

**File name:** offshore\_wind\_\_will\_apps\_\_\_invest\_ni (1080p).mp4

**Moderator questions in Bold**, Respondents in Regular text.

**KEY: Unable to decipher** = (inaudible + timecode), **Phonetic spelling** (ph) + timecode), **Missed word** = (mw + timecode), **Talking over each other** = (talking over each other + timecode).

Will Apps: Good morning. So, Will Apps from the Crown Estate. A real pleasure to be here for the reasons we've spoken already. Every speaker's gonna allude to the fact that we're good to get behind-, from behind that screen we've been on for the last two years. I used to say, 'It's good to get out of London.' It's good to get of my bedroom at the moment. So, really, really pleased to come over to Northern Ireland for actually what's been my first trip at all. Richard alluded to a really important point in terms of what this journey's about. A lot of it's quite a personal journey for us. I started my journey out in, in rather irony the same time as Belfast and Northern Ireland did. My first project in Northern Ireland in, in renewables was the Barrow Offshore Wind Farm back in 2005. That was the first project I believe that was signed by Harland and Wolff. We'll probably correct it later on this, because there's probably someone who knows better than me the actual fact. But in 2005 Northern Ireland started this journey of being, what I would call, actually the backbone to what's happened particularly in the Irish Sea and the UK offshore wind story. And I think it's really important that we don't forget our past, but it's all about the future now. And I think the key thing coming out of today as you'll see, we've got a really strong vision in terms of strategy.

We've got an action plan that's evolving, 'action' being the word, and we all stand ready to play our part. And I think knowing what our parts are, clear on our roles, clear on how we work together to deliver that action plan is really key for the domestic projects, and that's probably where I'm gonna focus. That's, kind of, my role. But I do not want to detract from what was last talked about, the opportunity in terms of a lot of guys who are sat in this room in terms of supply chain is the biggest story of offshore wind. And I'll give you a few updates on what's happening across the water in terms of our other leasing activity. So, brief introduction to Crown Estates I will cover really in the premise here of we should all understand who we're talking to, 'cause we all need to come together to deliver this action plan. I'll give an overview of what it means around offshore wind development for those who are less familiar, and I'll also give you an update on where we are on round four. And then in terms of looking forward, the title of my bit was around delivery, delivering the action plan, I'm gonna draw some parallels with what's going on elsewhere. That is a real opportunity. There's a lot of issues to get over in terms of offshore wind, full stop. There's a degree of complacency that offshore wind has made its cost trajectory, and we're dealing with the issues.

Actually, the issues are getting more difficult. And we shouldn't forget, when we talk about a gigawatt of offshore wind, that is a multibillion pound infrastructure project that will deliver ocean going vessels to support the, sort of, scale of turbines that we've just heard about, and, and those fourteen to twenty

megawatt turbines, they are huge. And, and so the capability of those in this room, and the capability of all of us in terms of our role, will deliver the action to get to the point of actually making that a reality. So, the story unveils in front of us. So, a bit about us. The Crown Estate, we're a public entity, and the work we do were established through Acts of Parliament, but ultimately our purpose is to deliver lasting prosperity for the nations. And what we do is we use the assets we own, in this case we own the seabed, or we operate the rights for energy, and we provide those rights to the public sector to build the projects you're hearing about. So, they can employ you to deliver those actions and services. So, we understand our bit. It's often at the beginning of the process, and a lot of people come to us to say, 'Okay, where's our plots of seabed?' But the story I'll unveil is, is how we work in combination with a lot of actors to ensure that we do this right. Yes, pace is important, and I think we just heard around how some projects have been around for twenty years.

Arguably, those projects that have been around for twenty years should never have lasted that long in-, or taken that long. And it's around getting the right stuff done at the right time, as well as moving forward with urgency, and I think that's a key message. So, we sit in the middle of quite a few other organisations. We sit in between the customers, those investors, maybe your clients for many of you in the room. We sit alongside government and work well with Department for the Economy, and also Defra. Really important those two strings of the economy and the environment, and I'll come back to that later. And really stakeholders, that's another theme to get through here. We, we need to move forward in, in a way that's correct, thinking about the impact we might have on environment, but also other seabed users, and other communities. Again, those multibillion pound infrastructure projects deliver cables across people's backyards, and some of the lessons we're learning particularly in the South East of England shows that we haven't always got this right. We have an opportunity to get it right in Northern Ireland. So, back to the leasing framework. These are the fundamentals. We operate the seabed. We own it out to twelve nautical miles, and through Energy Acts we provide the rights again for that investment.

What we don't do as the Crown Estate is consent it. And so it's really important when we move forward to choosing how we provide that seabed to the market to, to compete for, we've just heard how competitive it is, to provide strong capability in that development pipeline, but founded on really good data and evidence to ensure that we can keep stakeholders rolling with us, and do things in the right way. No regrets in terms of our impact, particularly on areas like biodiversity, and thinking about how we can make a positive impact on the environment. The significant footprint of offshore wind in the sea space, we have a responsibility to do that responsibly. Bit of an update on round four. So, round four was the leasing process that we are just completing now. I'll talk a bit in the minute about the Celtic Sea floating wind leasing process that we are-, we're in the early stages of. So, round four, delivered in our bedrooms a year ago, the tender process. Those projects, the preferred projects, have been going through what we call the, the Plan-Level Habitats Regulations Assessment. And that is something that we have to do. It's our statutory role in terms of when we provide the seabed, access to the seabed, we have to undertake our own assessment of that impact on particularly habitats.

So, those precious habitats. And what is happening is that whole process of working in combination with habitats is becoming more and more difficult. The headroom on protected species and habitats is becoming smaller and smaller. Now we are only twelve gigawatts through the UK story of what is a 140 gigawatt story potentially, if you look at what the Commission for Climate Change talk about. So, when we talk about the scale up, it's a significant footprint. We finish the process of Habitats Regulations Assessment in the spring. Once that's completed we'll move to close those contracts, and it's at that time, you've already seen probably some early interest of work of those projects in the Irish Sea, particularly BNP, EMW, but also the other projects there, they will be moving forward with their own development activities as we just heard, in itself a significant opportunity for many of you in the room. Once those projects have got their agreement for lease they will go through the process, which I'm gonna outline in a minute in terms of consenting, securing their final investment decision, before they then can go on and build. That in itself is a long journey. And the theme wherever I go at the moment is about acceleration. So, accelerating the projects that are in hand, the ones that are coming, and accelerating the pipeline of projects coming is gonna be part of what we're all involved with.

So, next steps. We complete the HRA for round four. Those projects will then go under a agreement for lease. So, essentially that's their, their option. They will complete the consenting process, and then they will move forward to financial close, and, and move into deployment we hope. So, the challenge. We've heard a lot about the mission. We've heard from Richard in terms of what's being put down in terms of what it means for the energy strategy, why it's important for Northern Ireland, why it's important for energy security, why it's important for economy. Currently, the process takes too long. I think we're all agreed. And you probably can't see this, but they'll be available, and they're on our website, typically it's around ten years to get from the point of launching leasing process to having turbines spinning. That's a long time. It needs to be quicker. And we also need to do it within the context of, of tackling those challenges I've talked to, and, and they're at the bottom of this slide. Again, you heard it from Richard. Leasing is one of the elements. Consenting and planning is significant within the context of onshore impact with communities, what it means to put this into the environment, this being the, the turbines. Grid development, a really important area I'll come back to in a minute. It's something that we haven't done well in offshore wind in the UK particularly, but in a lot of states.

And again, one of the themes I'm gonna come back to at the end is, with a reasonably clean sheet of paper, not a-, not with the benefit of some homework we've all done, we've got an opportunity in Northern Ireland to get this right more first time I'd argue. So, grid development, financial support we've heard, and decommissioning. We shouldn't take our eye on the fact that we need to secure what happens at the end of these projects. Not taking our eye off the, the full lifecycle. So, there's our challenge. We've got, it takes too long, and we've got some big stuff to work together on to deliver, both between the government, the private sector, the public sector. What's our focus as we move forward? As Crown Estate we're evolving the way we look at leasing. So, the way in which we did round three, or round one, round two, round three, will not be the way in which we will do future leasing. And I'll move on to specifics on some of our new approaches to that which we're tackling in the Celtic Sea floating wind process at the moment. We are-, we always have, but we need to invest more in data and evidence. We're a reasonably new industry. We've been around-, so, twenty-, 2005 when Barrow was going up, was only fifteen years

ago, fifteen, seventeen years ago.

So, learning from the projects is really important, and part of the issues we face with consenting in fact is a lack of knowledge. We don't really understand sufficiently the impact we might have, and therefore, what we need to put in place to mitigate that, compensate for it, and that is why some of the consents are getting very difficult. So, investing in that knowledge, and evidence, and working that into our projects is going to be really key to overcome that, that dilemma, or that, that, that balance we've got to achieve. Taking a proactive approach, this is gonna be really key. It's not good enough just to assess the impact we're gonna have, and then seek to mitigate it. We as an industry have got to think about how we can actually improve, because actually our sea space is not in a good state. And you hear about policy involved with restoring, or restoration of the marine environment. We've got to think about that as a community, as, as, as a people, as a population, on the seas that are ours, and we've got to do that at the same time as building all this infrastructure. So, a really key theme is how do we make sure we're doing this in a responsible manner having a positive impact on the environment, and thinking about the biodiversity aspects? And the last thing is a really key one for here, probably quite specific for, for Northern Ireland actually in terms of the next step. That is gonna be the importance of flow, the floating wind.

The map on the right-hand side is something that we did a project about coming up to, sort of, eighteen months ago now, under the heading of Broad Horizons. There are links at the end, and I can-, I can lead you to it. But you can't see it, but the fixed wind resource in Northern Ireland is reasonably slim. It's a very small strip around the coastline for which you've got to think about navigation, the other pressures on community, visual impact. So, the big-, the big prize for Northern Ireland is actually gonna be looking at how do we deliver floating. Well, at the moment, give or take, and someone will correct me, floating wind is probably more than three times the prices of fixed wind at the moment, but it's fundamentally what we're all gonna need. The story in the whole of the UK is gonna be relying on floating wind. We've got to, there's that word again, accelerate the maturing process and the innovation pathways, all the things that need to fix some of the issues we face in a floating condition. We need to work that. So, on to some of the things we're doing. Sustainable coordinated expansion, a bit of theme I've just talked about. Making sure we're doing this development in balance. Last year we launched a programme called the Offshore Wind Evidence and Change Programme, which we're delivering in partnership with BEIS and Defra, but actually it's a partnership with actually 26 of the key environmental regulatory bodies including NGOs, the likes of Wildlife Trust, and RSPB, DAERA, DFE are on there as well.

Looking at how can we build the evidence base to achieve a lot of what I've just talked about, this responsible build out. What knowledge and evidence? What projects do we need to invest in? And we seed funded this with £25 million last year to look at how do we work this with fisheries? How do we work with navigation? How do we work with biodiversity? How do we make sure that knowledge is then applied in the decision making processes of consenting? So, that body of knowledge we all need to work, and then we need to use it. As I mentioned, flow. So, floating offshore wind. In parallel to closing out

round four, we looked at how we could start to tackle the innovation story on floating wind. The proximity of a lot of our seabed to round four meant we, we need to finish round four before we can look elsewhere, but there was an opportunity in, in, in the geographical separation in Celtic Sea that gave us an ability to deliver something there. Absolutely key to the innovation story I talked about. And people again who are close to this, will talk about a stepping stone approach. So, building out from 100 gigawatts to 300 gigawatts, to the gigawatt, is that way in which we can deliver the, the, I guess the sensible process to delivering a flow story in a world in which we're all happy to take the risks and learn. So, this is gonna be really important.

So, key project categories around that enabling that stepping stone approach. The leasing is designed to support the pace and scale of the supply chain. In Wales-, I think you've got a much more mature supply chain actually in Northern Ireland than Wales has benefits from, I would argue at the moment. And I think therefore from a local point of view in Wales, it's important that supply chain grows to support those projects. But as I said earlier, anything down the west coast, I was gonna say west coast of the UK, but I've just talked to someone who's exporting their services to the States, so forget about that. Wherever we can deliver this, you-, your services, your vessels, your boats, your capability, are gonna be really key in all, all of these areas. We're looking at a revised approach to our leasing where we front end load activity. And later in the year we'll give you some more definition about what that means, but it's firmly the world of data and evidence. What do we need to collect in terms of knowledge, so that we're not just running at these issues, and then with regrets thinking we should have done things earlier, but building up the specific knowledge and evidence on the seabed in that location to deal with it properly. And the last thing is working the grid. As I've said in the past in the UK the grid has been a bit of an afterthought, and that, that has come at the expense of onshore communities.

So, right now the work we're doing on, on, on the Celtic Sea sees us sit down with the National Grid ESO on day-one thinking about how these connections are gonna work, and how can we work that as a joined up infrastructure project, not just the offshore, but the onshore as well. I won't go through the detail of this, 'cause you can't read it, and the point of this is exactly that last point. We sat down. As we were going through what's called the Offshore Transmission Network Review last year seeking to tackle this issue of grid, we now have got a statement of intent sat down with National Grid ESO. We're very clear on our role in this. We need to think about the leasing. We need to think about the spatial aspects of what we do, offshore particularly. Their role is to get the grid to work in a coherent manner. So, by sitting down at day-one we can understand where they want the energy, and we understand what it means to connect that energy onto the grid. A great-, a great piece of work, probably long overdue, but here we are, we're doing it. So, to conclude, we have the benefit of a very clear destination. We've heard from Richard. We've actually got a really, I would argue, good understanding of the issues we need to face. So, a lot of it is about pace, but a lot of it's about doing the right stuff as well, particularly in the context of the environment. We have a real opportunity for a fit for purpose process.

Multibillion pound infrastructure programme needs to be planned well, and the action plan I would argue

is the start of that. The economic tune is huge. The graph on the right-hand side, you can't see the numbers, but once round four is concluded, and ScotWind is concluded, even without the Celtic Sea four gigawatts we're at around 75 gigawatts. With Celtic Sea's around 80 gigawatts of pipeline in the UK for you to market your services, 'cause what I do know is when we come to do something in Northern Ireland waters we're gonna need those services to deliver good, I was gonna say 'cheap', but we want effective and efficient projects at the lowest cost to society. And my last point would be we've got to bring communities with us. We've gotta bring the stakeholders with us, the fisheries, the onshore communities that will be impacted by this, and the story of that starts on day-one. Thank you.