UK Operational Renewables

EICAssetMap Report

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Executive summary

The last two years we have had to adapt the way we work to stay safe whilst still trying to progress the UK energy industry. As the report will show the amount of new generating capacity added to the grid in 2021 has reduced from 2020 levels. In part due to the challenging condition's, we have faced because of Covid, which has impacted construction timeframes and supply chain difficulties. Projects have also suffered delays and some notable developments have been put on hold, such as the Race Bank Offshore Wind Farm Extension and Thanet 2 Offshore Wind Farm.

For the second year in a row, figures have changed and fluctuations in data have occurred since last year's report, with all previous predictions not estimating how things would pan out for the calendar year. Many more developments have since been delayed and postponed than we expected, the reasons for this will be explored throughout the report.

When we compare 2021 to 2020, capacity addition to the grid is down on an asset type by asset type basis. Although Biomass, Energy from Waste and Offshore Wind have seen a drop in capacity additions, an increase can be seen in Onshore Wind and Solar. Onshore Wind has seen a 78% increase in additions compared

to 2020, commissioning 311MW (six farms) in 2021 compared to 174MW (eight farms) in 2020. Solar on the other hand has seen a 376% increase in additional capacity compared to 2020, commissioning 139MW (five farms) in 2021 compared to 29.2MW (three farms) in 2020.

As we transition away from coal fired power rather than decommissioning the whole facility and demolishing, developers are converting sites to utilise biomass and other cleaner fuels. Former coal power plants in the UK are being converted into Biomass and Energy from Waste plants, such as the Llynfi Valley Power Station Biomass Conversion (further detail later in the report), to assist in the government's target to meet net zero. This is also, logically, a much cheaper way of building an operational plant rather than demolishing the old plant and building a new one from scratch, saving many millions of pounds.

When the first OPEX Insight Report was published in December 2018/January 2019, we did not predict or foresee what could have occurred to the industry. The global factors that followed have affected the industry changing the figures we predicted back in the first report. This has been most notably delays caused by COVID. When we look at overall figures from 2021, only 606MW of new capacity was commissioned across Biomass, Energy from Waste, Onshore and Offshore Wind and Solar plants in the UK. This is 300MW less than 2020, even though Onshore Wind and Solar developments saw an increase as previously mentioned.

For the UK to meet targets for clean electricity, this year's additions are indeed disappointing. However, the outlook for new capacity additions is positive for the coming years and these opportunities will be highlighted.

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