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The Clerk
Environment and Sustainability Committee
National Assembly for Wales
Cardiff CF99 1NA
Sent by email: E&S.comm@wales.gov.uk

22nd September 2011

The Clerk,

RE - The National Assembly for Wales' Environment and Sustainability Committee - Inquiry into energy policy and planning in Wales.

Marine Energy Pembrokeshire welcomes the opportunity to comment on the Committee's inquiry into energy policy and planning in Wales. Marine Energy Pembrokeshire comprises private, public and third sector individuals and organisations who are committed to working together, and can contribute to, the achievement of its aim to develop Pembrokeshire as a centre of excellence in Marine Renewable Energy. Members of the Group are self-nominated according to their knowledge, influence, skills and enthusiasm to progress this agenda in Pembrokeshire and their willingness to work together collectively for the benefit of all.

Working Group membership includes individuals from Welsh Government, the Marine Energy Task Group for Wales, Pembrokeshire County Council, Countryside Council for Wales (CCW), Milford Haven Port Authority, Pembrokeshire Coast National Park Authority (PCNPA), The Crown Estate, Tidal Energy Limited, E-ON, Marine Energy Limited, Wave Dragon, Far Offshore Renewables, Ledwoods Engineering, Halcrow, relevant academic projects and the Pembrokeshire Coastal Forum. **PLEASE NOTE** Whilst Welsh Government, the Crown Estate, CCW and the PCNPA are integral members of the working group the comments raised within this document **do not contain their input or viewpoint as MEP members.**

Marine Renewable Energy presents enormous potential opportunities for creating considerable value to the economy of Pembrokeshire and Wales. The Pembrokeshire coast has significant wave and tidal stream potential, the Milford Haven waterway is ideally suited for infrastructural support with excellent port facilities and road links and grid connections are good in comparison to other UK locations. This emerging industry has the ability to create a new and innovative indigenous sector for the area. Building on the vast knowledge, infrastructure and skills already present due to the existing energy industry, Marine Renewable Energy could increase and diversify higher value added economic activities, raise skill levels and sustain and strengthen local communities.



Llywodraeth Cymru
Welsh Government



Pembrokeshire County Council
Cyngr Sir Benfro



Milford Haven
Port Authority
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What are the implications for Wales if responsibility for consenting major onshore and offshore energy infrastructure projects remains a matter that is reserved by the UK Government?

Developers feel that the natural resource and relevant infrastructure required determines location desirability irrelevant of the nationality of a consenting body. A consenting body that is transparent and well resourced in terms of time, expertise and ability to deal with large or small project submission is essential to avoid project delay and reduced confidence.

Local knowledge and a system that considers proportionality is required where small test devices and temporary projects should not have to adhere to the same lengthy, costly consenting processes as larger scale projects. At present a small scale developer may face the same costs, timescales and burden of proof as a £1 billion pound offshore wind farm.

Large projects may need a UK wide strategic approach considering network infrastructure which requires integrated working between UK and Welsh Government. If consenting for major projects remains with the UK Government then it is essential that there is a close working relationship with devolved agencies considering local “patch” knowledge.

How does this affect achievement of the Welsh Government’s aspirations for various forms of renewable and low carbon energy as set out in the Energy Policy Statement?

Welsh Governments aspirations of 8KWh/day/person from wave and tidal resources by 2025 are possible but installation needs to start in the very near future. If 4GW of wave and tidal devices are installed by 2025, this equates to an average of 22MW installed every month from January 2011. Any under-resourcing of consenting activities will delay projects and thus reduce developer confidence, the rate of deployment and the attractiveness of Wales to the marine renewable sector. To a developer the consenting process is high risk because of undefined timescales and cost. A clarification on the consenting process would lower project risks particularly in the light of proportionality.

The private sector will invest in projects if there is a business case. Government can assist with this by incentivising and acting as leaders to encourage utilisation of Welsh resources. The unbalanced market for ROCs in the UK means that the majority of development is being undertaken in Scotland. We urge Welsh Government to continue to work with DECC to ensure that during the review of ROC banding Wales is on a parity with Scotland and that Wave and Tidal attract 5 ROCS per unit.

The role of the different consenting agencies, how they inter-relate and how the current system could be improved, both with and without further devolution (Infrastructure Planning Commission, Planning Inspectorate, Local Planning Authorities, National Parks, Welsh Government, Marine Management Organisation, Environment Agency).

The consenting process requires inclusion, transparency, responsiveness and timely decisions based on sound evidence. It is unclear at present how the Marine and Coastal Access Act 2009 and Marine Spatial Planning will streamline the offshore process but the disjointed approach to consenting at present is not an attractive proposition for the developing marine renewable private sector. How future onshore and offshore consenting compliments and impacts upon marine renewable projects will be of interest.

The potential contribution and likelihood that different types of renewable and low carbon energy (offshore wind, tidal, onshore wind, hydro-power, nuclear, bio-energy/waste, micro-generation, community energy projects) will be capable of delivering the Welsh Government’s aspirations for energy generation as set out in A Low Carbon Revolution – Energy Policy Statement and the UK Renewable Energy Roadmap.

Different areas of Wales have different contributions to make and there are different issues to address, depending on the nature of generation and the nature of receptors. A spatial approach to energy clusters/zones which considers infrastructure, resource, skills, supply chain and the local environment is required. It is important that policy and targets are reviewed in a timely manner accounting for developing and emerging technologies.

We believe the potential for Wales and in particular Pembrokeshire to assist with Welsh and UK aspirations is hugely significant. The wind, wave and tidal resource combined with port facilities, transferable skills, grid, research, on-shore support infrastructure and supply chain has seen a number of private sector companies choose the region as their area of choice for device deployment even with Scotland and the South West providing an easier pathway.

We will see Wales' first tidal energy turbine come on stream in 2012 and with the necessary investment and support the region could compete with Scotland and the South West and see Wales become world leaders in marine renewable energy. If this is to be realised then action is required in the very short term. Pembrokeshire should be included in UK plans for the proposed offshore renewable energy technology and innovation centre and Marine Energy Parks.

The potential role of other forms of energy production in Wales e.g. existing fossil fuel energy generation, proposed nuclear generation and newer technologies such as coal-bed methane and shale gas.

While we realise the importance of existing fossil fuel energy generation in the area, the economic benefit it brings and the potential for the future skills transfer we are focussing on the longer term benefit of marine renewable energy.

The transport issues relating to wind turbines and other forms of renewable energy including their impact on roads, traffic and tourism.

Many of the traffic issues relating to onshore wind will be avoided by the marine renewable energy sector as port facilities and sea freight could be used to supply the servicing and deployment chain. Wales and in particular Pembrokeshire have some of the best port facilities in Europe. These will become increasingly important as the sector develops.

To our knowledge Marine Energy Pembrokeshire is a unique combination of members which includes the private sector working together to promote the region and marine energy as the long term sustainable future of our energy generation. We promote this integrated working ethos and welcome any clarification of the points made in our response. www.marineenergypembrokeshire.co.uk