



InisOffshore
Wind

**Draft Offshore Renewable Energy Future
Framework Policy Statement Consultation
Response**

26th February 2024

Introduction

Inis Offshore Wind (“Inis”) is an Irish offshore wind development firm working to enable a sustainable energy future for the people of Ireland. Backed by the Temporis Aurora Fund, our purpose is to harness Ireland’s vast offshore wind energy potential to accelerate and deliver Ireland’s energy transition to a clean, sustainable, low-carbon system.

Inis welcomes the opportunity to participate in Department of Energy Climate and Communications (DECC) consultation on the Draft Offshore Renewable Energy Future Framework Policy Statement. Inis’ recognises the huge importance of this publication and the role this policy will play in the future deployment of offshore wind in Ireland on our transition to net zero.

As a member of Wind Energy Ireland (WEI), Inis has inputted extensively to the industry response and is supportive of the points raised by WEI and would echo the concerns made about the policy statement and consultation.

Specific Points that Inis would like to address are as follows:

- Concern over roll-out and designation of Designated Maritime Area Plans (DMAPs) and sub development areas suitable for offshore wind deployment.
- Clarity on the method and sequence in which seabed will be allocated under plan-led regime.
- Route to securing Maritime Area Consent (MAC) for Offshore Renewable Energy (ORE) outside of offshore auction schedule published in December 2023.
- Offshore wind deployment led by terrestrial grid capacity constraints.
- Project attrition and fostering innovation.
- Public/private partnerships and their role in development of offshore wind.

Inis recognises the challenge of developing policy within such an uncertain environment, with significant targets to meet, and we would like to commend the department on the huge amount of work already performed through the 5 workstreams of economic analysis. To achieve our targets and deliver a return to the state, communities and reduce the impacts of climate change, a partnership approach between industry and government in the development of new policy will help in expediting this into the future.

3.1 Consultation Questions

Question 1

1(a). Has this section adequately identified the general key priorities for ORE delivery in Ireland? Are there additional priorities that should be integrated into the holistic, plan-led approach?

Inis believes that this section has adequately identified the general key priorities for ORE delivery in Ireland, however it is important that rather than just identify these, that there are clear commitments and implementation methodology outlined for each priority within the policy statement.

1(b). Has each key priority been adequately described and considered all relevant components?

Inis would like to refer to the previous question and also draw attention to some omissions within the priorities below:

- Cost competitiveness – To ensure cost competitiveness, it is important that the subsidy auction to replace ORESS is held as close to project Financial Investment Decision (FID) as possible. ORESS 1 and ORESS 2.1 should be viewed as the exception and not the rule.
- Delivery of targets – It is important not to overly focus on the planning stages for offshore delivery as the key challenge to deliver on targets. Imminent publication of a DMAP roadmap as part of the Future Framework and expediting DMAPs around the coast will be imperative to getting projects started. A robust offshore wind leasing process will need to be designed by Maritime Area Regulatory Authority (MARA) to create a solid pipeline of projects and allow for inevitable project attrition.
- Availability of relevant data – It is important that the spec and timeline for geophys surveys proposed by DECC for ORESS 2.1 is not used for the collection of seabed data for future deployment of offshore wind. This spec is not adequate to inform site design or pricing and will need to be radically improved for future phases.

1(c). How best should the 2GW of non-grid limited offshore wind capacity be procured?

Creating a large pipeline of projects which have multiple routes to market options will provide the industry, consumers and the government the best chance of procuring 2GW of non-grid limited offshore wind capacity, and beyond in future deployment. Having enough projects in the pipeline will also allow for project attrition at various stages of project development with some projects not progressing.

Inis believes that more clarity is required around this 2GW of non-grid limited offshore wind capacity. To date, DECC have shifted their thinking on what this will be. Is this still intended to be capacity linked with hydrogen or has this now changed? It is important that the mechanisms for procuring this first batch of non-grid limited offshore wind capacity is done in partnership with industry as this is where the expertise lies.

Private wire and hydrogen are currently challenging to develop and secure financing primarily due to the lack of clear pathways and use cases in Ireland. The economic analysis of hydrogen completed as part of this consultation proposed that to make hydrogen work in Ireland, it is important to be the first mover to set prices and demand. Ireland is already behind other jurisdictions in this space. Hydrogen is at an early stage of development and whilst it will have a significant role to play in the

future, the lack of local demand leaves Ireland in the position of potentially exporting hydrogen molecules.

1(d). What are your views on the design parameters for the successor scheme to ORESS, what else should/should not be considered?

Whilst we enter a new 80% RES-E system, there is a need to fundamentally review how energy is procured within state supported schemes. It is crucial that the successor scheme incorporates learnings from other jurisdictions¹, especially in more recent times where we are experiencing high inflation, dramatic interest rates increases and supply chain constraints, leading to projects failing to achieve FID and exiting out of their state support obligations. To ensure delivery at competitive, but deliverable prices, offshore subsidy auctions should be held post MAC and full and final planning.

The development community has been forced to bear a lot of risk within auction design for offshore to date, and whilst there are significant mitigations built into the current ORESS, holding subsidy auctions at such an early a stage in development is neither in the states', developers', or the public's interest. Inis is of the view that most appropriate time to do an auction is as close to FID as possible.

Building a pipeline is a crucial precursor to the design of any successor scheme to ORESS and the development of such pipeline should allow projects to enter said scheme or not. Contrary to ORESS 2.1, it is also crucial that the selection of sites within a DMAP is by the developer as this will ensure build out at the most competitive cost and higher probability of project success. This ensures a balanced approach while satisfying the mandate of Marine Spatial Planning and the plan-led system.

1(e). What frameworks and/or supports are required for alternate routes to market such as CPPAs, Power-to-X projects, interconnector-hybrid projects and export projects?

A primary starting point for all projects, including projects with an alternate route to market is to provide developers with ORE seabed exclusivity at an early stage in the development cycle via MAC. All renewable developers, regardless of technology need the security of site exclusivity not only for project design and refinement, but so they can engage in meaningful discussion with potential project partners who could potentially utilise this electricity generation.

The Future Framework should include the proposed method for developers to obtain MACs via a robust offshore leasing process under the MARA remit. The design of this process is imperative if we are to achieve our targets post 2030. Seabed leasing is a successful mechanism used in several jurisdictions to award seabed for ORE, thus creating a solid pipeline offshore wind development. For example, In January 2022, Scotwind awarded 17 ORE sites with seabed leases totalling 25GW of potential generation capacity creating a significant pipeline for Scotland over the next 10 years. It is important for the government to be mindful of attrition that may occur in this industry along the development lifecycle. Currently, between Phase 1 and 2, project attrition has not been adequately accounted for and the state is fully reliant on all these projects being successful to meet out targets.

Developers should have flexibility regarding route to market/offtake, with this decision crystallising post MAC, as with time allowed to develop a site, partnerships can form organically around potential options and auction opportunities. This flexibility could encourage public/private partnerships, for example, with the Transmission System Operator (TSO) to solve terrestrial infrastructure constraints and enable the contestable build of offshore grid. This will facilitate the development of hydrogen, future offshore grid networks, private wire, hybrid projects and Multi-Purpose Interconnectors (MPI's).

¹ [Orsted hit by up to \\$5.6 billion impairment on halted US projects | Reuters](#)

1(f). What additional capacities and responsibilities should be held by industry in the context of the plan-led approach?

The industry is keen to assist the state in achieving its targets through the efficient delivery of offshore wind in the context of the plan-led approach. To maintain effective competition, allow for attrition and secure value for money, it will be vital to establish and maintain a strong pipeline of viable development opportunities by DECC designating the full extent of DMAPs suitable for ORE. An expedited roll-out of further DMAPs is crucial to this. To foster innovation regarding alternative offtakes, it is important that industry is given the opportunity to obtain a MAC to progress a pipeline to meet targets.

In accordance with the objectives of the Maritime Area Planning (MAP) Act legislation, DMAPs are to be proposed and if accepted by the Minister, drafted and subject to final approval, adopted by both Houses of the Oireachtas. As part of this plan-led process, the DMAP will be subject to statutory consultation, Strategic Environmental Assessment (SEA) and Appropriate Assessment (AA) in accordance with the Aarhus Convention and such DMAP is valid for a period of 6 years. This is Inis's interpretation of the statutory obligations held by the state in identifying DMAPs for ORE under the plan-led regime.

The state is however proposing that it will go a step further by identify sub-areas within DMAPs for all future offshore wind deployment. Inis does not agree with this approach. It appears to be beyond the mandate of the state for designating DMAPs under the MAP Act. The MAP Act, Part 1, Chapter 3² makes no reference to the state or the designated competent authority being required to identify sub areas within a DMAP and as such, Inis would question why this is being proposed. The DMAP roadmap which is included as an action within the draft future framework, should only capture the time associated with DMAP designation, and not include site selection or sub area selection for ORE purposes. This will unnecessarily prolong the designation of DMAPs.

Once a DMAP has been environmentally assessed and adopted by the Government, it should be the responsibility of the industry, who are experts in their field, to identify the most suitable sub areas/sites for offshore wind farms. This promotes the development of offshore wind farms via a partnership approach, in the most suited areas, at lowest cost and increases the chances of such wind farms progressing through to operational stage. It facilitates development via the plan-led regime in the most efficient manner whilst not diluting the plan-led process, but rather reduces delivery risk to developers, the Transmission System Operator (TSO) and the state.

1(g). How can Government facilitate a more comprehensive and streamlined engagement process with developers to ensure national ORE targets are delivered?

Early engagement on emerging policy, prior to statutory processes, can help to bridge the gap between government and industry. It is important that industry is further involved in the Offshore Wind Delivery Taskforce (OWDT) to enable meaningful, inclusive multi-lateral engagements between government bodies and industry through a clearly defined and regular channel. The current arrangement of WEI being present at every second meeting is inadequate for industry. It would also streamline engagement with industry for DECC to invite a supply chain representative onto the OWDT, instead of supply chain messages coming via WEI.

² [Maritime Area Planning Act 2021 \(irishstatutebook.ie\)](https://www.irishstatutebook.ie/eli/2021/act/12/enacted/en/html)

With the state, government bodies, regulators and the industry working together on policy, the ability to deliver on targets will be greatly increased, whilst creating a stable policy environment where the industry are involved along every step of the way.

To date the transition to a plan led system has featured drastic turnarounds from government with the industry and WEI as its representative being largely kept in the dark to these changes.

Question 2

2(a). What grid infrastructure should be of particular focus in facilitating the build-out of capacity to support ORE generation targets?

The government providing a pathway for offshore grid infrastructure and pro-active build out of onshore grid to support, should be the main focus for the future framework. Creating offshore nodes for multiple windfarms to connect has already been shown to work in other jurisdictions. It is also important that Eirgrid look to upgrade and evolve their technical specs to suit the development of offshore wind at scale as the current specs are largely outdated and not relevant to projects of this scale.

The building of offshore bootstraps, proactive deep reinforcement, private wire, contestable builds and public private partnerships for both offshore and onshore grid will be critical to Ireland realising its offshore wind targets to 2040. There is an opportunity for industry and Eirgrid to work together to build out a future proofed grid network into the future. For example, contestable build of transmission assets has been a proven success in onshore wind in Ireland, with contestably built infrastructure facilitating the expedited roll out of much needed transmission assets and Inis believe this should continue for offshore. Without co-ordinated early action from Eirgrid and Industry, Ireland's 2040 and 2050 targets will be harder to reach with each passing year, particularly as grid build out is the key to unlocking our offshore potential.

2(b). In relation to National Security/Department of Defence interaction with ORE development, are there any issues you would like to highlight?

Inis does not have any comments to raise on this topic.

Question 4

4(a). What structures, measures, and interventions can the state and state agencies implement to assist in the development of a long-term, sustainable skills and workforce pipeline? Provide any recommendations on what the State can do to promote careers in ORE across a range of educational backgrounds and movement from other relevant sectors.

Wind Energy Ireland recently published a report ‘Building our Potential Ireland’s Offshore Wind Skills and Talent Needs’³. It outlines a range of measures which Inis believes the Government should use as a basis for developing Ireland’s offshore skills and workforce pipeline. Some of the short-, medium- and long-term measures proposed are as follows:

- Establish a skills development fund.
- Attract workers from abroad to help plug short term skills shortages.
- Build Industry and market confidence.
- Ensure offshore specialisms are covered in public education and private training.
- Assess parallels with other expanding industries.
- Advertise offshore wind as an attractive industry.
- Monitor local content levels over time to help enable an adaptive skills response.
- Ensure health and safety legislation is relevant to offshore.
- Build an HV and HVDC knowledge base.

This comprehensive list of measures outlined could help kick-start our skills and workforce for offshore wind development.

4(b). Are you aware of initiatives in other jurisdictions or at a European level that would be relevant to Ireland’s ambition of building a sustainable skills and workforce pipeline for offshore wind?

Inis refers to the answer provided for Q4(a) for this question.

4(c). To what extent should an emphasis be placed on multipurpose sites for ORE delivery, including the colocation of devices? What Government structures should be developed to encourage and facilitate progress in this aspect?

Inis does not have a strong view on this currently, but in general, we would draw caution to DECC being overly restrictive on multipurpose sites and colocation of devices in the Future Framework.

³ web-bvg-report-jan-2024.pdf (windenergyireland.com)

4(d). How can Government ensure policy is kept in line with evolving technological innovation and developments in ORE devices? What structures and government procedures should be implemented to future-proof the ORE planning process and account for technological shifts?

Inis believes it is important that Government not place unnecessary restrictions on ORE technology when designating future DMAPs. Technology will continue to evolve and develop over time with significant developments having happened over the last decade.

It is important that Government proactively review the Future Framework Policy to ensure that it is kept up to date and not overly restrictive on development into the future.