

The UK is home to the largest operating offshore wind capacity in the world – a national success story to be proud of. Offshore Wind Leasing Round 4 is taking this another step forward, supporting the UK's ambitious decarbonisation agenda.

A net zero future

With the cost of offshore wind continuing to fall, there is a growing recognition of the role that offshore wind will play in delivering the UK's decarbonisation ambitions.

Government has set an ambition to deliver up to 40 GW of offshore wind capacity by 2030. Alongside the existing portfolio, and rights in

the waters off Scotland, Round 4 provides the potential for the UK project pipeline to exceed 45 GW in 2021. The Committee on Climate Change says the

to meet its legally binding target of net-zero greenhouse gas emissions by 2050.

UK will need a target of 75 GW of offshore wind



**zero** by 2025<sup>1</sup>



Gas to be reduced by **21%** by 2025<sup>2</sup>

## The role of The Crown Estate The Crown Estate is a unique business with a

distinct heritage and a portfolio unlike any other, which includes the seabed, natural marine resources and half the foreshore around England, Wales and Northern Ireland.

In this capacity we are responsible for awarding seabed rights for offshore renewable energy projects as well as marine minerals, CCUS (Carbon Capture, Utilisation and Storage), cables and pipelines. We play a unique role in developing and helping sustain UK energy supply and infrastructure, working in collaboration with a wide range of organisations.

an independent commercial business and tasked us with returning all our profit to the Treasury for the benefit of the nation's finances.

Delivers a robust

pipeline for low-

Supporting the UK's clean

deployment

energy transition.

cost offshore wind

In 1961, the Crown Estate Act established us as

## Offshore Wind Leasing Round 4 opens up the potential for between 7 and 8.5 GW of new

Round 4 seabed leasing

seabed rights for offshore wind development in the waters around England and Wales enough to meet the electricity needs of over six million homes. Prospective developers have the opportunity

to identify and propose project sites within four broad seabed Bidding Areas, supported and informed by characterisation data and analysis we have made available. Rights could be awarded in 2022, with

projects becoming operational toward the end of the decade, helping to meet UK energy needs for 60 years ahead.



14 GW of total capacity either fully operational (9.7 GW) or under construction (4.4 GW)<sup>3</sup>

Round 4 represents our commitment to providing new seabed rights for an

Makes efficient

Recognising its value as a

national asset, now and for the

use of the

seabed

expanding offshore wind generation market in the UK, in a way that:



Offshore Wind Leasing Round 4 has potential to deliver 7 - 8.5 GW of additional capacity enough for 6 million homes

Round 4 objectives

Unlocks the value

statutory obligations

Securing best consideration

benefit of the public finances.

over the long-term, for the

of the seabed

in line with our

Offers an attractive,

accessible and

developers

to invest.

fair proposition to

Making the UK a brilliant place

Balances the

in the marine

environment

site selection.

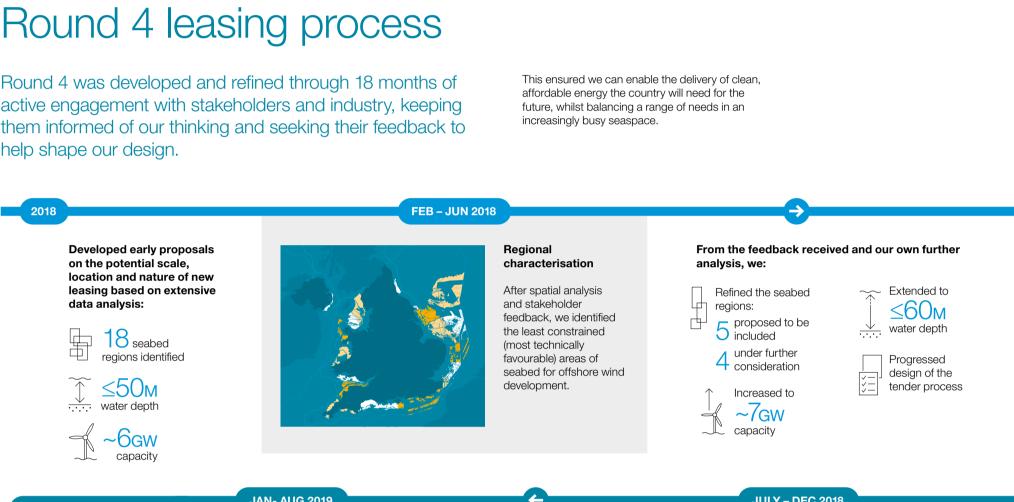
Supported by extensive

engagement and promoting

responsible evidence-based

range of interests

Round 4 was developed and refined through 18 months of active engagement with stakeholders and industry, keeping them informed of our thinking and seeking their feedback to help shape our design.





webinar Updates to our proposal included:

transparent

Building evidence

base to support

Round 4 planlevel HRA

**SEPT 2019** 

**Round 4 launched** 

**Offshore Wind Leasing** 

Comprising four seabed

**Developed early proposals** 

location and nature of new leasing based on extensive

18 seabed

on the potential scale,

data analysis:

Three-stage tender process designed to be fair, objective and

help enable sustainable and coordinated growth Incentives to

encourage innovation

\_0\_0 More flexible Investing in strategic enabling actions to payment development risk

structure to share



and stakeholder engagement, we refined seabed regions further. Reasons for removing some areas include: Ministry of Defence ranges and exercise areas

Visual sensitivity within

13 km of shore

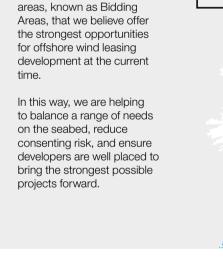
Two stage regional refinement

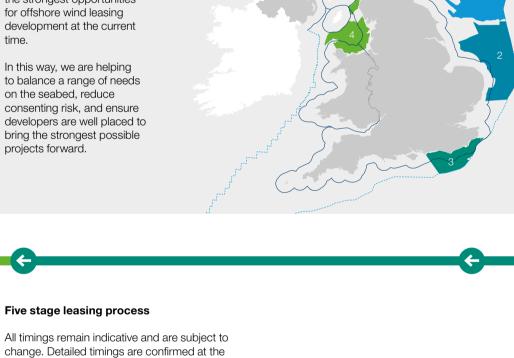
Following extensive spatial analysis

particularly ornithology.

Overlap with busy shipping routes Major consenting risk due to

cumulative environmental impacts,





# 2. Eastern Regions 3. South East 4. Northern Wales & Irish Sea

The four seabed Bidding Areas are:

1. Dogger Bank

Territorial Waters Limit --- UK Continental Shelf



Transparent daily

bidding cycles

Total available

7-8.5gw

capacity

Late 2019 - early 2020

start of each stage of the process.

Five stage leasing process

**Pre-qualification Invitation to Tender** questionnaire Stage 1

Assesses potential Bidders' financial capability, technical

(PQQ)

experience and legal compliance.

Spring 2020 -Autumn 2020

Assesses the financial and technical robustness of projects submitted by prequalified bidders.

(ITT Stage 1)

Once seabed rights have been awarded, project developers will

Decommissioning

Early 2021: second phase A multi-cycle bidding

3

Stage 2

(ITT Stage 2)

Autumn 2020:

first phase,

**Invitation to Tender** 

process, using option

bidders to determine

fees bid by eligible

preferred bidders.

Spring 2021 -Spring 2022

> possible impact of the preferred projects on relevant nature conservation sites of European importance.

**Plan-Level Habiats** 

**Assessment (HRA)** 

An assessment of the

Regulations

The planning and development process

Spring 2022 We will enter into Agreement for Lease with successful

**Agreement for** 

Lease

bidders.

for Business, Energy & Industrial Strategy via the

Planning Inspectorate in order to secure their

statutory consents.

take their projects through a number of important licensing and consenting processes.

Following The Crown

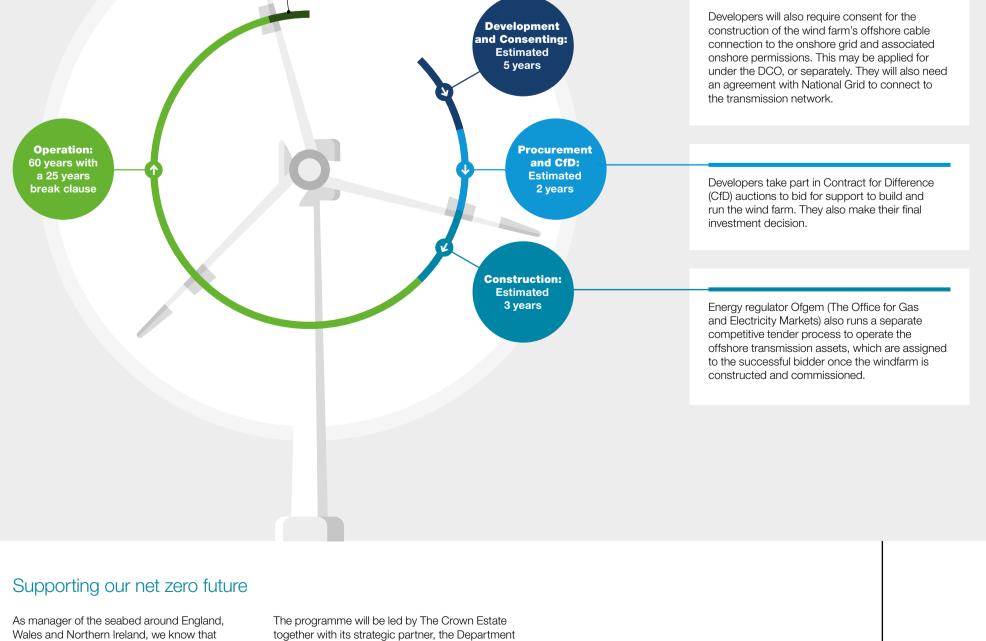
process, developers

What happens

Estate's leasing

next?

# apply for the required statutory development consents. Round 4 projects will be at least 400 MW and therefore will need to apply for a Development Consent Order (DCO) from the Secretary of State



### Wales and Northern Ireland, we know that finding a balance between future energy needs and the wide range of interests in the marine environment is central to achieving long-term sustainable growth of the offshore wind sector.

With this in mind, we are funding and delivering an ambitious programme of strategic enabling actions to facilitate the sustainable and coordinated expansion of offshore wind, helping the sector to meet the UK's commitments to the

low carbon energy transition whilst supporting action to secure clean, healthy, productive and biologically diverse seas. The programme will help to increase the available knowledge and evidence within the sector, with a specific focus on cumulative environmental impacts both in the marine and onshore areas,

and impacts on other users of the sea space such as navigation, fishing and dredging

It will be delivered in collaboration with organisations with an interest in the future of offshore wind, including regulators and their statutory advisors as well as representatives of the offshore wind developer community and non-

for Business, Energy and Industrial Strategy

Environment, Food and Rural Affairs (Defra).

(BEIS) and with support from the Department for

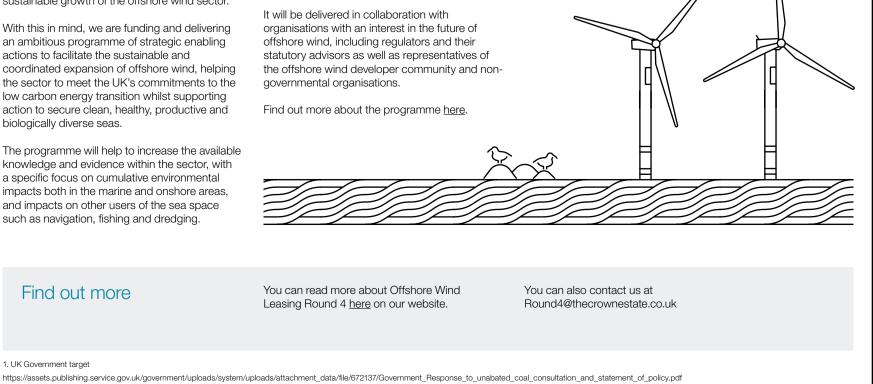
governmental organisations. Find out more about the programme here.

You can read more about Offshore Wind

Leasing Round 4 here on our website.

You can also contact us at Round4@thecrownestate.co.uk

BEIS 2018 Updated Energy & Emissions Projections & KPMG analysis https://www.gov.uk/government/publications/updated-energy-and-emissions-projections-2018 3. www.thecrownestate.co.uk/media/3515/offshore-wind-operational-report-2019.pdf





Find out more

1. UK Government target