

Cost Reduction and EU Collaboration

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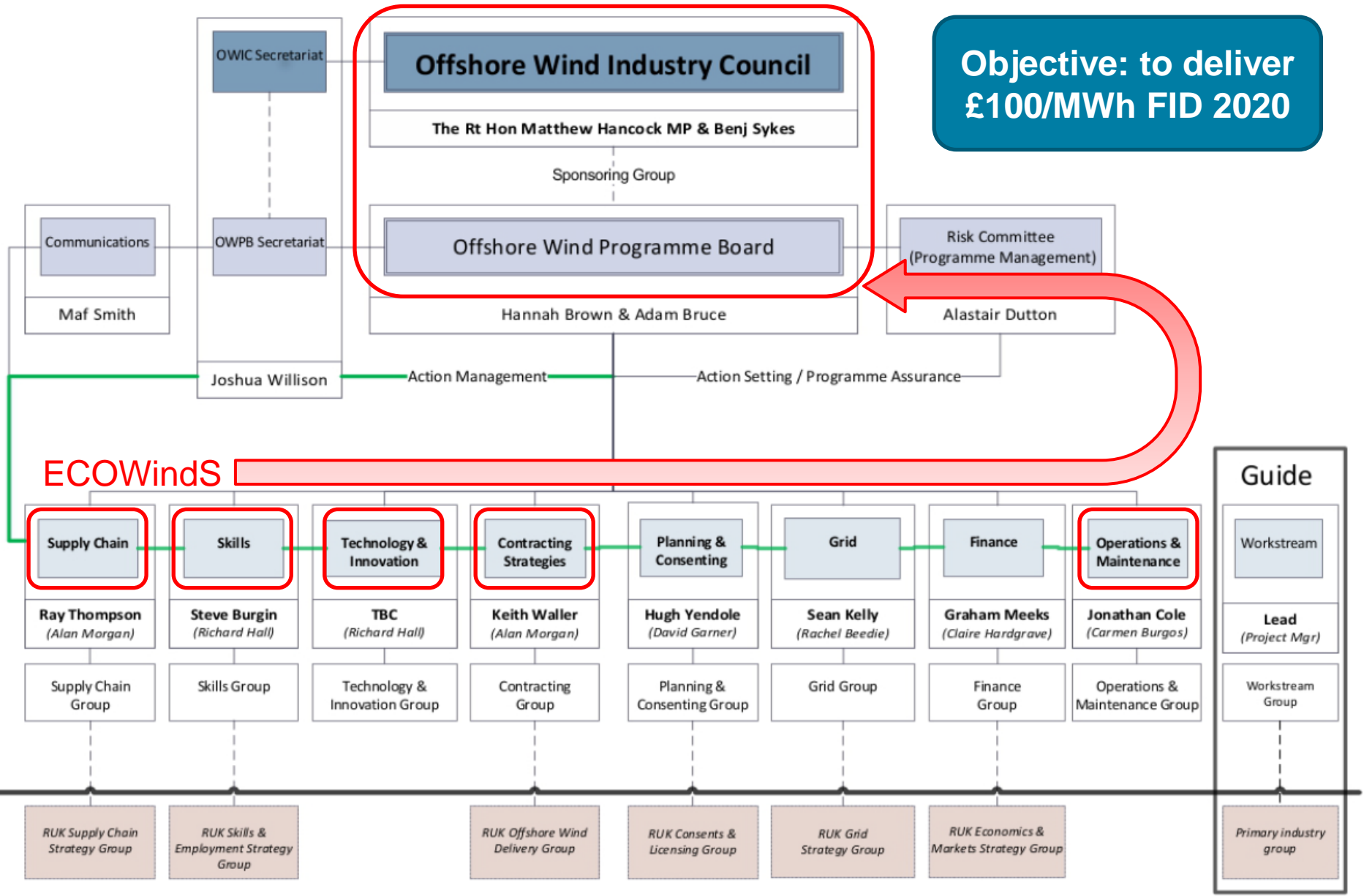
ECOWindS, 29 Sept 2015



- The Crown Estate manages the hereditary estate of the monarch
- “...a duty to maintain and enhance the value of the estate and the return obtained from it.”
- Income benefits the UK taxpayer

The Offshore Wind Programme Board

Objective: to deliver £100/MWh FID 2020



Quantitative (Lagging) Indicator

5.1 Quantitative Assessment

For Works Completion projects, LCoE has reduced from £136/MWh for 2010-2011 projects to £131/MWh for 2012-2014 projects. For projects at FID, reported LCoE has reduced to £121/MWh for 2012-2014 FID projects.

This overall reduction from £136/MWh to £121/MWh represents an 11% reduction in LCoE.

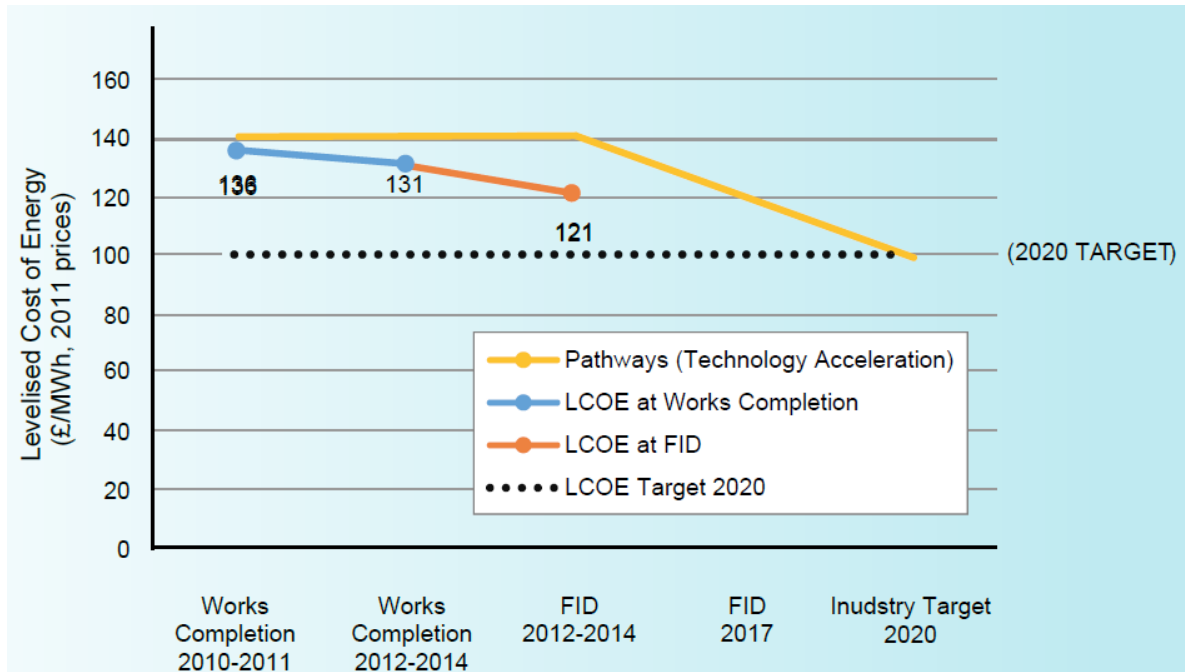
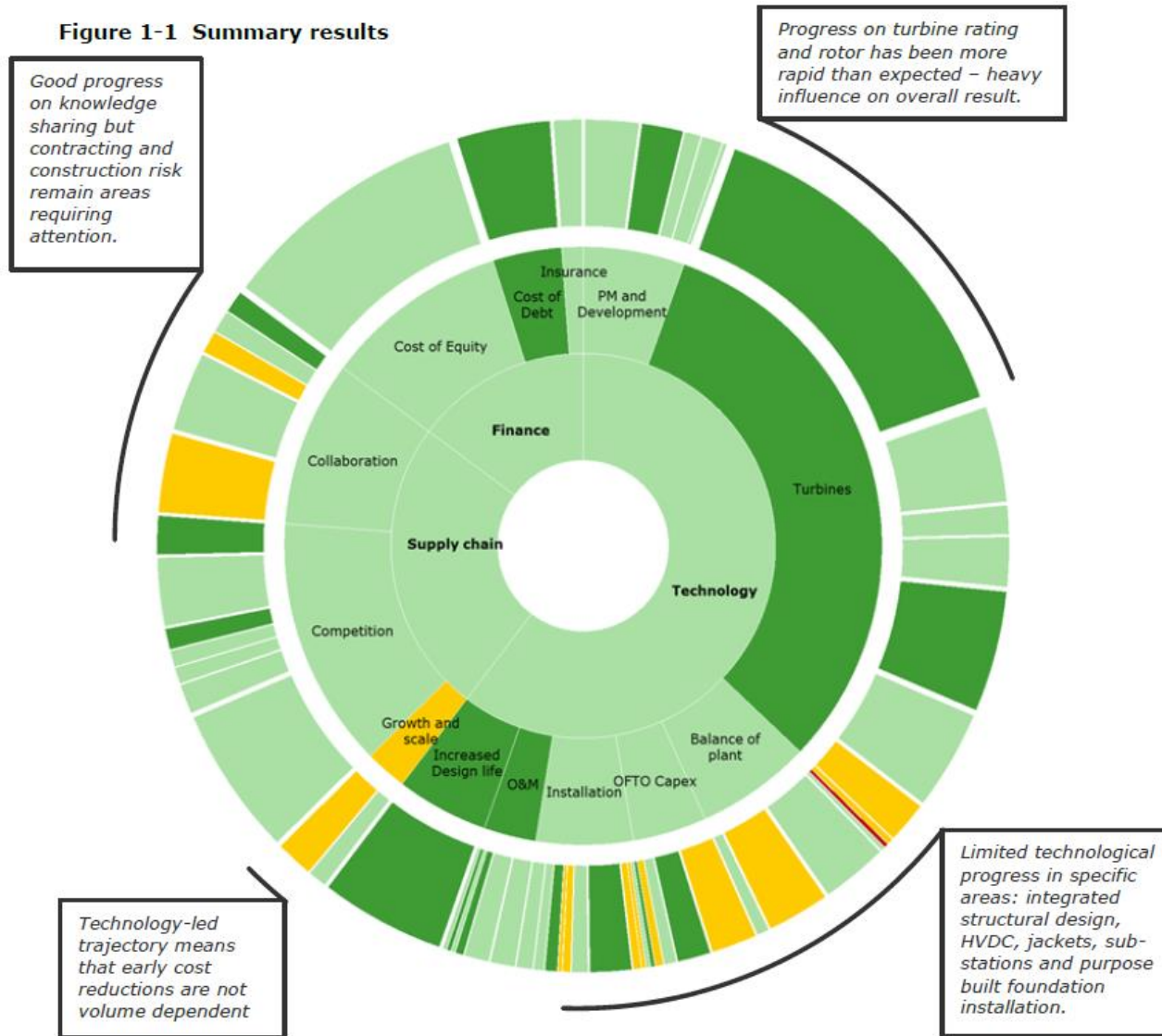


Figure 5.2: Offshore Wind Levelised Costs compared to the Pathways Study (Technology Acceleration)

Qualitative (Leading) Indicator



Cost reduction forward look

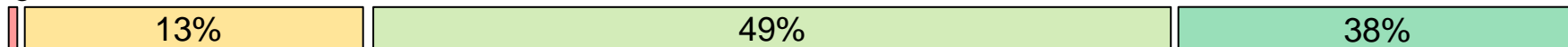
2014 assessment

Missed Target

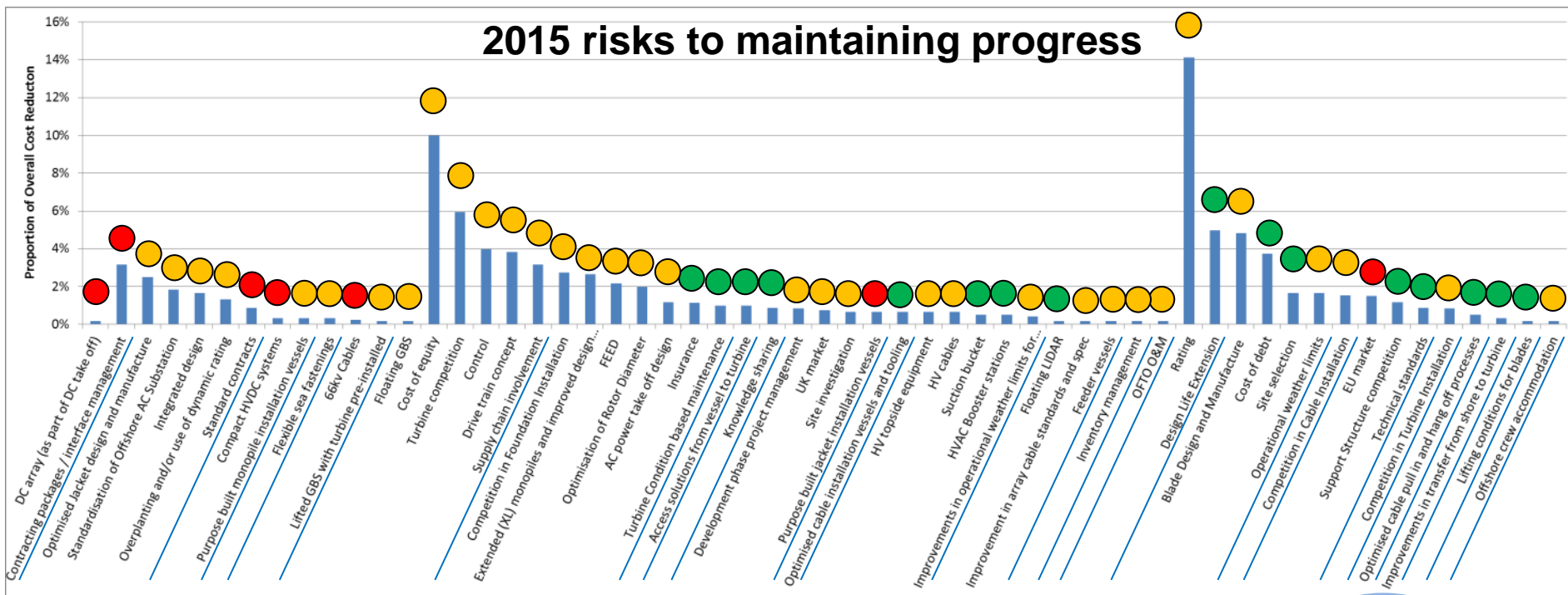
Behind Target

On Target

Ahead of Target



2015 risks to maintaining progress



ECOWinds

Offshore Wind Programme Board

- Key:
- Good probability of progress
 - Uncertain outlook / need to take action
 - Low probability of progress

25%

Who are the SEASTAR Alliance members?



**Offshore Wind
Programme Board**



Secretariat:



EWEA
THE EUROPEAN WIND ENERGY ASSOCIATION

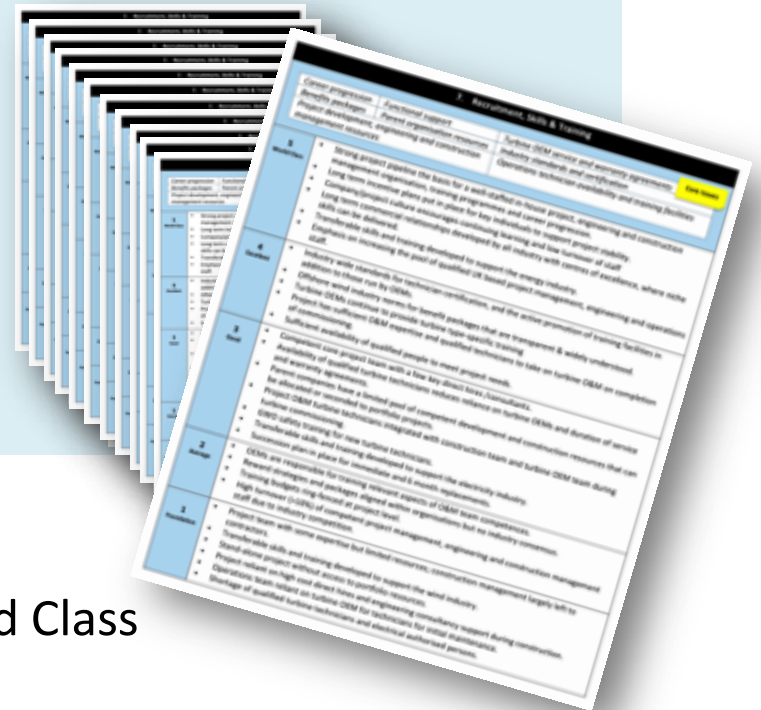
Focused on:

- Cost reduction
- Knowledge management
- Grid network

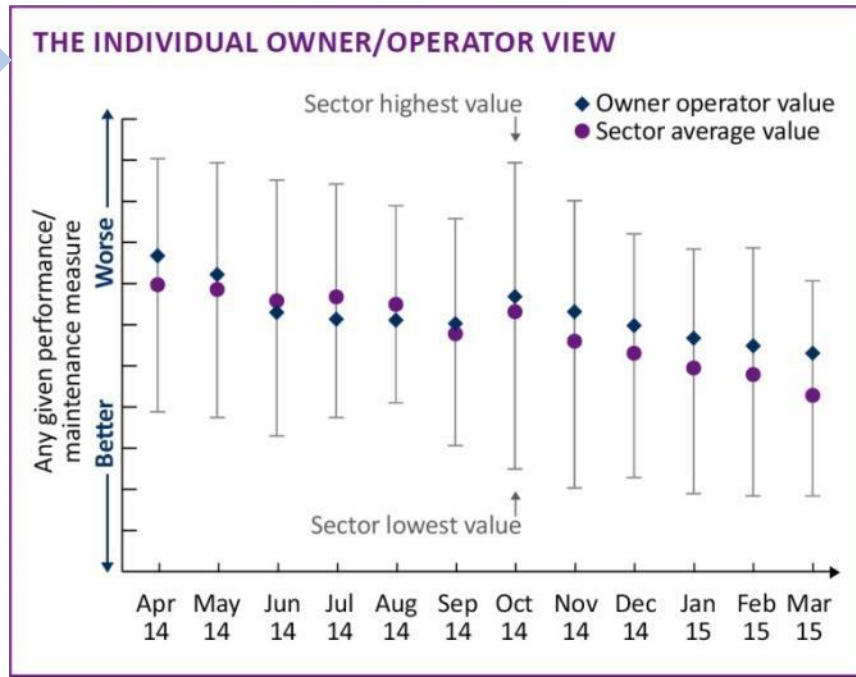
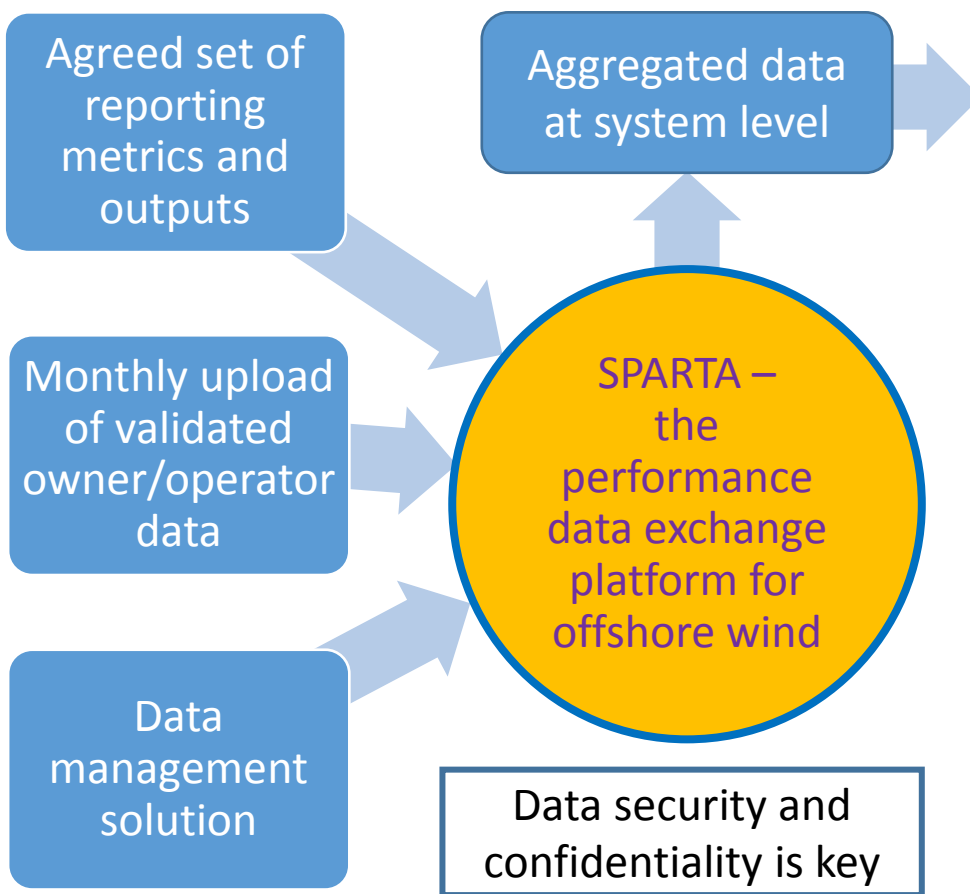
Project Director's Cost Reduction Practices

1. Knowledge Management, Lessons, Best Practices & Standards
2. Contract Management
3. H&S Practice, Performance and Training
4. Logistics Planning
5. Operational Performance
6. Project Management Systems and Interface Management
7. Recruitment, Skills & Training
8. Securing Finance
9. Site Selection & Optimization
10. Consenting
11. Technology & Innovation
12. Value Engineering and Target LCoE

Each explained at 5 levels of performance...
Foundation, Average, Good, Excellent, World Class



SPARTA its main elements



Operational Report



Offshore wind Operational report 2015



Figure 7: UK offshore wind assets

31 March 2015

Offshore turbines



Operating:	1,333
Under construction:	199
Total:	1,532

Offshore substations



Operating:	16
Under construction:	5
Total:	21

Onshore substations



Operating:	21
Under construction:	4
Total:	25

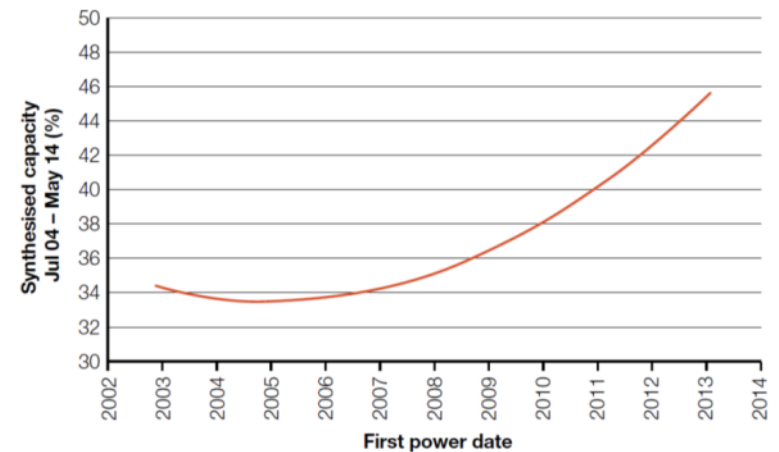
Export cables



Operating:	47
Under construction:	11
Total:	58

Offshore masts

Figure 15: Long term load factor vs wind farm first power date



Thank you