



Ref: Priorities for the Economy, Trade and Rural Affairs Committee

Overview

RenewableUK Cymru (RUKC) is part of Renewable UK – a not for profit trade association representing developers of technologies and projects which will power the net zero world.

We thank the committee for the opportunity to suggest priorities for its forthcoming work programme.

Renewable generation, mass electrification, the hydrogen economy and the transition to a zero-carbon society are examples of the huge challenges but also huge opportunities for Wales during the 6th Senedd term and beyond.

RUKC's primary concern is that opportunities for green growth are currently being lost due to a lack of critical infrastructure to support key growth markets.

In a nutshell: Wales risks being left behind by other parts of the UK.

RUKC believes that the committee's underlying objective should be to scrutinise Wales' competitive preparedness to deliver growth from zero carbon industry.

RUKC has identified five themes for the Committee to consider

1 – Energy networks

Wales' energy networks need to be strengthened.

Offshore wind is constrained by the scale of challenge presented by marshalling multiple generation assets while minimising onshore impact. Onshore wind has abundant potential but faces chronic network constraint.

Informing the needs case must utilise local, data driven mapping of future energy demand. However, it's important to point out that Renewable energy generated in one part of Wales can help other parts of Wales to decarbonise (as well as other parts of the UK).

This is also about the potential adaptations to the gas network to accommodate increasing quantities of blended Hydrogen (dictated to an extent by policy choices about Hydrogen's role), ranging from the ubiquitous to the more niche.

These are huge, potentially intrusive, systems engineering challenges, and we need to get a fair distance down the track in this Senedd.

2 - Enabling actions for Offshore wind

This sector is likely to see the largest long-term uplift in generation. It is estimated that the Floating Offshore Wind (FOW) industry could accrue £33.6bn GVA to the UK economy and 17,000 jobs by 2050 based on a conservative estimate of ~10GW+ from the Floating wind sector¹.

The Celtic Sea is seen as one of the best areas in UK waters to develop early commercial FOW projects according to analysis by the OREC.²

The huge opportunity presented by FOW requires a co-ordinated, strategic approach to regional development, establishing clear guidance as to the scale and timing of floating offshore wind development in Wales and each UK country.

The committee must scrutinise the efficacy of Wales' efforts to secure a large chunk of this growth industry and pay particular attention to:

- Ports' capability to support fixed offshore and FOW
- engineering procurement opportunities in areas such as:
 - Surveying.
 - Sub-structure design,
 - manufacture and assembly.
 - Mooring and anchoring systems.
 - Dynamic cable systems.

3 - Investment

As the cheapest and most 'shovel ready' technology, Onshore wind can potentially continue to make a significant contribution to Wales' decarbonisation roadmap and economy. It also has high levels of support³.

Vivid Economics research suggested that deployment of the UK CCC's recommended 35GW of UK onshore wind by 2035 could deliver 1600 jobs for Wales – with jobs in the O&M sector carrying an average GVA per worker of £180,000 (compared to an average GVA worker of around £45,000.⁴)

Stakes taken in projects on Welsh Government's forestry estate could accrue revenues to benefit all of Wales.

More broadly, the committee should consider a more strategic analysis of future models for driving 'sovereign wealth' from Wales' myriad and vast renewable resource.

4 - Planning

Given UK Government's commitment to reviewing the National Planning Statements (NPSs), there will be potentially significant changes in planning and consenting Renewables in England (and >350MW projects in Wales) so there needs to be coherence between Welsh and UK planning and consenting regimes.

¹ Offshore Renewable Energy Catapult (OREC) report, Floating Wind, 2018

² OREC 'Pathways to subsidy free' report, March 2021

³ RenewableUK polling data, <sample 1000 in Wales>, August 2021

⁴ ONS data

With the Developments of National Significance (DNS) regime increasingly well established, the advantages it delivers can be cemented by the introduction of the Welsh Infrastructure Consenting regime.

This will give renewables developers in Wales the ability to secure statutory powers while maintaining the DNS process as an option. We would urge the committee to closely monitor and prioritise the efficacy of the major infrastructure planning regime established by Future Wales, and to make the case for the prioritisation of the introduction of the Wales Infrastructure Consenting bill at the earliest juncture within the 6th Senedd term.

5 - Skills and the Renewable economy

RUKC and its members are committed to ensuring the growing renewables industry harnesses all available talent.

For example, tackling the under representation of women in the industry will be a defining feature of the just energy transition and goes to the heart of capitalising on a renewables boom in Wales.

Government, the renewables industry, and educational institutions must work together to spark pupils' interest in the green jobs which will proliferate in the decades ahead and equip them with the skillsets to succeed.

We would welcome the Committee's attention on Welsh Government's plans to prepare, skill and inspire the young people (and those entering from other sectors of the labour market) whose roles will shape and drive a zero-carbon economy.

Given the havoc wrought by the pandemic on young people's plans, this should be viewed as a generational challenge and part and parcel of securing a Welsh economy characterised by high skill, high value, exportable industry.