

Offshore Wind Leasing Round 4 Stakeholder Webinar, 9 May 2019 Q&A Summary

Meeting	New Offshore Wind Leasing –Stakeholder Update: Q&A Summary
Date/time	10am, Thursday 9 May 2019
Q&A Chair	Jonny Boston – Business Development Manager
Panellists	Jonny Boston – Business Development Manager Greg Tomlinson – Senior Marine Planning & Consents Manager

In November 2017 The Crown Estate announced its plan to work with the offshore wind industry sector and stakeholders to consider making new seabed rights available to offshore wind developers.

Following this, we held two stages of engagement with stakeholders and industry in July and November 2018. The feedback we received on our proposals following each of these events, has been a key feature of our work to design new leasing proposals.

As part of our commitment to keep stakeholders updated ahead of the launch of the new leasing round, to be known as Offshore Wind Leasing Round 4, The Crown Estate provided an update to stakeholders on Thursday 9 May 2019.

The slides from that presentation are available to download from [our website](#), together with this document, which provides a summary of the questions received during the webinar and our corresponding answers¹.

This Q&A summary reflects The Crown Estate’s thinking at a moment in time (9 May 2019). All information provided is therefore subject to change.

Q. Why has the Crown Estate chosen to host two webinars, separating industry from other stakeholder groups? I am concerned that the potential for exchanging ideas and developing a shared understanding between these two groups is being missed.

A. We have chosen to hold separate dialogues with stakeholders and the market at this stage because we feel these groups have different primary interests, with our market update focused on the tender design.

We recognise that everyone is busy, so hosting two separate webinars seemed more efficient for everyone involved, especially considering that the materials from both events are available on our website. However, it is a valid point and we recognise the value in exchange of ideas so we will consider this as we move forward.

Q. How would developer-led site selection consider cumulative effects and impacts from existing wind farms on wildlife?

A. We have spent a lot of time looking at the different ways of structuring a new leasing round. Our approach has been influenced by our understanding that the market is now mature and, ultimately, it is

¹ Please note, this document provides a summary of the questions and corresponding answers to all questions received during the webinar on 9 May 2019, including a number that were not responded to in the forum of the webinar.

the developer who will take a project through the consenting process. The market has been generally supportive of this approach.

Recognising that there are challenges relating to cumulative impacts we have sought to introduce specific aspects into the tender process to help mitigate these risks. For example, looking at different constraints on a region by region specific basis. We also anticipate introducing measures to enable geographic diversity, specifically;

- i. aiming to award capacity in at least three bidding areas; and,
- ii. not awarding rights for more than 3.5 GW in any individual bidding area.

We have invested significant effort on characterising the seabed by drawing on existing evidence. We will share the outcome of this work with developers so they can use it to inform their site selection and be better equipped to deal with issues relating to cumulative impact. In addition, we are currently looking at how to shape the ITT framework to include more price transparency for the market, as well as considering whether we can introduce more spatial transparency. We intend to provide a further update on the ITT when this work is concluded.

Q. How can stakeholders feed into the plan-level Habitats Regulations Assessment (HRA) front loading projects? For example, how can they help inform methodology or share expertise?

A. Together with a number of our stakeholders, we have established a Habitats Regulations Assessment (HRA) Expert Working Group (EWG) and each HRA front loading project has a steering group made up of stakeholder representatives from the HRA EWG. Through these groups, we will continue to engage on the front loading projects with the relevant specialists within each organisation. If you would like further information about this process, please contact us by email at:

OffshoreStakeHolder@thecrownestate.co.uk

Q. While there is a lot of enthusiasm for offshore wind, there are no suitable locations or new grid connections in the Suffolk area; with the Sizewell area in particular, which features prime countryside and an AONB, already being overloaded. Should an offshore ring main or new National Grid connections to suitable brownfield sites be required?

A. We are aware of the issues around grid connections, particularly in East Anglia. This process is fundamentally driven by the Offshore Transmission Owner (OFTO) regime and by available locations for connection to the National Electricity Transmission System (NETS).

We encourage those with concerns about this issue to feed into OFGEM, BEIS and Defra because ultimately this is a matter for policy and regulation. However, through the way we are structuring our seabed agreements, we are seeking to enable flexibility so if there is a change in the offshore grid connection regime in the future it could be accommodated by our agreements.

It is also expected that this area will be a feature of the commitments made in the Offshore Wind Sector Deal. There is more work to be done in this area so please continue to share your views on this issue, along with any suggestions on how we can improve the evidence base and inform the future debate.

Q. The presentation was very clear about matters that need to be addressed regarding cumulative and in-combination matters as part of the HRA. What about other sensitive receptors or sector interests that are not strictly part of HRA?

A. We have completed a lot of characterisation work that focuses on a range of constraints, in addition to the HRA process that will be undertaken. This data, in addition to your feedback, will be used to update the characterisation documents looking at various constraints to development. The seabed regions and our characterisation work will be made publicly available and developers will be able to use our analysis to help inform their site selection.

Q. Will there be an opportunity to review and provide feedback on the characterisation reports before the tender launch?

A. We shared initial drafts of these reports through initial engagement with statutory stakeholders over the summer of 2018, with updated drafts then being published and made available to the wider group of stakeholders in November 2018. We have received valuable feedback and are updating these documents in light of that feedback.

We are conscious of finding the right balance between thorough engagement and bringing a leasing round forward in a timely manner. We do not plan to carry out a further round of structured engagement on the reports, but if you have any specific further concerns, please feel free to get in touch.

We will be releasing a report summarising the feedback we have received from stakeholders when Offshore Wind Leasing Round 4 launches. This will provide a summary of the feedback we have received from our stakeholders and how we have used this feedback to shape the process.

Q: Will statutory stakeholders have the opportunity to comment on *Summary Stakeholder Feedback Report* before it is made available to potential bidders?

A: No. The report we publish will provide a summary of the issues raised in feedback provided by stakeholders through engagement on information relating to our emerging proposals for a new round of seabed leasing for offshore wind development. We would not expect to be inviting stakeholders to comment on feedback they have already been submitted to us for consideration.

Q. Are specific aspects of the Extensions round HRA feedback contributing to delays in progression of Round 4?

A. We need to ensure we are coordinated across all the seabed activity The Crown Estate manages. Whether a development progresses through the 2017 Extension process or through Offshore Wind Leasing Round 4, the project is an offshore wind farm.

It is, therefore, important that we take a holistic view of activities across the seabed and consider feedback from HRA processes for 2017 Extensions and the current marine aggregates tender. We will then feed this evidence and knowledge into our work for Offshore Wind Leasing Round 4.

Through our engagement, we have received a large amount of constructive feedback from stakeholder and market participants in context of new leasing and the Extensions HRA process. There are a number of practical issues feeding into the shifting timeline, including consideration of the ITT assessment framework. This has allowed more time in the process that we believe is helpful in terms of incorporating the outcome of the HRA processes.

Q. When does The Crown Estate intend to confirm which regions will be offered to market through Offshore Wind Leasing Round 4, and will it hold another webinar to update stakeholders on the details of those regions taken forward?

A. Our region refinement work is ongoing. We intend to provide an update on our progress before the summer break. We remain committed to keeping stakeholders informed of our plans. The nature of any subsequent updates will be considered in terms of the content we are able to share, and the timing of the update.

Q: With specific interest in the strategic enabling actions I would urge that these go beyond increasing the evidence base and understanding because, while being welcome long-term aspirations, these actions could lag behind the need to consent projects. I therefore believe these actions should also include more practical measures 'on the ground' which allow for the creation of environmental 'headroom'.

The Offshore Wind Sector Deal includes a key commitment for The Crown Estate to work in collaboration with the government to establish a programme of strategic enabling actions. To be effective this will need to be a lot more than an evidence gathering programme so that can really make a difference to ensure the sustainable and coordinated expansion of offshore wind.

As part of this process, we are also seeking to undertake any projects that we can tackle now, while we continue to work with Defra and BEIS to establish the enduring programme.

Q: Where can I find a copy of the timeline shown in your presentation?

A: The slides from this webinar presentation are available to view on our website [here](#) - the timeline is set out on slide 26.

ENDS