



## ***Marine Renewables Industry Association***

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To: [NIOffshore@thecrownestate.co.uk](mailto:NIOffshore@thecrownestate.co.uk)

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Re: *Northern Ireland Offshore Renewable Energy Leasing Design Discussion*

These comments by the Marine Renewables Industry Association are submitted in accordance with the format set out in the Crown Estate's paper published in April 2011.

### ***1. MRIA Details***

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Please note that our comments are focused on the tidal stream area.

### ***2. General Comment***

The paper was discussed with representatives of the Crown Estate (via teleconference) by the Council of MRIA on May 6<sup>th</sup>, 2011. In general, the Council welcomed the paper and expressed appreciation for the approach

being taken by the Crown Estate in the matter. The Council looked forward to learning of the outcome of the consultation and, also, expressed interest in learning about the Crown Estate's experience of the consultation *process* itself.

### **3. Specific Comments and Concerns**

The following are the key points expressed by the Council:

- A major issue is how to cope with adjoining tidal leases which may (almost by definition) be concentrated and may influence one another;
- A further concern revolves around how developers engaged in 'closed bids' may engage in dialogue so that, for example, essentially non-competitive issues may be resolved. One example put forward of the latter is a situation where one developer may be interested in a particular site for commercial purposes and another interested in the same site for research work-it may be possible to meet both their needs provided there is scope for communication and dialogue;
- However, a second viewpoint is that including tidal test zones and R&D areas within commercial zones creates a difficulty as it can potentially undermine and reduce the "commerciality" of a commercial zone by removing significant tidal resource from the area. In general, those areas identified for test zones are typically the areas that would be identified for an initial phase of a commercial scale tidal project. This issue is particular to tidal (as tidal is so location specific) and generally does not arise with wave where commercial sites and test and R&D sites can happily co-exists as in the case of Orkney/ EMEC.
- There is an interest in how the Border bays situation is going to be dealt with and it was indicated that at least one MRIA Council member will have an interest in a Border bay;
- There will be a need for developers to talk to one another concerning cumulative impacts;
- Concern was stated about the uncertainty over future incentives (ROCs) and its impact on the process;

- Questions were raised over whether the consenting round indicates Government support for the sector.

#### **4. Question TS1- Approach to seabed allocation** (from Crown Estate paper)

*Please state which of the following approaches you would find most attractive should you bid in a formal tender round. You may comment on more than one of the possible models if you wish.*

While the MRIA itself will not bid in a formal tender round (although individual members are likely to do so), members believe that the options-option (B) and (C)-for multiple projects to be offered within each SEA Resource Zone offers the greatest potential for tidal energy developers. Any such approach should, however, be based on a clear, robust and transparent selection process of parties to develop, construct, finance and operate designated commercial scale tidal energy projects.

The MRIA feel that options (A) and (D) should not be progressed.

Following completion of a thorough SEA process, it is important that its legitimacy is confirmed by key players such as The Crown Estate. It should be borne in mind that, to progress a tidal energy round without consideration of the outcomes of the SEA process could undermine that work which was supported by developers and regulators alike.

As the MRIA will not be involved in *project* development *per se*, questions TS2-4 inclusive are not considered in this submission.

#### **5. Question TS5 – Further comments**

*Do you have any further comments on the process, or any potential issues you would like to raise?*

For the tidal energy industry to progress, it would be helpful if The Crown Estate could ensure, through lease terms and conditions, that non-commercially sensitive environmental data and information generated through the project development process is freely available to other interested developers and the research community. The benefits of such an approach would be twofold. First, it would provide scientific data that could help determine environmental effects associated with device deployment. Second,

over time, as effects become more documented, this could be utilised by regulators in an adaptive management approach to reduce the burden placed on developers to provide superfluous and costly environmental information.