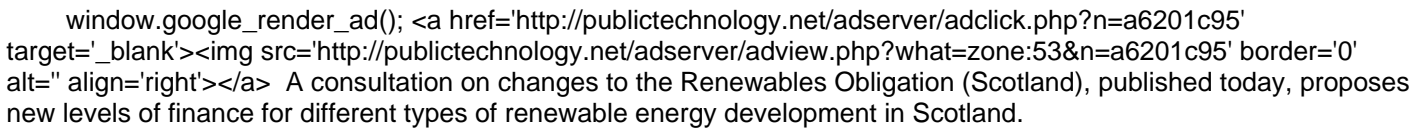


Scottish Government pledges more funding for wave & tidal energy technology

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Financial support for wave and tidal energy devices will be significantly increased by the Scottish Government under reforms to a key renewable energy scheme.


 A consultation on changes to the Renewables Obligation (Scotland), published today, proposes new levels of finance for different types of renewable energy development in Scotland.

The Renewables Obligation (Scotland) compels electricity suppliers to ensure that a portion of the electricity they supply to Scottish customers comes from eligible renewable facilities. In return, generators receive a Renewable Obligation Certificate (ROC) for every Megawatt hour of power produced - currently worth around £47 per Megawatt hour.

Proposed changes now mean wave devices which haven't received Government funding will attract five Renewable Obligation Certificates (ROCs), for every Megawatt of power produced, with tidal devices attracting three ROCs. Established technologies like onshore wind and hydro would continue to receive one ROC for every Megawatt.

The move compares favourably with England and Wales where wave and tidal would receive two ROCs per Megawatt, meaning Scottish wave and tidal devices operators would receive more revenue for the electricity they generate, stimulating further investment in Scottish marine renewables.

Energy Minister Jim Mather said:

"Scotland is surrounded by sea and our marine renewables potential is vast - estimated at around 25 per cent of Europe's wave potential and 10 per cent of tidal potential. Our natural resources mean we can be a world leader in new marine energy technologies.

"Banding the Renewables Obligation will allow us to stimulate increased investment and create new jobs in these embryonic energy technologies. The changes we propose give Scotland a lead over other parts of the UK - we are taking every opportunity to make Scotland the place to develop, test and generate electricity from our huge natural resources. In doing so we can create a new, world leading industry here in Scotland while taking a global role in tackling climate change and reducing emissions.

"With the Scottish Government's £10 million Saltire Prize set to generate worldwide competition in developing revolutionary green marine energy, we are on the crest of another energy wave in Scotland."

The Renewables Obligation (Scotland), or ROS, came into force in April 2002, and is one way of pursuing the Scottish Government's renewable energy objectives. It operates by obliging electricity suppliers to ensure that a specified proportion of any electricity which they supply to Scottish customers comes from eligible renewable resources. The Renewable Obligation is 9.1 per cent for 2008/09, rising to 15.4 per cent in 2015/16 - and the current UK Renewable Energy Strategy proposes raising the Obligation to between 30 and 35 per cent by 2020.

The powers to deliver a banded Obligation depend on a changes being made to the primary legislation through the draft UK Energy Bill; should that Bill receive Royal Assent, then powers will be transferred to Scottish Ministers using an Order under the Scotland Act.

A preliminary Scottish Government consultation earlier this year established support with the principle of banding, and Ministers' intentions for its introduction across all UK Obligations. The banded ROS would replace the existing Marine Supply Obligation (MSO), meaning higher multiples will be available on the same basis as the MSO.

In order to be eligible for ROCs, generating stations must:

- > Accord with the definition of wave or tidal stream as set out in the ROS
- > Be situated up to 200 nautical miles off the Scottish coast
- > Be connected directly to a transmission and distribution network in Scotland

The new proposals for wave and tidal support mean generators must not have received support under existing capital and revenue support schemes for wave and tidal stream energy operated by either the Scottish Government or the UK Government. Where support has been received, generators will be eligible for two ROCs.

Source: publictechnology.net