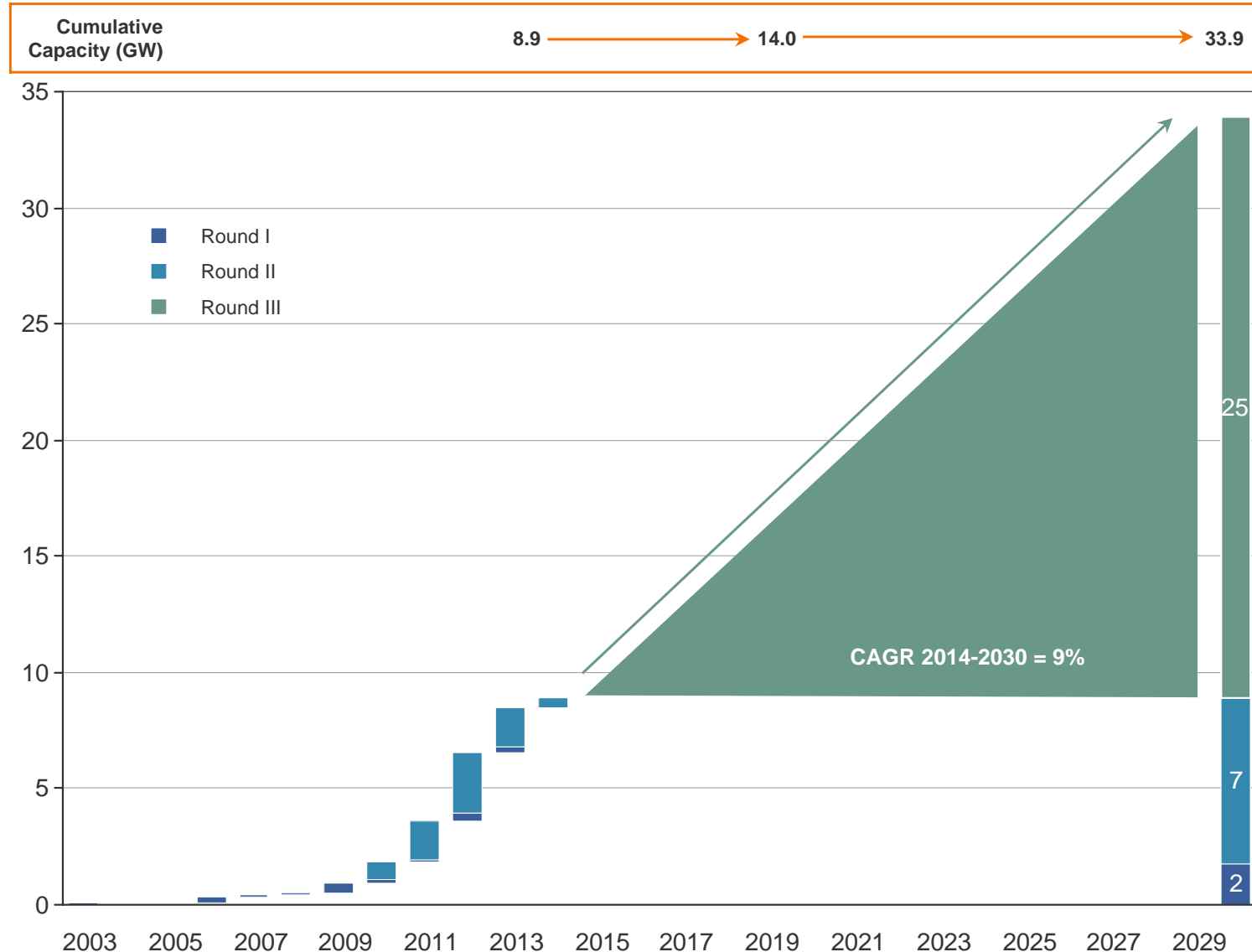
...with the UK looking to deliver 34GW of offshore wind by 2030 through Round III

Proposed Round III zones

Round III zone	Projected capacity
Oray North	500MW
North of North	500MW
Logger Bank	9,000W
Ornsea	3,000MW
Orfolk	5,000MW
Hastings	500MW
West Isle of Wight	500MW
Bristol Channel	1,500MW
Sh Sea	5,000MW

Source: National Grid / econnect Round III connection study

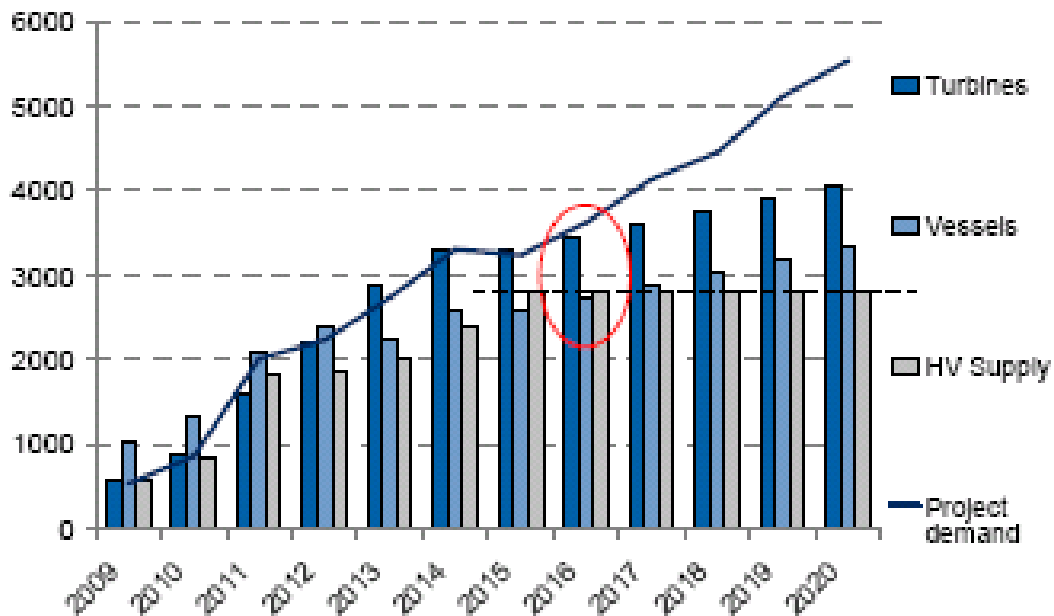
UK's Round III dwarfs earlier UK offshore rounds in terms of expected capacity addition



Substantial capacity ramp-up throughout the offshore wind supply chain will be crucial...

- The offshore wind supply chain has the potential to be a limiting factor in the roll-out of European offshore wind
 - ▶ Supply chain starts becoming constrained from 2011 as a number of UK Round II as well as German offshore wind projects enter into construction
 - ▶ From 2016, the roll-out of UK Round III projects looks set to put additional pressure on the offshore wind supply chain, with potential bottlenecks emerging
- Investment in production capacity across key elements of the offshore wind supply chain – including turbines, export and array cabling, and installation vessels – will be critical to delivering targeted build-out of European offshore wind capacity by 2020

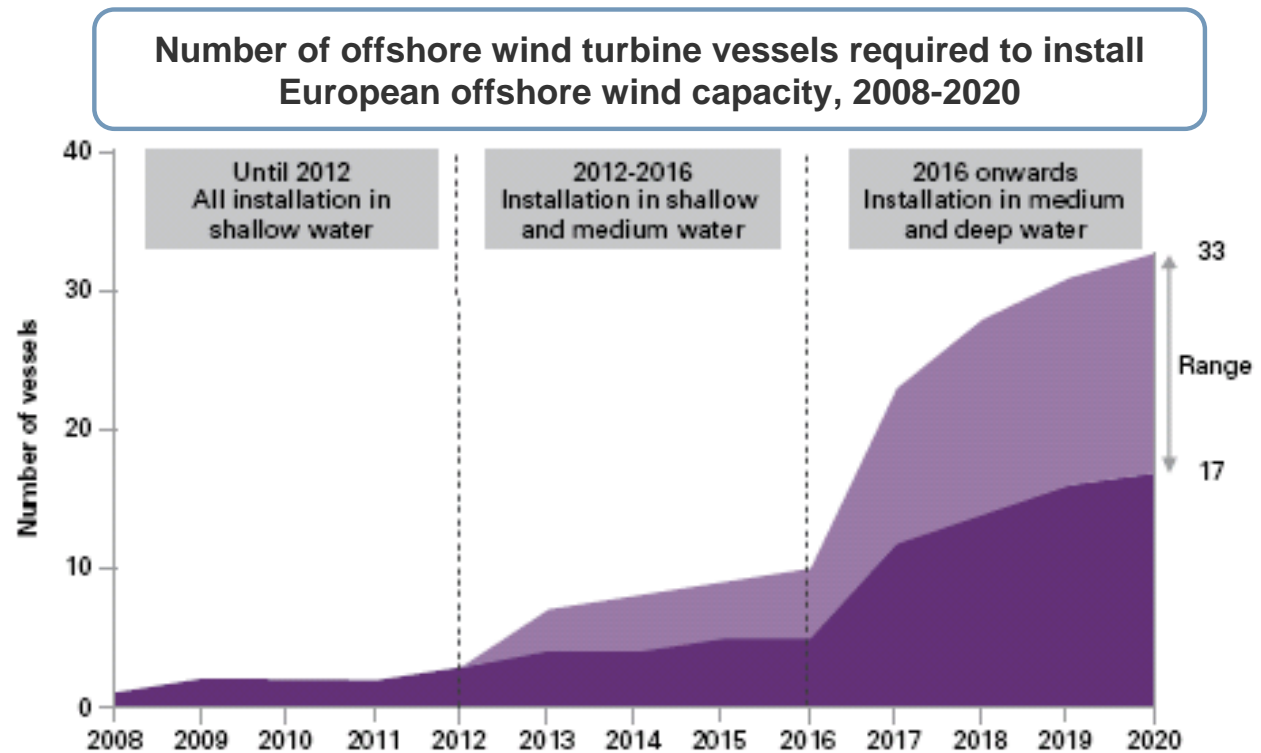
Potential EU offshore wind supply chain constraints, 2009-2020 (MW)



Supply chain bottleneck materialising

NOTE: project demand represents new annual European offshore wind installations as estimated by New Energy Finance

...including for the offshore wind installation market



Issues for investing in the UK and discussion points

- **Grid**
- **Consenting**
- **Renewables Obligation**
- **Continuity of work**
- **Scale of opportunity**
- **Partnerships**
- **Financing**

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