

MAC Assessment Criteria Consultation
Offshore Energy – Environment and Consenting Division
Department of Environment, Climate and Communications
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EDF Renewables Letter of Support for the Codling Project's Submission to DECC's Offshore Renewable Energy: Maritime Area Consent (MAC) Assessment for Phase One Projects Consultation

Introduction

EDF Renewables (EDFR) is part of one of the world's largest electricity companies and our investment and innovation is bringing down costs for consumers and bringing significant benefits for communities. We operate in more than 20 countries around the world. We develop, construct and operate wind farms (onshore and offshore), solar and battery storage projects, and have more than 25 years' experience in delivering renewable energy generation.

We have recently opened an office in Dublin and are already in advanced discussions in relation to an onshore wind development pipeline of almost 1 GW with aspirations for far greater growth in Ireland across all technologies. This ambition is illustrated by our investment in 50% of the Codling Offshore Wind Park Development, off the East Coast of Ireland and the development of a solar portfolio which now has projects under construction.

EDFR welcomes the opportunity to engage with DECC and to respond to this consultation on the MAC Assessment Criteria for Phase One Projects. This EDFR response is a Letter of Support for the Codling Wind Park's (CWP) submission to this Consultation (CWP is the joint venture company that is developing the Codling Offshore Wind Park). We fully support the views as set out in the CWP response.

Policy Context

Ireland's abundant offshore wind energy resource can make a major contribution to our future low carbon electricity needs. We welcome the enactment of the Maritime Area Planning (MAP) Bill in December 2021 which marks a significant step in the roadmap to Offshore Development in Ireland.

We believe that, in the overarching context of the Climate Emergency, an accelerated pace of offshore wind development is now required to decarbonise the system. The revised Programme for Government (PfG) which was published in June 2020 increased the ambition for offshore wind to 5 GW by 2030 and has, for the first time, indicated the government's ambition for 30 GW of floating offshore wind energy.

The revised Climate Action Plan 2021 (CAP)¹ has increased our 2030 renewable electricity targets to 80%, has set out new electricity sector emissions reduction targets of 62% - 81% from 2018 levels and is aiming to complete the phase-out of coal and peat-fired electricity generation, among other targets. Realising the full potential of the Irish renewable energy sector is one of the central elements of the CAP and it includes a suite of actions to decarbonise the electricity sector and increase the quantity of renewable generation, to meet our 2030 targets.

It is clear that offshore wind, in particular, will play a key role in delivering a net zero electricity system. It should be noted that an SEAI Energy in Ireland 2020 Report² found that in 2019, electricity generated from renewable sources amounted to 11,780 GWh, already accounting for 37.6% of gross electricity consumption (compared with 33% in 2018). Wind was the largest renewable energy generator, furthermore, wind energy was the second largest source of electricity generated in 2019 after natural gas.

This MAC Assessment for Phase One Projects Consultation is a key consultation, as the success of the MAC applications for Phase 1 Projects will determine the degree of success for the government's ambitious target of 5 GW of offshore renewable energy by 2030. The final MAC assessment criteria should allow for maximum competitiveness, for the realisation of the most deliverable projects, and for an even playing field for project developers. The new Maritime Area Planning (MAP) framework will create more efficiencies in the planning system and streamline the planning and consenting process for offshore wind development in Ireland.

EDF Renewables Positions

In this Letter of Support for the CWP Submission to the MAC Assessment for Phase One Projects Consultation we would like to highlight the following points:

1. Commitment to the Codling Project

EDFR is a joint shareholder in the Codling Wind Park and, as such, we would like to underline our interest in and commitment to this project. We would also like to take the opportunity to iterate our support for the response to this consultation submitted by CWP.

2. MAC Technical Capability Assessment

The MAC Technical Capability Assessment requires a significant amount of detailed information from the project, at quite an early stage of the development process. We note that the criteria requires MAC Applicants to be able to demonstrate significant experience in relation to offshore wind development, including at least twelve months continuous experience in each of the development, construction and operational stages, as well as at least 10 years of offshore wind development experience by the Senior Members of the Team. While we recognise the need for the data to be gathered from the MAC Applicant to be thorough, we have the following concerns:

¹ <https://www.gov.ie/en/press-release/b0e43-the-climate-action-plan-2021-securing-our-future/>

² https://www.seai.ie/publications/Energy-in-Ireland_2020.pdf

- That the information being requested is much more detailed than would be expected to be known at the time of submitting an application for a MAC by the developer. We would recommend that this should not be an absolute requirement but instead, that the MAC Applicant should be required to demonstrate that the relevant individual has offshore planning experience, and the project has access to or engaged suitably qualified consultants to provide any additional Irish planning experience.
- The request for information about the MAC Applicant's experience does not recognise the reality of the make-up of the entities involved in a project. The Irish offshore wind industry is at a relatively early stage, and it is possible that not every project will have senior team members who can, between them, satisfy all of the criteria. It is normal for developers to outsource certain aspects of the development to experienced contractors. We believe that it is important that the cumulative experience of the team, including the shareholders and supporting consultants, should be recognised by the criteria. It is reasonable to expect that due to the early stage of offshore wind development in Ireland, the experience will have been gained elsewhere, and the senior team will have been selected for their leadership and experience, which will most likely have been gained in other jurisdictions. We therefore request clarification that the cumulative experience of the wider team would satisfy the technical assessment criteria.
- The information requested to fulfil the technical assessment criteria is commercially sensitive. For example, details of the program schedule and the turbine technologies would be sensitive both in terms of the relationship with competitors, but also in relation to financiers and suppliers. We would strongly recommend that for all such requests, very high-level responses should be acceptable. It might also be too early to suggest certain schedules or technologies given that both of these could be subject to change dependent on the planning outcome.

EDFR requests that DECC revises the technical assessment criteria of the applying entities to reflect the potential sources of the required skills and experience to develop offshore wind projects. The guidance should reflect the many and varied types of organisations that may be developing offshore wind in Ireland, and the requirements should be flexible to accommodate that. We recommend that this flexibility should be extended to the templates which MAC applicants are required to populate. The template refers to the "Delivery Timetable" for certain key development milestones. We request that the MAC Applicants are required to include indicative dates only in the template and that no further detail is required at this stage.

3. MAC Financial Viability Assessment

EDFR notes the criteria set out in the MAC Financial Viability Assessment which states: "Where a Relevant Person does not meet all the financial criteria, the onus will be on the Relevant Person to demonstrate to the Relevant Authority that this does not impact on its ability to meet the Total Outstanding Financial Commitments". While we recognise the data to be gathered from the MAC Applicant is very thorough, we have concerns that the MAC Financial Capability Assessment requires a significant amount of detailed information at a very early stage of the development process. We have the following concerns and recommendations.

- In our view, while the explanations for the proposed financing approach seem reasonable, the level of detail being requested prior to Financial Close would be challenging to provide at such

an early stage of the development process. The purpose of the financial assessment is to ensure that the developers or their Supporting Entities have sufficient financial resources to satisfy the financial commitments and liabilities under the MAC. We believe that neither the developers nor their Supporting Entities should be required to guarantee the delivery of the offshore projects at this early stage. We question the level of detailed information required at this stage therefore recommend that this detail is removed from the request.

- EDFR recommends that the guidance accepts the possibility of multiple supporting entities which will have different stakes in the developing organisation, and so are likely to have quite different financial profiles. We request that DECC revises the financial requirements of the application process and the financial assessment criteria to reflect the nature of the types of and financial capabilities of the shareholder entities, as well as the development company itself.
- We believe that well-resourced government departments, bodies and agencies are essential to the success of the Irish offshore industry and timely achieving the Irish renewable energy targets and would recommend that the appropriate resourcing is put in place in a timely manner.

In summary, we request that some degree of flexibility is allowed for offshore projects in terms of the financial viability criteria to be fulfilled. If the criteria is to be overly prescriptive, it may negatively affect a perfectly viable project from proceeding. This could present a risk to deliverability, which may impact the Government's overall offshore targets. We would also seek clarifications in regard to what the nature of this financial reliance on the Supporting Entity may be. We are ready to work with the Department on the details of this financial assessment criteria.

Conclusion

In conclusion, we would like to thank the Department of the Environment, Climate and Communications for the opportunity to engage on this matter.

Should you wish to discuss any of the issues raised in this letter or have any queries, please contact [REDACTED], [REDACTED], or myself.

Yours sincerely,

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[REDACTED]
Head of Development Ireland