THE CROWN ESTATE

Offshore Wind Leasing Round 4 Stakeholder Webinar, 1 October 2019 Q&A Summary

Meeting	Offshore Wind Leasing Round 4 –Stakeholder Webinar: Q&A Summary
Date/time	1000 – Tuesday 1 October 2019
Chair	Olivia Thomas – Head of Marine Planning
Presenters	Jonny Boston – Business Development Manager and Programme
	Manager Round 4
	Greg Tomlinson – Senior Marine Planning & Consents Manager

On Thursday 19 September The Crown Estate launched <u>Offshore Wind Leasing Round 4</u>, opening up the potential for at least 7 GW of new seabed rights for offshore wind development in the waters around England and Wales - enough to meet the electricity needs of over six million homes.

This launch follows over 18 months of engagement with a wide range of organisations and stakeholders through which we have developed and refined our proposals.

As part of our commitment to keep stakeholders up to date with Offshore Wind Leasing Round 4, The Crown Estate provided an overview of our analysis and work on seabed regions refinement, and the four seabed Bidding Areas being made available through Round 4, via a webinar on Tuesday 1 October 2019.

The slides from that presentation are available to download from our website at <u>www.thecrownestate.co.uk/round4</u> together with this document, which provides a summary of the questions received during the webinar and our corresponding answer.

This Q&A summary reflects The Crown Estate's thinking at that moment in time (1 October 2019). All information provided is therefore subject to change.

Q. How quickly after the launch of Round 4 will The Crown Estate be looking to progress to Round 5?

A. Offshore wind is clearly a fast-moving sector with tremendous growth potential. As we have said previously, Leasing Round 4 is designed to be on a repeatable scale and is therefore laying foundations for future leasing activity in line with market appetite and government policy objectives.

Whilst we have designed this process on a repeatable scale to allow us to adapt to future needs, the combination of the existing offshore wind portfolio, 2017 Offshore Wind Extensions, and Leasing Round 4, provides a pipeline well in excess of 40 GW. This excludes capacity that we anticipate may be leased through The Crown Estate Scotland's separate ScotWind process.

Our current view is that Round 4 will provide sufficient capacity to meet the aspirations of 30 GW by 2030, and therefore our focus is currently on delivering Round 4.

Q. Why have some Special Areas of Conservation (SACs) been removed due to potential impacts, but not all? For example, Inner Dowsing, Race Bank and North Ridge has been removed but not Dogger Bank.

A. We have undertaken a review of all of SACs within the remaining regions, looking at both conservation status and operations advice published by the SNCBs. We have therefore decided to leave in a number of larger SACs such as Dogger Bank SAC and Haisborough, Hammond and Winterton SAC. This is primarily based on their spatial extent which is considerably larger than all of the other SACs designated for their seabed habitat features, meaning the degree of impact from development would be considerably lower.

However, it is important to stress that these areas are still classified as high risk areas in terms of development constraint. In the Characterisation Area Reports, both of these SACs are classed as a red risk receptor rating which is the highest risk. During the Round 4 tender process Bidders will need to complete a constraints identification check. If a developer brings forward a proposal that overlaps a receptor classed as red in the Characterisation Area report, they would have to identify that in their submission to us and include their proposed mitigation strategy.

Q. There is a concern around a new round of windfarms seabed auctions taking place without any suitable places to bring the connections onshore. The government has done nothing to make National Grid put power lines in brownfield sites, to create a now much-needed 'ring main' or to be 'hubbed' to cope with new windfarm projects.

This is storing up trouble for industry, as there is already an outcry over projects from previous generation of windfarms coming ashore in AONBs and other potentially unsuitable land. With the new projects proposed, this is becoming completely inadequate. What is your response to this?

A. We understand the concerns being expressed and we'd like to make it clear that we are aware of the issues around grid connections, particularly in relation to both offshore cabling and onshore infrastructure, and we welcome your ongoing feedback.

This process is driven by the OFTO regime and available locations for connection to the electricity systems. As this is ultimately a matter for policy and regulation, we would encourage those concerned to continue to feed in their views to Ofgem, BEIS and Defra.

Regarding the role of The Crown Estate, we are actively looking at various ways we can contribute to a solution. Firstly, our agreements with developers are being structured in a flexible way so that if there is change in the offshore grid connection regime, our agreements can accommodate it. We also anticipate that this is an area that will be looked at under the Sector Deal and under the Strategic Enabling Actions programme that we are reviewing, so please do continue to share your views including any suggestions on how we can improve the evidence base and inform the future debate.

Finally, following the result of the 2017 Offshore Wind Extensions process, we have put in place a cable route protocol for projects as they develop over the coming years. You can find this in a document on the <u>Marine Data Exchange</u> and on <u>our website</u>.

Q. Are the terms of reference for the Strategic Enabling Actions programme publicly available?

A. At this stage we are still working with Government in terms of establishing this programme. We suggest taking a look at the Offshore Wind Sector Deal that was published earlier this year, which sets out the principles. Moving forward, we will share more in due course.

Q. Does The Crown Estate have any evidence that would suggest that it is possible to compensate for impacts upon Natura 2000 sites?

A. It is important to firstly acknowledge that the derogation route in terms of compensation for Natura 2000 sites has not yet been taken for offshore wind in the UK.

However, given our recent decision regarding the 2017 Extensions and the current cases going through the examination process, we recognise that this is a process that may have to be utilised in the near future. We will be looking at this very closely, and we plan to work with stakeholders and industry to develop strategies should they be required. For example, other sectors and other countries have found compensatory habitats to mitigate various marine activities.

It is clear that we need to work together as an industry establish how the derogation route can be taken for offshore wind. We will also be undertaking some work internally as preparation for Round 4, and we are committed to work with the Renewable UK (RUK) Offshore Consents and Licensing Group, looking at the derogation route for project level case work that will build on previous work undertaken through the Offshore Wind Programme Board.

Q. Is the RenewableUK work that you referred to regarding derogations for projects publicly available?

A. This work has not taken place, but we have made a commitment to RUK to work closely together. We will keep key stakeholders informed as that work progresses.

Q. Is the Crown Estate taking action to coordinate research about more offshore wind farms with adjacent European states and the Isle of Man?

A. We have undertaken a significant pre-tendering engagement exercise to help with our designs for Round 4, much more than in previous leasing rounds. This has included contact with the Isle of Man and with other neighbouring European states. We are aware that there is always more we can do and we will continue to look at this as we progress through Round 4 and when we come to consider future leasing rounds. If you have any specific ideas on where and how we can do more, please share these with us.

Ends