

From: Bryan, Amanda
To: CabSecECCLR@gov.scot
Subject: ScotWind: Request for Meeting to Consider Options
Date: 08 February 2021 17:14:18

Dear Roseanna

Today The Crown Estate announced the results of the Offshore Wind Round 4 auction (see <https://www.thecrownestate.co.uk/en-gb/media-and-insights/news/2021-offshore-wind-leasing-round-4-signals-major-vote-of-confidence-in-the-uk-s-green-economy/>). The results have staggered everyone concerned, with an initial commitment of £879m in option fee deposits for 8GW of offshore wind options. We understand that this would be an annual fee, that will result in the overall option fees being in the billions of pounds given the long development timeline. It is fair to say this is significantly higher than earlier predictions and reflects rapidly changing external conditions.

The ScotWind leasing process, which is currently open for applications having launched in June 2020, is based on a capped option fee that could secure £86m of option fees for 10GW of capacity. This fixed approach was supported by Scottish Ministers and adopted to help overcome the disadvantages of developing in Scottish waters. However, in the light of the potentially huge disparity in option fees, I would like to have an urgent discussion with you to agree next steps. Given the inevitable media interest being generated by this event, I would welcome the opportunity to speak to you tomorrow.

I look forward to hearing from you.

Best

Amanda

Amanda Bryan
Chair
Crown Estate Scotland



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