

Supergen ORE Hub – Response to CfD Allocation Round 5 results – 8th September 2023

In our role to provide research leadership to the ORE community in the UK, Supergen ORE Hub echoes the responses given by the sector, through Renewable UK, the Marine Energy Council and others, to results of the Contracts for Difference (CfD) Allocation Round announced today. At 14 GW of installed capacity, the UK currently has one of the world's largest offshore wind fleets, however the latest AR5 auction has failed to secure any new offshore wind capacity, a technology crucial to meeting the Government's energy security targets.

Despite the positive news that the auction secured 53 MW of tidal stream capacity to be deployed in British waters by 2028 across 7 projects in Scotland and Wales, industry is warning that the failure to secure any new offshore wind capacity risks putting our energy security and net zero targets at risk, keeping the UK dependent on fossil fuels for longer. In addition, the auction also failed to secure any innovative floating offshore wind farms, a sector in which the UK aims to be a world leader.

Offshore wind must still be considered a major UK success story, with a rapid fall in costs over the past decade and an associated increase in UK content and supply chain jobs. Offshore wind's strategic importance has been reconfirmed by successive governments and energy ministers. Not only is offshore wind critical for net zero, the UK's future energy security, green growth and jobs, but its low generation cost is a key driver in reducing future consumer bills.

At a critical moment for our net zero imperative, action is needed to fix the investment framework through CfD reforms, to support supply chains, to support ongoing essential research for fixed and floating offshore wind and marine energy, and for measures to attract clean energy investment into the UK in the face of global competition.

The Supergen ORE Hub, working with the ORE community, aims to accelerate the impact of current generation and future ORE devices and systems and to drive forward demonstrable contributions to the UK achieving net zero.