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# **Renewables Energy Good Practice** Guide

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HM Treasury

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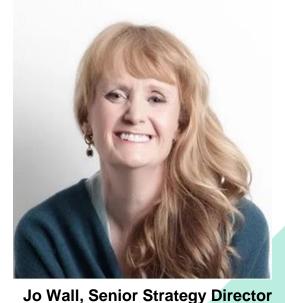
Llywodraeth Cymru Welsh Government

Local Partnerships is a joint venture between the Local Government Association, HM Treasury and the Welsh Government.

We work solely for the benefit of the public sector. We bring public and private sector experience that provides **confidence**, **capacity** and **capability**, helping councils achieve and maintain financial resilience.

#### **Climate Commercial Place**

RTNERSHIPS



### Background

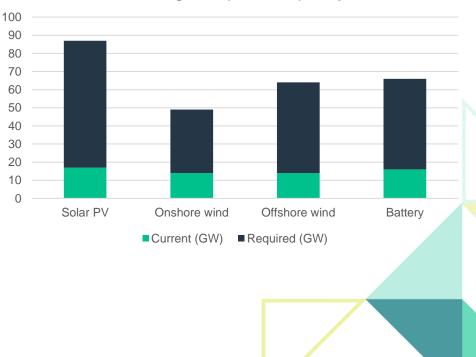
Increasing scale and pace – for some...

Targets to meet net zero – significant increases across all technologies by 2035

Industry trends towards larger scale schemes to cover costs of larger grid connections

Larger applications considered through the Nationally Significant Infrastructure Projects process

#### Existing v required capacity





# Who has done this before?

Wide range of commercial investors

Local Authorities and public bodies





CYMRU NHSU WALES Bwrdd lechyd Prifysgol Abertawe Bro Morgannwg University Health Board

West Suffolk



## Wind, solar or something different?

#### **Development context**

- Wind
- Solar PV and battery storage have better recent planning history
- Increasing community pushback

Community benefits







### **Tech Basics**

#### Solar PV

- Predictable power production
- Lengthy component guarantees

#### **Battery storage**

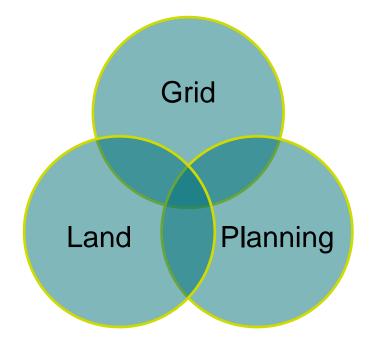
- Less certain revenues
- Lengthy component guarantees, with a need for periodic repowering
- May need an aggregator





## **Develop or acquire?**

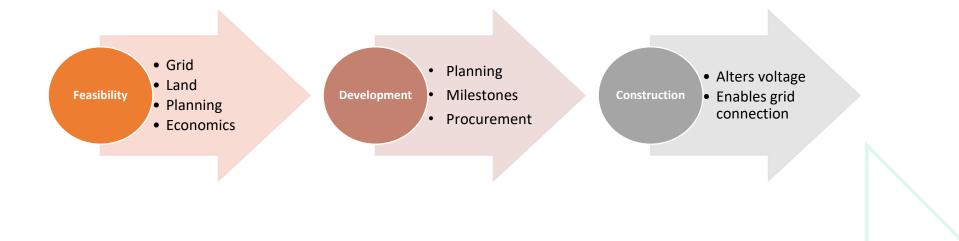
#### What are your options?







#### **Development Process**





### **Development process – grid connections**

#### **Connections and alternatives**

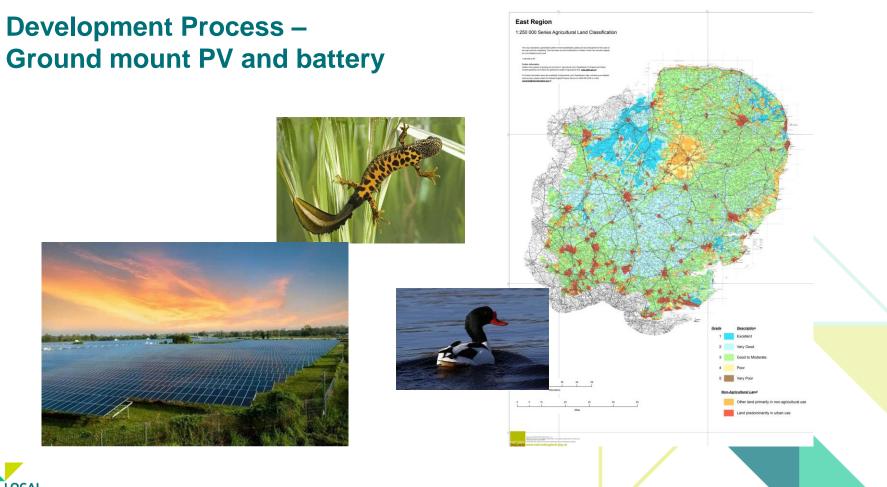


#### Ofgem announces tough new policy to clear 'zombie projects' and cut waiting time for energy grid connection



Press release





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### Private wires, landfill and rooftop portfolios

Smaller and more complex?

- Landfill presents challenges and benefits
- Power purchase agreements
- Supply licence requirements
- EV charging





### **Acquiring assets**

- Challenging process
- Need to act quickly
- JVs possible but complicated
- More difficult than it was











#### **Financial case**

And borrowing

Economics vary and should be monitored regularly

Private wires and direct connections

**Co-location benefits** 

**PWLB** constraints





# THANK YOU



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