

# DeepWind Webinar

## Opportunity Cromarty Firth

25<sup>th</sup> March 2021



# ScotWind Leasing Round Update

March 2021



**Crown Estate  
Scotland**

Oighreachd a' Chrùin Alba



**DeepWind**  
North of Scotland Offshore Wind Cluster

# Crown Estate Scotland Announcement, 24<sup>th</sup> March



The review of the leasing process has been completed. The key outcomes are:

- The previous maximum fee that might be paid was £10,000 per km<sup>2</sup> of seabed. This will now be increased to a maximum of £100,000 per km<sup>2</sup>.
- The threshold of Supply Chain Development Statement commitments that applicants must meet to request a lease has been increased from 10% to 25%.
- Additional technical information will be published by the end of April to allow registered applicants to progress their interest in ScotWind Leasing.
- The Closing Date for applications will be **16 July 2021**.



# What does this mean?

- Previous Option Fee costs would have been around £5m per site. This will now be more in the £30-50m range per site depending on size in km<sup>2</sup>
- This was right to the wire on timing as today is the start of purdah and if a conclusion had not been achieved it would have had to wait until after the Scottish elections.
- Process is now delayed 3½ months compared to March 31<sup>st</sup> date
- This means that the successful applications are now unlikely to be announced by the end of this year as was previously hoped with the March 31<sup>st</sup> closing date.



**Crown Estate  
Scotland**

Oighreachd a' Chrùin Alba

# UK Round 4 Bids by Comparison

Offshore Wind Leasing Round 4 - Tender process outcome

8th February 2021

Project identifier	Bidding Area	Proposed Project Capacity (MW)	Successful bidder	Option Fee deposit paid (GBP excl VAT)	Option Fee Bid (GBP/MW/annum)
1	1	1,500	RWE Renewables	£114,304,500	£76,203
2	1	1,500	RWE Renewables	£133,350,000	£88,900
3	2	1,500	Green Investment Group - Total	£124,573,500	£83,049
4	4	1,500	Consortium of EnBW and BP	£231,000,000	£154,000
5	4	480	Offshore Wind Limited, a Joint Venture between Cobra Instalaciones y Servicios, S.A. and Flotation Energy plc	£44,751,840	£93,233
6	4	1,500	Consortium of EnBW and BP	£231,000,000	£154,000

# Thank you

Email: [paul.obrien@hient.co.uk](mailto:paul.obrien@hient.co.uk)

[www.offshorewindscotland.org.uk](http://www.offshorewindscotland.org.uk)



INDUSTRIAL  
STRATEGY  
CLUSTER





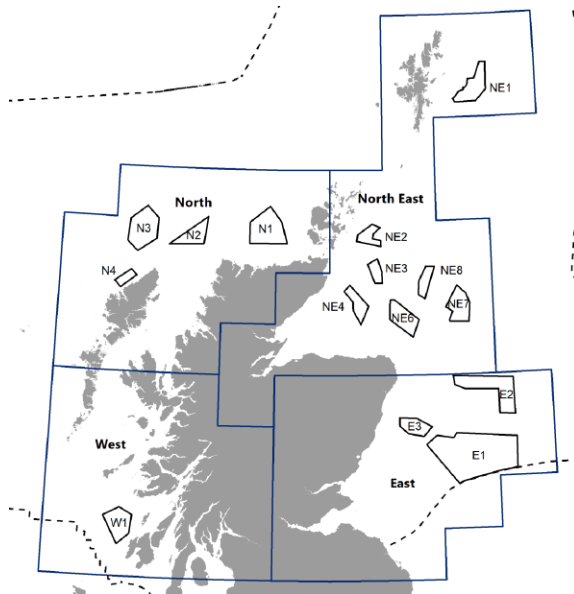
**Opportunity  
Cromarty  
Firth**

*a united port*



## RENEWABLE ENERGY BOOM – **WHY MORAY FIRTH?**

- **The Highland Region, and the Cromarty Firth in particular, has a 50-year pipeline of £multi billion renewable energy projects on its doorstep**
- We are in the right place at the right time: 15 development sites identified in the [Marine Plan](#); 14 in close proximity to the Cromarty Firth
- We have the right facilities and track record: Over £100m already invested and the Firth has accommodated and supported more windfarm projects than any other Scottish Port: Beatrice and Moray East Offshore Windfarms, Hywind and Kincardine Floating Windfarms
- **No other location is better positioned**
- Step change in deployment: 1GW installed capacity to 11GW by 2030. 50 year pipeline: construction timeline 2025-2050, plus 25-30 year operations and maintenance followed by repowering/decommissioning
- We are already Scotland's powerhouse, producing more renewable energy for our country than any other region. We need to capture our share of this national value and ensure that our businesses and communities benefit from this pipeline of opportunity



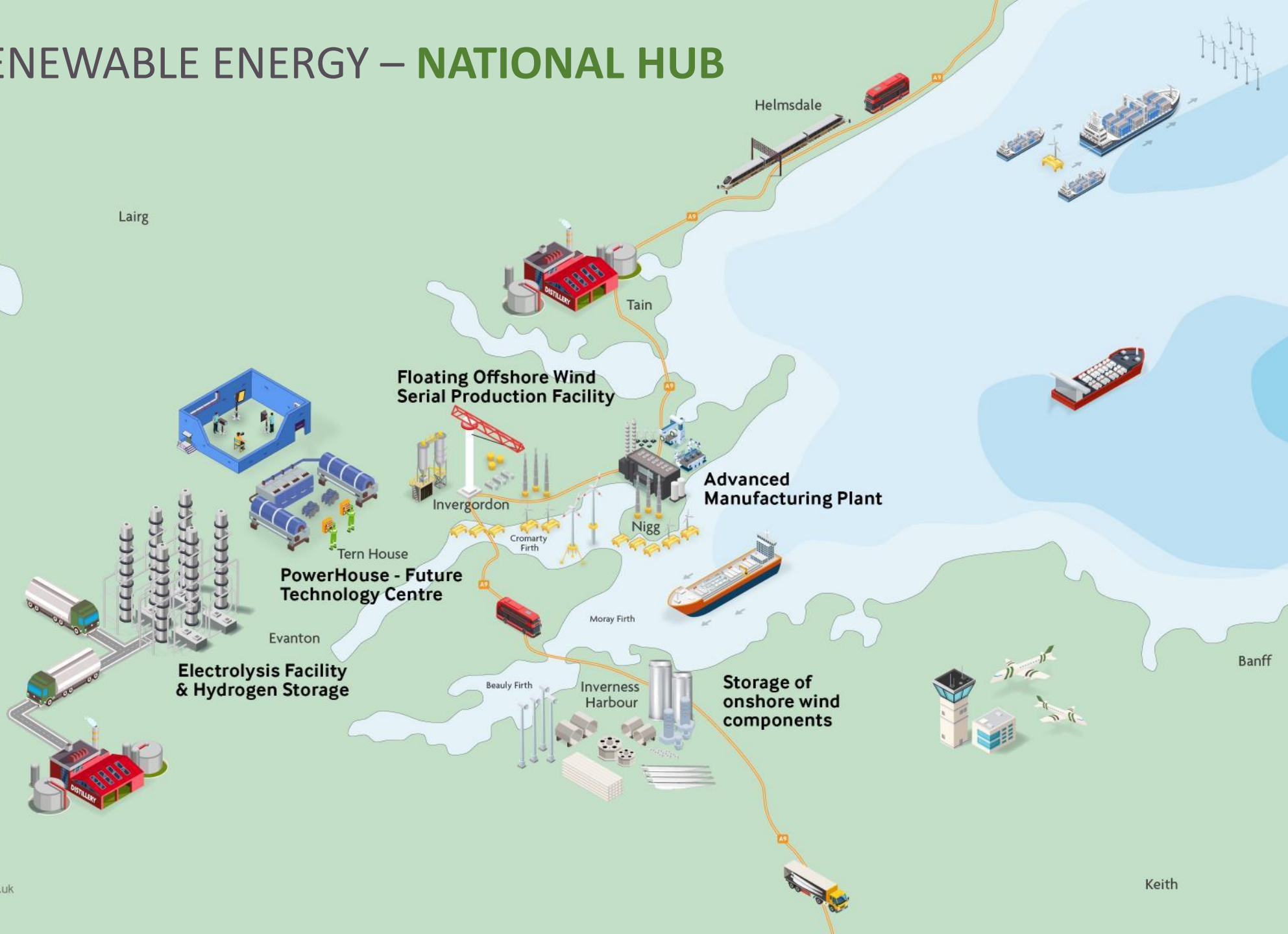


# RENEWABLE ENERGY – NATIONAL HUB

**Opportunity  
Cromarty  
Firth**  
a free trade zone

## Scotland's Renewable Energy Hub

**Opportunity Cromarty Firth**  
Port of Cromarty Firth, Port Office,  
Shore Road, Invergordon, IV18 0HD.  
Email: [info@opportunitycromartyfirth.co.uk](mailto:info@opportunitycromartyfirth.co.uk)



Keith

# PROJECT – STEERING GROUP

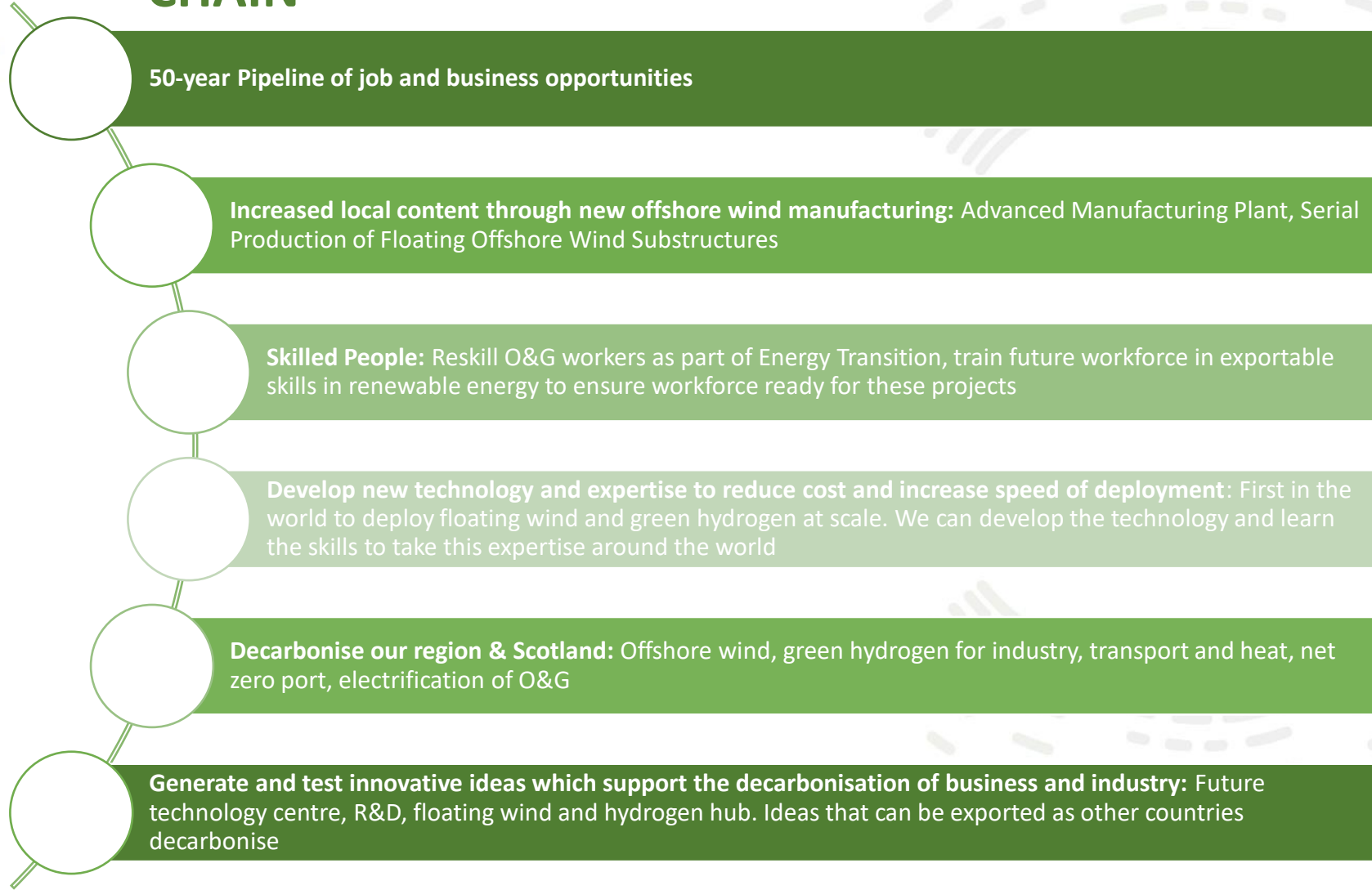


Opportunity Cromarty Firth

Port of Cromarty Firth, Port Office, Shore Road, Invergordon, IV18 0HD. | Email: [info@opportunitycromartyfirth.co.uk](mailto:info@opportunitycromartyfirth.co.uk)



# OPPORTUNITY CROMARTY FIRTH – **BENEFITS TO SUPPLY CHAIN**



## GREEN PORT COMPETITION – **WHAT IS A FREEPORT/ZONE?**

- To exploit the full potential of this pipeline of opportunities...
- UK Government initiative to incentivise international trade post-Brexit. Includes seaports, airports and rail hubs. Seeking ‘best in class’ locations to regenerate deprived areas, boost international trade and innovation
- Scottish Green Port enhancement: Exemplars of fair work policy and the transition to net zero, accelerating Scotland’s excellence, cluster building
- Key benefits to business:
  - Duty & VAT-free imports and exports (inc. sites beyond 12nm limit)
  - Removes max. 90 day temporary storage limit or need for special customs procedures for each company in supply chain
  - Goods can move freely in Freeport, and be easily combined with other goods
  - Tax relief package for new investment/jobs
- **Becoming a Green Port would make it easier and more attractive for multi-national companies to invest and set up R&D and/or manufacturing facilities in our region.** These companies would create jobs, use local companies for products and services, and attract other supply chain companies to the area



# RENEWABLE ENERGY BOOM – **GET INVOLVED**

## **Businesses:**

- Become a member of DeepWind
- Sign up to Open4Business and other portals to ensure you receive opportunities
- Build up your knowledge and expertise in the sector
- Help renewable developers meet their local content targets – be proactive
- Support Opportunity Cromarty Firth – get involved in working groups

## **Developers:**

- Ensure you're aware of the benefits freeport status could offer to the renewable sector
  - Work with us on case studies to quantify the advantages / disadvantages
- Promote your opportunities on Open4Business and other portals
- Build up your knowledge of the local skills and expertise available
- Work with those in the area of your sites; taking a 'pipeline' approach to investment and stakeholder engagement (rather than a project-by-project approach) to maximise impact



**Opportunity  
Cromarty  
Firth**

*a united port*