

All Energy 25th May 2006

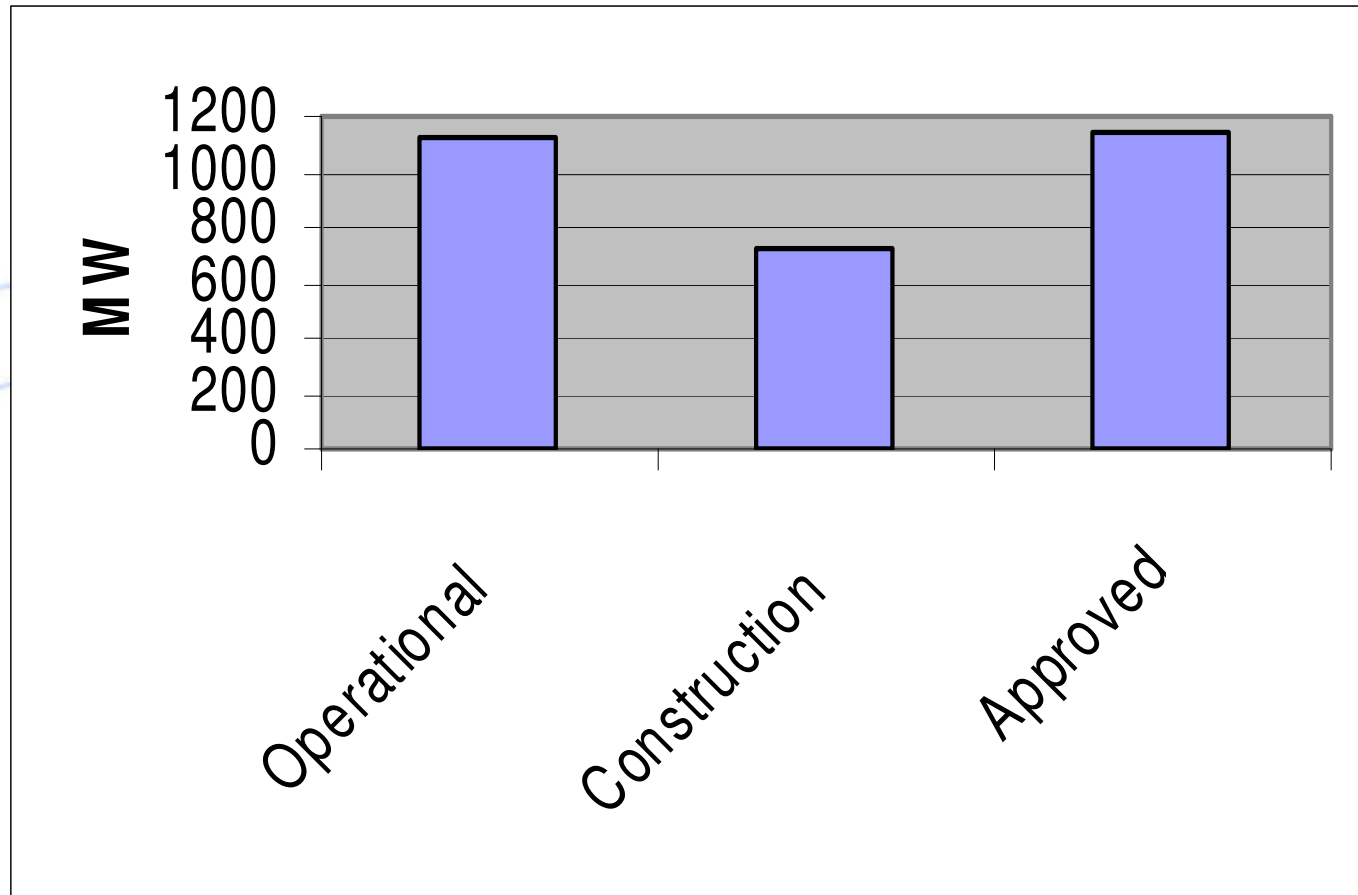
Onshore Wind: Powering Ahead



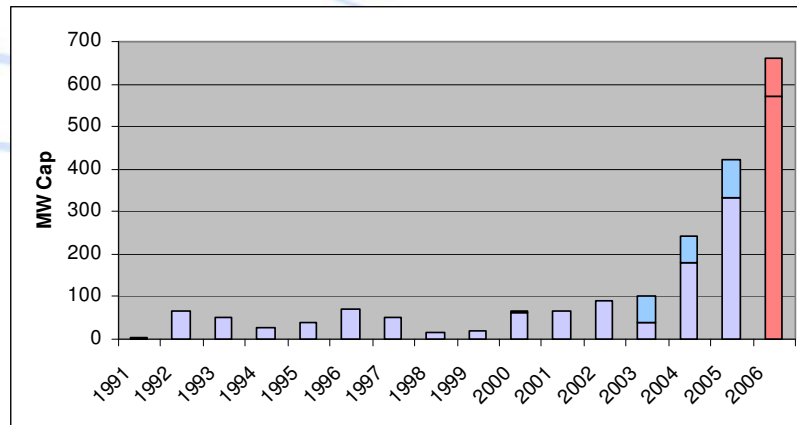
BWEA Forecasting for Onshore Build by 2010

Research investigating barriers and scenarios that will effect onshore deployment to 2010.

Wind is delivering now – 3GW guaranteed



Delivering: 14 years for the 1st GW – 14 months for the 2nd GW



Objectives

- analyse wind energy capacity in the planning system & future submissions that may contribute to the 2010 target
- determine what capacity from LPA applications might be approved, given approval rates, planning & build delays
- determine what capacity from Section 36 applications might be approved under different approval rate and decision delay scenarios
- **Add existing built, U/C & consented capacity to the results to give a range of build scenarios to 2010**

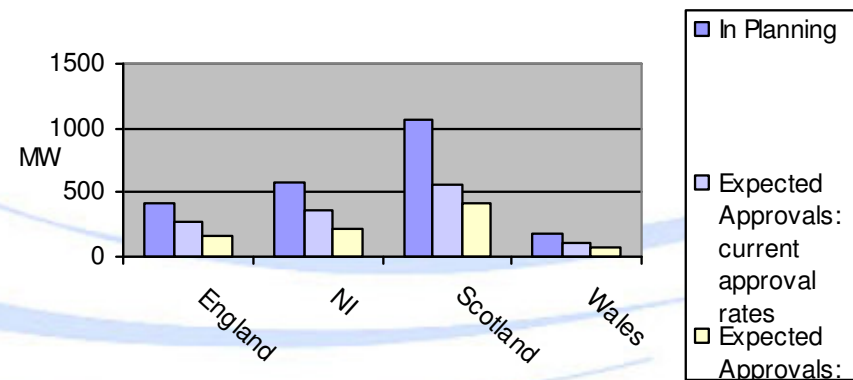
Methodology & Assumptions

- Data: UKWED (www.bwea.com/ukwed) & Developers
- LPA Approval rates & decision delays: for each country, average between 2002-2005 applied + 40% worst case
- 25% loss of capacity for all projects in scoping
- 10% loss of capacity for all consented projects
- Alternate S36 approval rate scenarios of 30% 50% 70%
- Alternate S36 decision delay times of 21 months (existing) 30, 36 & 42 months
- Consent to operation delays for different size projects: < 50MW 2.5 years; 50-100MW 3 years; 100MW+ will have a delay of four years building over two seasons

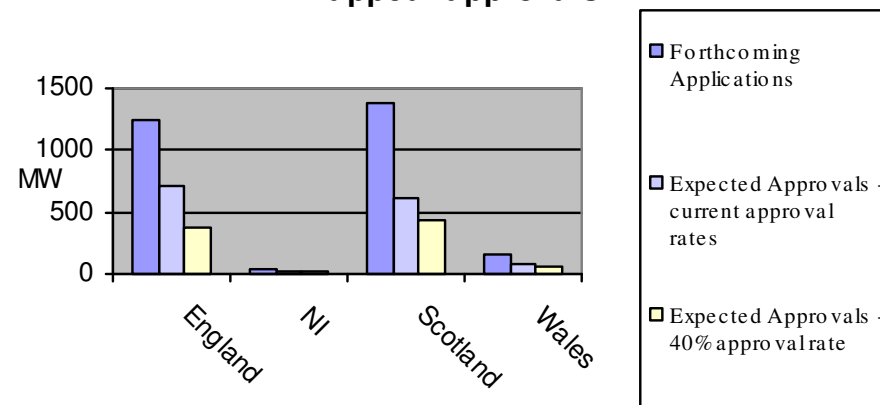
Key Findings: LPA (inc appeals)

- 3GW of operational, under construction and approved capacity guaranteed for 2010
- Approx 1300MW currently in planning is expected to be approved and built by 2010
- Approx 1250MW of forecast submissions is expected to be approved and built for 2010

UK current local planning & appeal applications and expected approvals



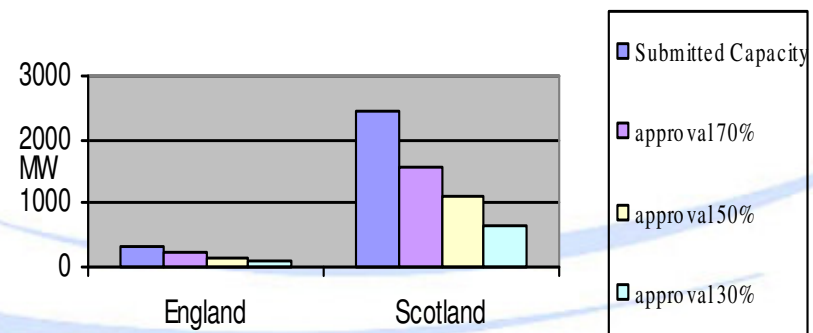
UK forthcoming local planning applications & appeal approvals



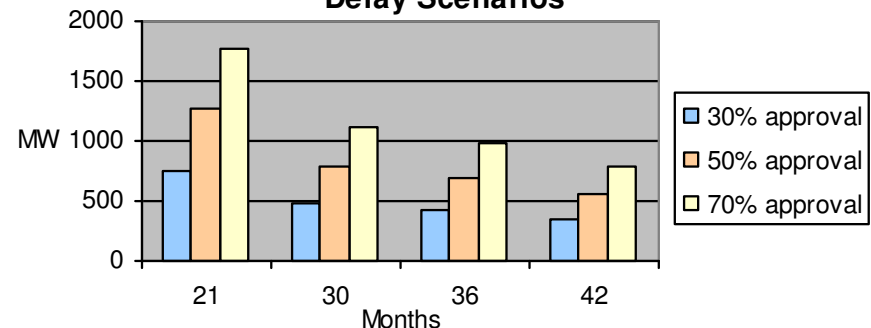
Key Findings: Section 36

- S36 approvals and decision delays will have a significant impact on the potential UK 2010 total.
- A range of 340MW – 1,772MW is possible depending on these scenarios
- 90% of these totals falls in Scotland

Section 36 capacity in planning and potential delivery with three different approval rates

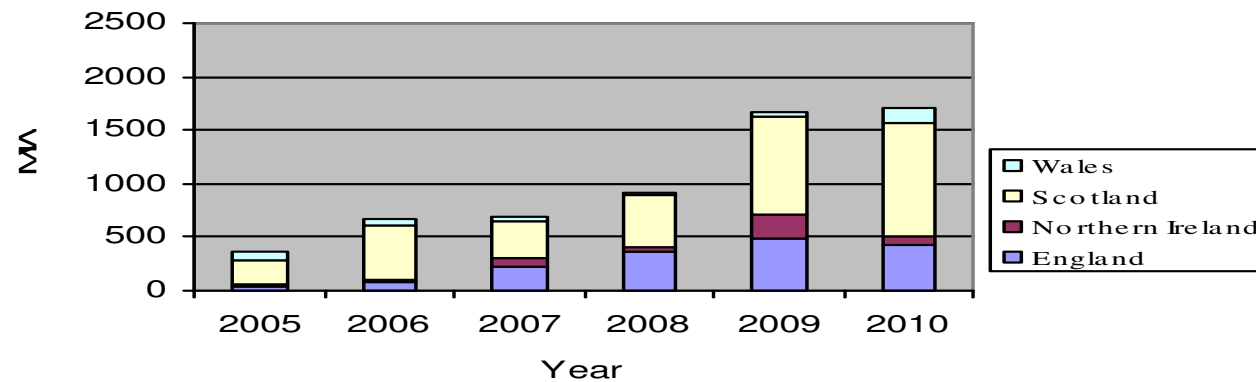


Potential S36 Capacity that Could be Built by 2010 with Different Approval Rate & decision Delay Scenarios

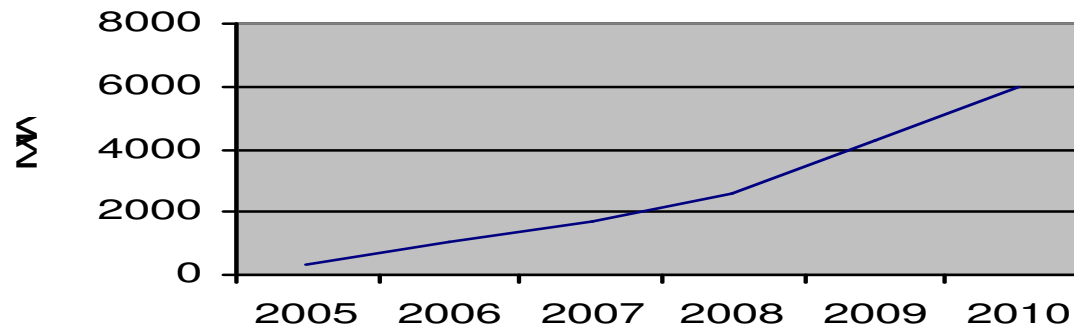


Key findings: Year on year build

Total UK Year on Year Build by Country - existing average LPA approval rates; 50% Section 36 Approval



UK total cumulative year on year build with 50% Section 36 approval

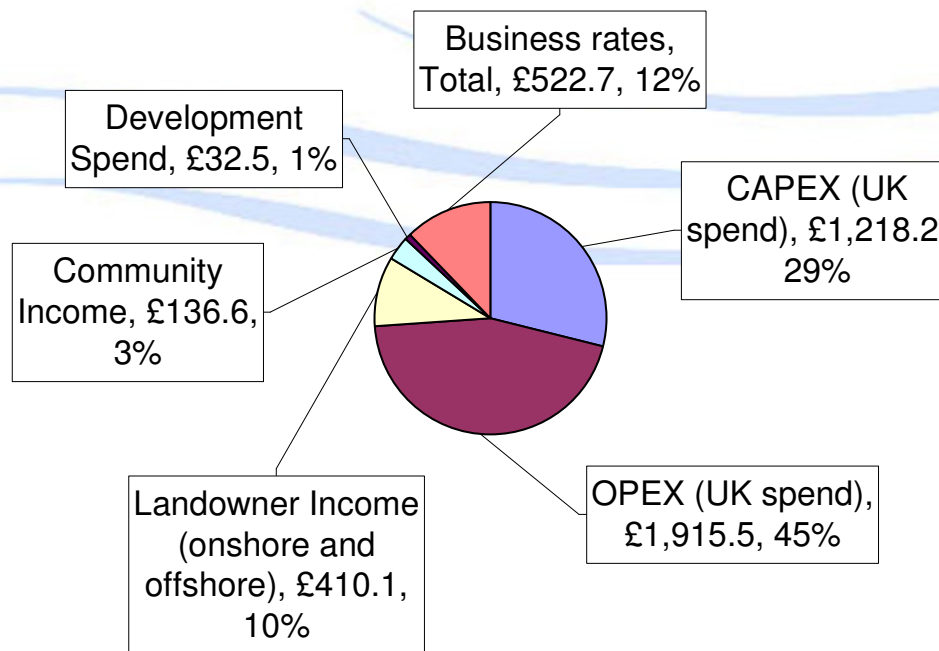


Key Findings: UK Total range

- Over 3GW is already guaranteed – operating, under construction and consented
- A range of onshore wind capacity between 4681 - 7294 MW is possible by 2010
- 6GW is the most realistic forecast but it relies upon swift decision making an approval rate of 50% and a commitment by the Scottish Executive to allow an increase to at least 3GW of build in Scotland by 2010
- 7.3GW is the best case scenario but considered unlikely

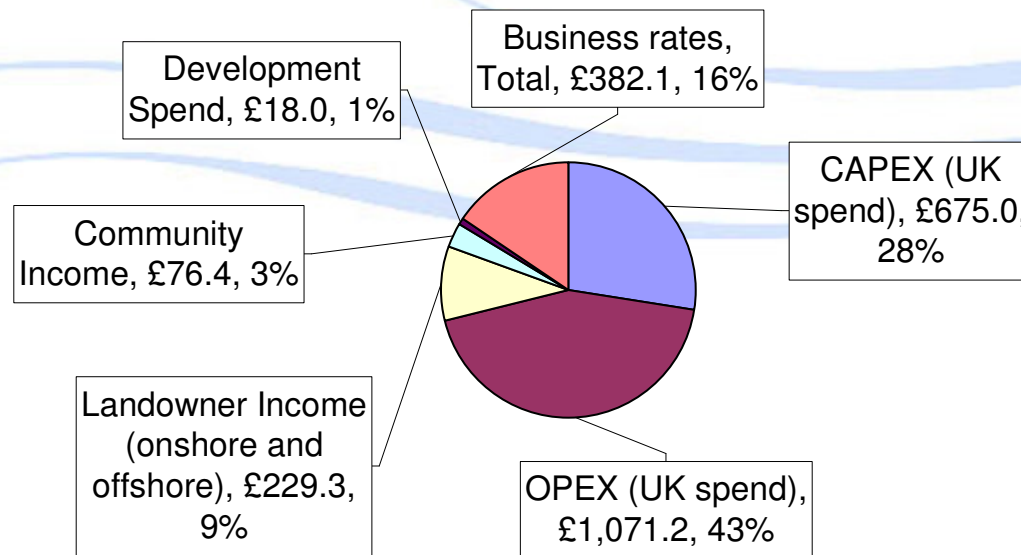
Economic Benefit to the UK

Chart 30: UK wind energy benefits (£millions) 2006-2020, inclusive (total: £4235.6)



Economic Benefits for Scotland

**Chart 21 : Scotland wind energy benefits (£millions)
2006-2020, inclusive (total: £2,452)**



Recommendations

- Additional skilled resources required to ensure prompt Section 36 decisions in Scotland and England
- Target setting for S36 decision making?
- Evolving targets for LPA's beyond 16 weeks
- Publish statistical performances of LPA's highlighting good and poor performers
- Potential for Scotland to start delivering 2020 target early – economic benefits of an industry in growth
- Build upon robust national planning policy in England and Scotland – drastic change may create a hiatus
- Strategically plan for grid infrastructure to be in place in a timely manner (Ofgem working closely with industry)

Conclusions

- Onshore wind is the catalyst
- Must maintain the momentum for onshore wind delivery in tandem with additional support measures for emerging technologies to maintain the investor confidence in the wider renewables market