

## RET Strategy – Preparation for Renewable Development – 2015 and Onwards

**Vision:** Guernsey will generate *local renewable energy which is low carbon and affordable and will provide greater energy security and independence as well as a lasting commercial, financial and environmental legacy.*”

**Mission:** To prepare the groundwork for development of renewables, RET will ensure that all the required **political, legislative and commercial processes and approvals** are in place by 2018, as well as a base line **environmental and resource** understanding of Guernsey waters.

This is to enable at least the **initial deployment** of local macro **renewable energy generators** in the early 2020's if economically viable.

To deliver the vision RET will require:

- **Political direction and support** through the States of Guernsey Energy Policy, and will also look to feed into this to the policy to advise on the status of the renewable technologies and viability for Guernsey.
- The economics of renewables to become acceptable and affordable for Guernsey.

### **Strategic goals:**

RET has some control over the following factors and will:-

- Facilitate the enactment of legislation and access to the seabed (including extending access to a 12 mile limit) that will permit macro renewable development in Guernsey waters. – by end of 2015.
- Zone suitable areas for marine renewable following initial zoning looking to progress by end 2015 – to define what further data is likely to be required.
- Develop the best mechanisms for Guernsey with regards to leasing of the seabed to a developer (which may include GEL) looking at potential returns, cost, risk and opportunities of supply of electricity to the island or for export – by end of 2015.
- Have a comprehensive understanding of the renewable resources that Guernsey possesses and their potential regarding wider socio-economic value. (LT)<sup>1</sup>
- Understand the marine environment and renewable resources to a sufficient level (by end 2015) that there is confidence that development can take place within Guernsey. Refine this understanding to an even more detailed level (potentially in partnership with a developer) in order to accelerate generator deployment. (LT)
- Understand the renewable resources such that information is useful to direct a developer and to provide realistic estimates of power output and generation profiles for Guernsey. (LT)
- Understand and monitor the costs of generation of the different renewable generating options. (LT)

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<sup>1</sup> (LT) = Long Term Project – Projects which are underway but are not due to be completed in 2015

- Work with the other Channel Islands and wider international governments to progress renewables including work with the UK (through DECC) and French governments. (LT)
- Look to ensure that the public and stakeholders are engaged and well informed of where Guernsey is and why with regards to renewables – continuous. (LT)
- Develop a solar array at a States' site such that the electricity will be a saving for the SoG – 2015
- Explore the potential for a renewables research/development base – Long Term Aim. (LT)
- Undertake the next stage of work for a 30MW offshore wind array in Guernsey waters so that an informed decision can be reached on whether to progress to construction – by end 2016
- Encourage and support other renewable projects both within and without the States of Guernsey (LT)

The following factors are outside RET's control but RET will:

- Continually investigate access into other electricity markets and their subsidies to make near term marine renewables more viable ensuring that the overall needs of the island are not compromised/ if it is in the best long term interest of the island – continuous. (LT)
- Follow closely the renewable technologies, the accompanying economics and energy storage such that Guernsey is fully up to date with the industries – continuous. (LT)

Note – there is a more comprehensive strategy document setting out the strategy in more detail.

RET 2015 Priority Objectives – Top 4 Summary

1. **Undertake the next stage of research into offshore wind to take Guernsey closer to making a final decision.**
2. **Commercial PV** – project completed / near approval
3. **Secondary legislation (finalised) / licensing / territorial seas and seabed rights (progressed)**
4. **Substantial progress in Public consultation** – conclusion of Public Perception PhD

**Appendix – Assumptions underlying the Strategy**

1. That connection to France via Jersey will continue and that a second link, either direct to France or an additional cable through Jersey will be in place by 2020.
2. Tidal devices have failed to reach maturity as expected, and maturity is now expected to be some time in the future (potentially around 2020s) – with no current arrays operational and no clear projection of when arrays beyond 20-30MW will be installed with meaningful OPEX data. The tidal resource in the Big Russel is of a size which could contribute to Guernsey domestic demand with a very limited export.
3. There is no appetite for subsidising renewable electricity in Guernsey.
4. An agreement is in place until 2022 that Guernsey has access to certified low carbon electricity (Nuclear and Hydroelectric) through the cable link(s) to France, of which 30% is renewable.
5. Offshore wind will not achieve grid parity before at least the early years of the 2020's. Grid parity is where the cost of offshore wind is equal to the cost of other forms of generation, which in Guernsey consist of heavy fuel oil and imported French tariff electricity.
6. Local renewables could add to the security of supply; but currently at a cost to electricity prices. The issue of security of supply (from a more independent generation source (rather than oil or nuclear generation)) is likely to be more of an issue for Guernsey after the latter part of this decade.
7. Guernsey is likely to have access to/ownership of the 12 mile limit and the seabed by the end of 2015.
8. Electricity represents approximately 28% of Guernsey's annual energy usage (calculated from Guernsey Facts and Figures 2014).
9. Oil prices will remain relatively static (no dramatic increase) and will be available without supply restrictions.
10. In order to deliver, RET will need the support of Commerce and Employment, and also other relevant ant departments such as Environment, Treasury and Resources and Public Services.
11. There will be no unforeseen large scale event that will alter peoples thinking on any of the above.