

The Crown Estate & Round 3

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The Crown Estate is an Estate in Land which includes:

- The Urban Estate: Substantial blocks of commercial and residential property including Regent Street & Pall Mall
- The Rural Estate: Approximately 110,000 hectares of agricultural land
- And ...



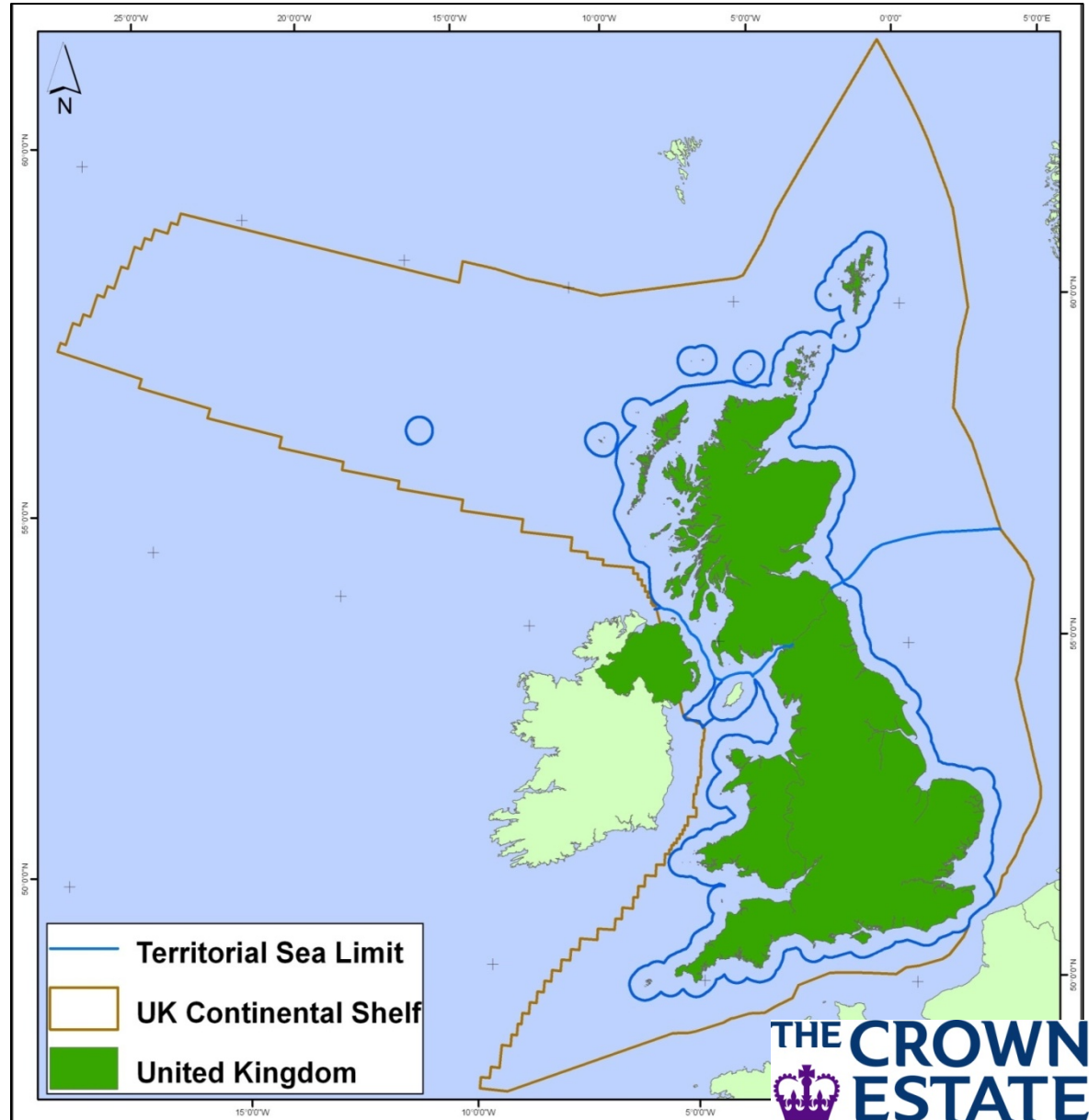
...The Marine Estate

Approx. 17,250km of foreshore (55%)

The Territorial Seabed (out to 12 nautical miles)

Rights to explore & utilise the natural resources of the continental shelf out to 200nm (excluding hydrocarbons)

Rights to lease areas for the generation of renewable energy within the UK's Renewable Energy Zone & rights to lease areas for CCS/gas storage



The Crown Estate Act 1961

- Section 1(3) *“It shall be the general duty of the Commissioners, while maintaining the Crown Estate ... to ... enhance its value and the return obtained from it, but with due regard to the requirements of good management”*
- Sustainable management and long term view (commercialism and stewardship)

The Crown Estate

- 2008 Capital Value of £7.3bn
- Net revenue all paid to UK Treasury £211mn in 2007-8
- The Crown Estate is a landowner not a regulator. It is not part of Government but works closely with Gov Depts., devolved administrations, statutory bodies etc

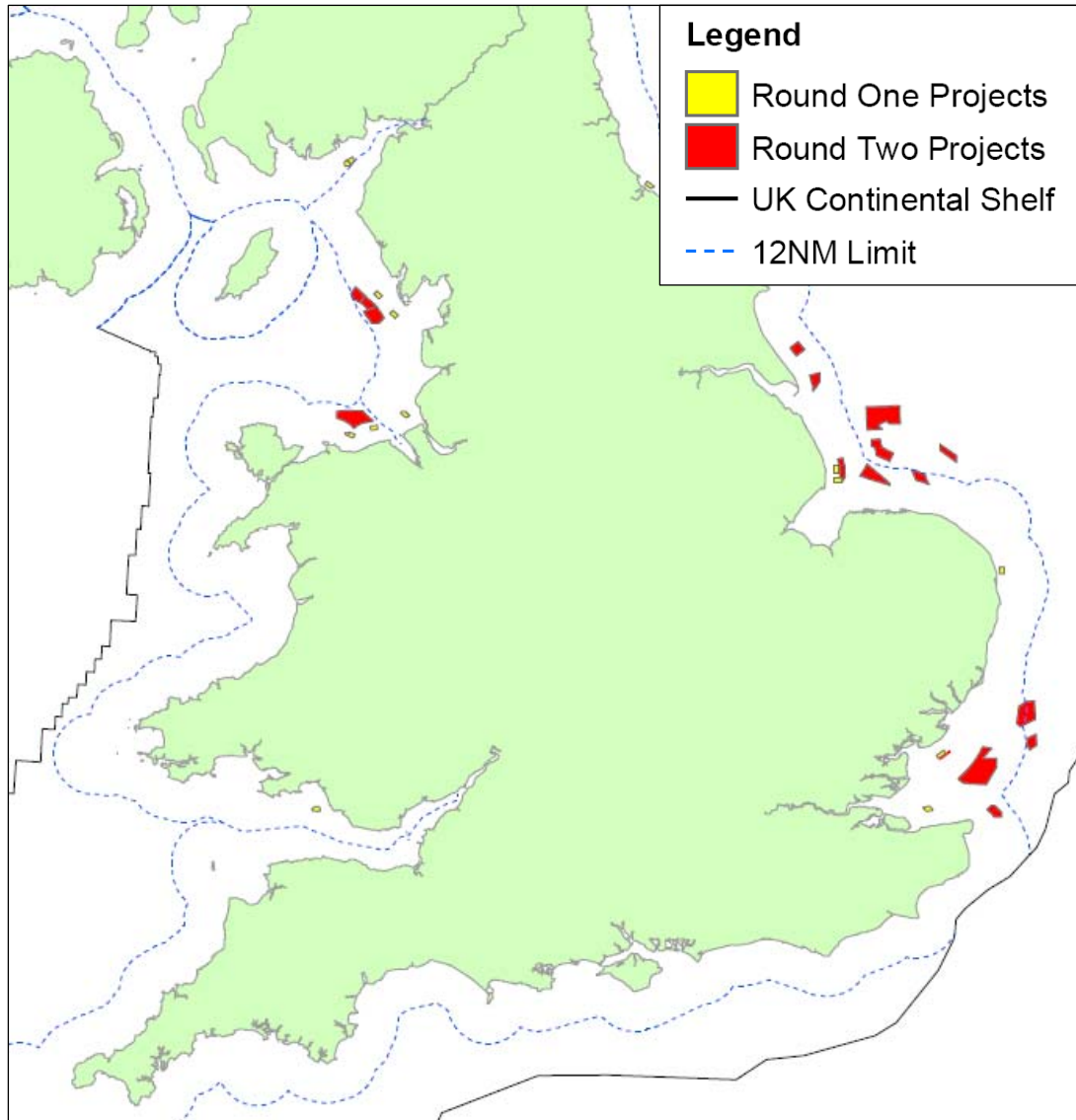


The Marine Estate does not include

- Water column
- Fisheries
- Rights to Oil, Gas and Coal
- Public rights of navigation



Round 1 and 2 sites



UK is the world leader in offshore wind

>1GW operational by the end of 2009

An additional 1GW under construction by 2010

8 projects now online

6 projects now under construction

Round 3: Why?



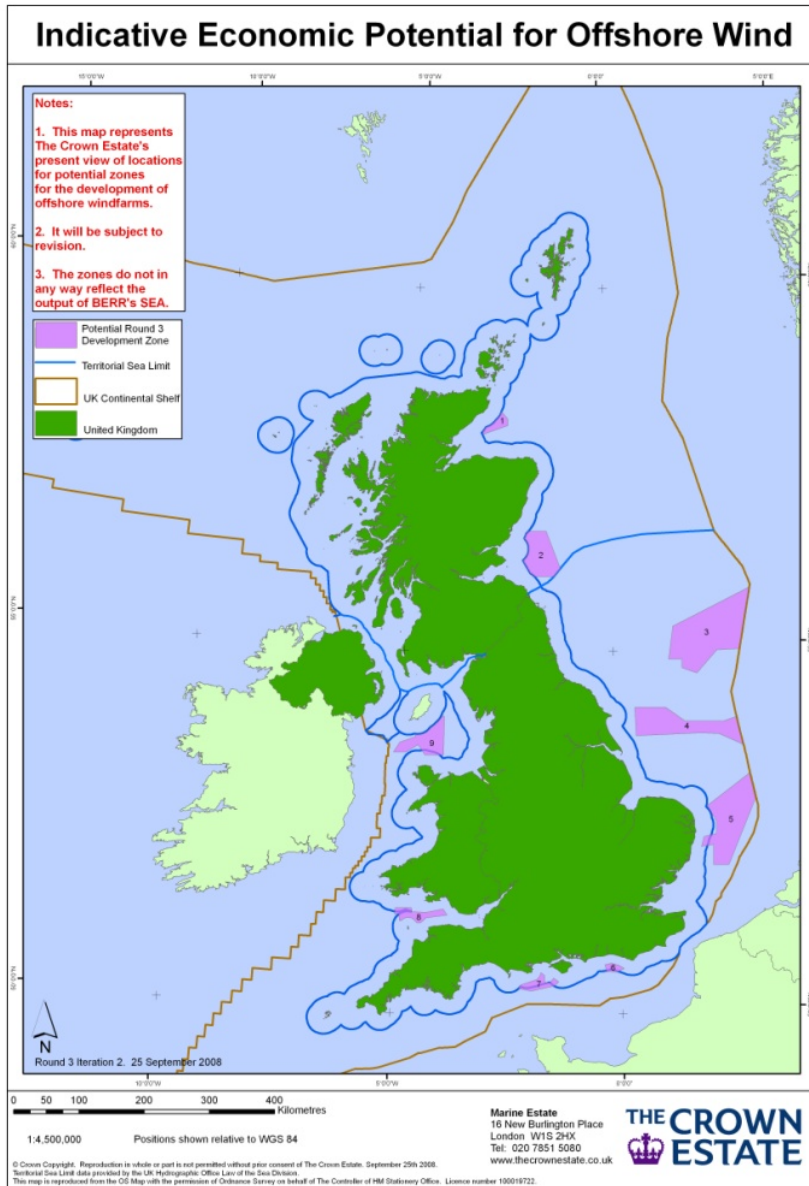
The UK's 15% target is a share of the total EU target of gaining 20% of energy from renewable sources by 2020

- Climate change mitigation
- Security of supply

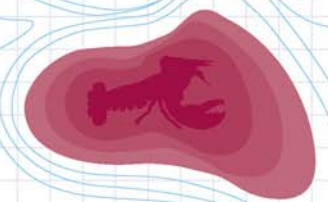
In response, The Crown Estate launched Round 3

25GW from R3 by 2020

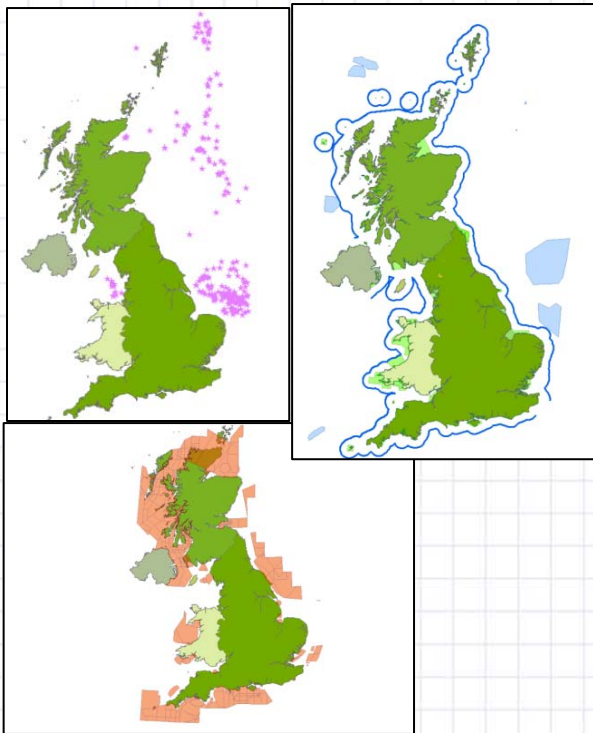
Round 3: A new approach



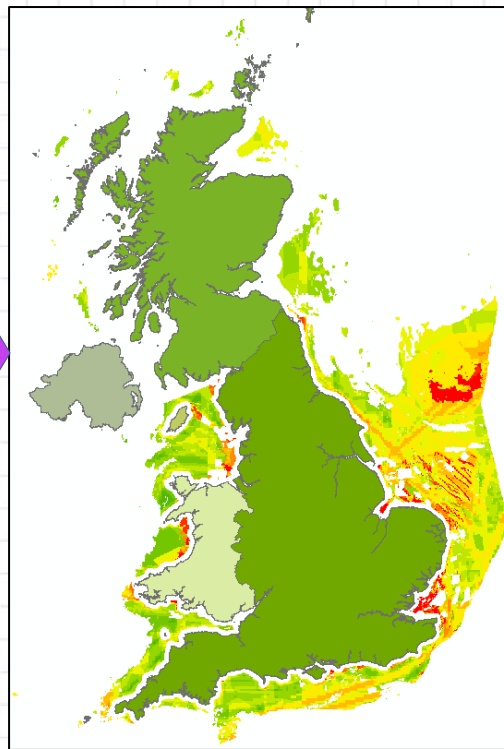
- Scale
 - Flexibility in project location within zones
 - Investment in Supply chain and infrastructure
 - Est. 80,000 jobs
- The Crown Estate as a development partner
- DECC decision on SEA "A Prevailing Wind"
- The Crown Estate's Round 3 plan is considered to be consistent with that decision.



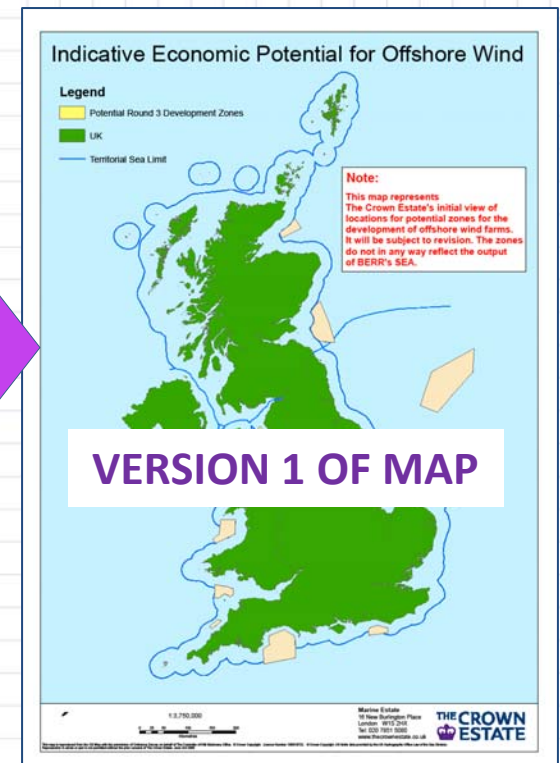
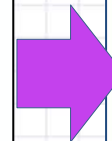
How were the zones identified?



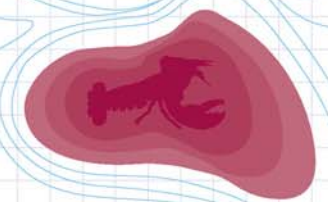
1. Spatial data layers – weighted as constraints



2. Site suitability analysis



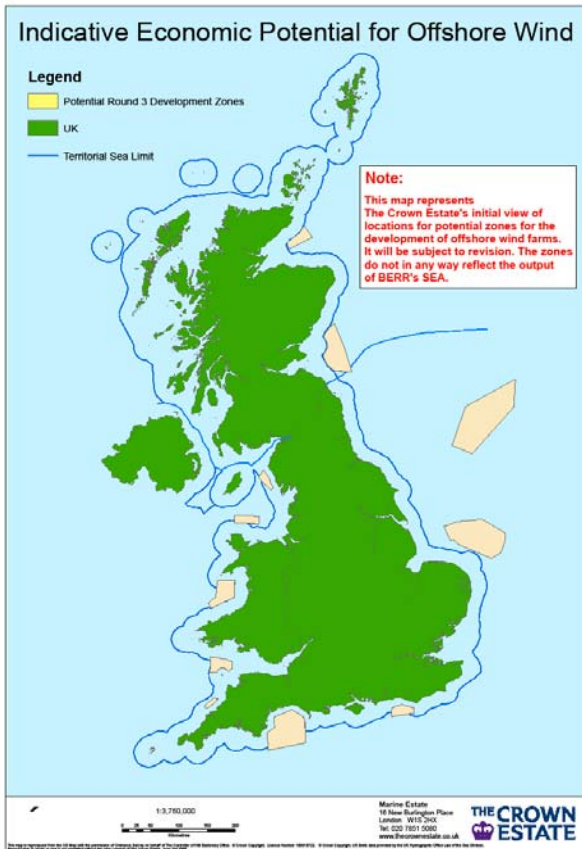
3. Zone identification



How were the zones identified?

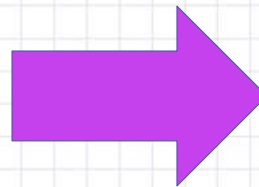
June 08

Sept 08



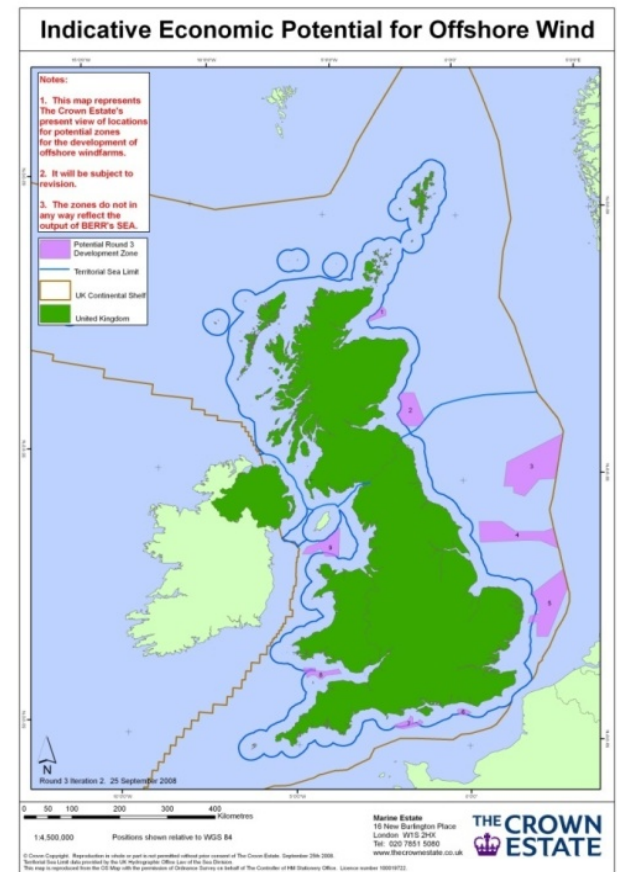
Map : Version 1

Engagement with:
MoD, Nature
conservation agencies,
shipping, fishing



Developer input

Data collection



Map : Version 2

Round 3: Programme

DATE	PROGRAMME
Mar 09	Bidding period closed
Mar – Jul 09	Initial Assessment of Submissions completed & short listing taking place
June 09	Government decision on SEA
Autumn/ Winter	Preferred bidder for each zone identified and negotiation of zonal development agreements
2010 onwards	Site selection within Zones and submission of planning applications for sites
c.2014-16	Construction begins

Round 3: Stakeholder engagement

Crown Estate engaging with: Govt departments and agencies, industry, trade associations, NGO's etc

to:

1. build up a picture of Zone characteristics i.e constraints and opportunities
2. look at solutions to major barriers such as grid & supply chain, radar, marine mammals etc (enabling actions)
3. discuss the framework for planning and consents with new organisations – MMO and IPC

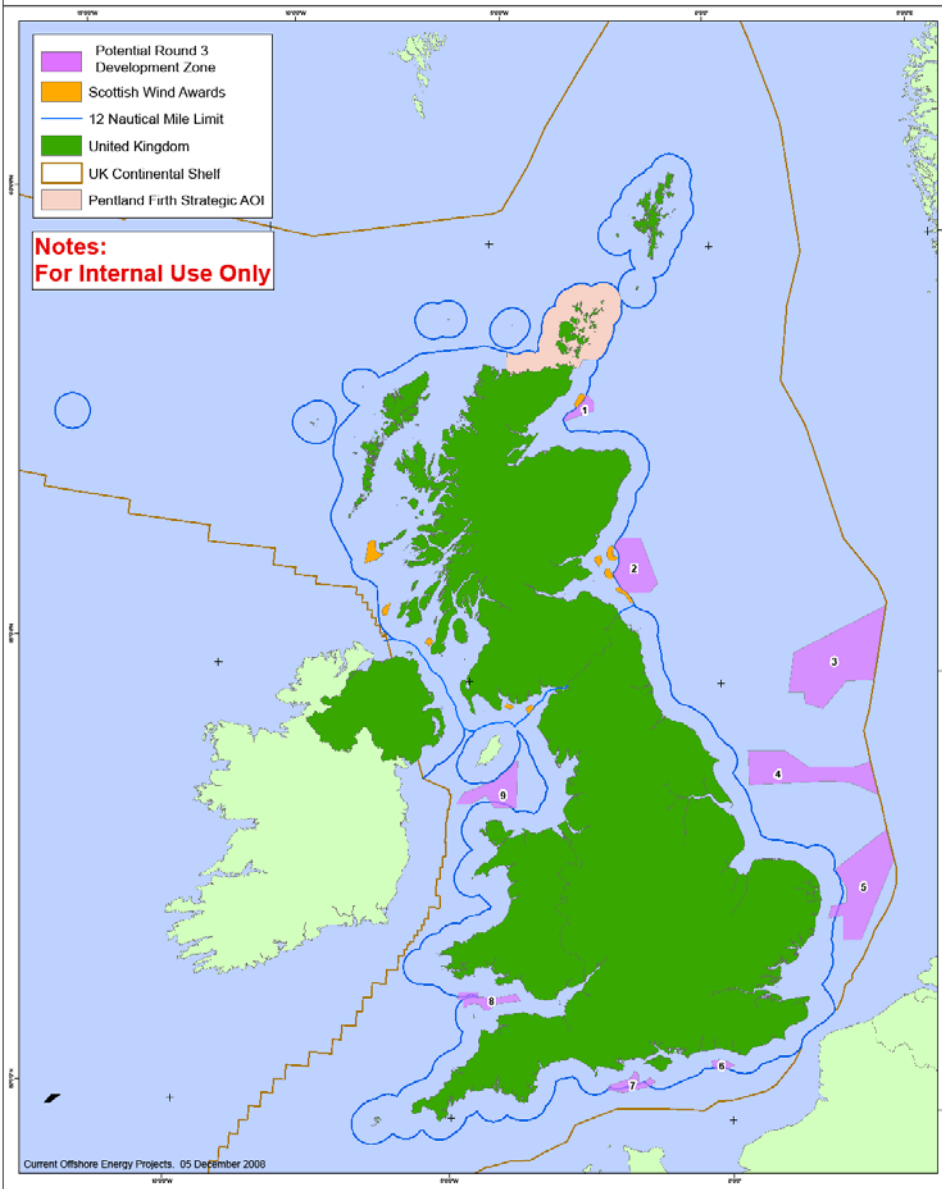
Round 3: Stakeholder engagement

Post Zonal awards i.e 2010 onwards, The Crown Estate will:

- 1.continue to lead on some UK issues and provide a strategic UK overview
- 2.support the developer in site specific issues where necessary
- 3.organise a series of ‘supply chain briefings’ around the UK. A share fare for developers and industry and an opportunity for wider engagement at a regional & local level

These projects are subject to the planning and consenting regime for nationally significant infrastructure projects. This will include a formalised stakeholder engagement process.

Current Offshore Energy Projects



Scottish Territorial waters (wind)

10 Sites awarded
Approximately 6.5GW

Pentland Firth

1st Lease agreements in place from Sept 09

Summary

- Round 3 is in response to the UK's renewable energy targets
- The Crown Estate has a facilitating role to play
- It is an ambitious project with many challenges and many opportunities
- There is flexibility within the Zones for site selection
- Stakeholder engagement will be a key part of the site selection process

Thank you

Any questions?

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