



DEBATE PACK

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Energy in Wales

This pack has been prepared ahead of the debate to be held in Westminster Hall on Thursday 14 September 2017 from 1.30-3pm on energy in Wales. The debate will be opened by Albert Owen MP.

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The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

1. Summary

This briefing does not provide a comprehensive overview of all energy policy issues in Wales, and covers a selection of issues likely to be addressed in the Westminster Hall debate Energy Policy in Wales on at 1.30pm on 14 September 2017.

1.1 GB energy policy: an overview

The UK Government is responsible for regulating the UK oil and gas industry and the electricity industry, including the generation, transmission, distribution and supply. So, although the [Wales Act 2016](#) devolved more energy policy responsibilities to the Welsh Assembly, it is still largely a reserved policy area. The Welsh Assembly and Government has responsibility for: the licencing and granting of consent for onshore oil and gas projects, all onshore wind projects, renewable energy projects under 350MW that are developed in the Wales inshore and offshore regions and the promotion of energy efficiency.

The UK Government's energy policy priorities aim to tackle the 'energy trilemma'—the challenge of ensuring secure energy supplies alongside affordability and reduced emissions. To do this the Government's priorities are to:

- Ensure the UK has a secure and resilient energy system;
- Keep energy bills as low as possible for households and businesses;
- Secure ambitious international action on climate change and reduce carbon emissions cost-effectively at home; and
- Manage the UK's energy legacy safely and responsibly.¹

Electricity Market Reform (EMR)

EMR was initiated by the Coalition Government in 2010 to drive the investment needed to replace the existing ageing fossil-fuel based capacity with new, low carbon sources of energy. The EMR was designed to:

- decarbonise electricity generation;
- keep the lights on; and
- minimise the cost of electricity to consumers.²

It aimed to improve the relative attractiveness of the UK for investors in the electricity market by creating a long-term, stable and predictable electricity market, providing greater revenue certainty. EMR was implemented in the *Energy Act 2013*.

The most significant changes to how the electricity market works as a result of EMR were the creation of the capacity market and the

¹ [Single departmental plan: 2015 to 2020](#), DECC, 4 July 2016

² Electricity Market reform, Ofgem, [accessed 13 September 2017]

implementation of contracts for difference (CfD) for renewables, to replace the renewables obligation.

At all times demand must equal supply in the electric grid; demand is not smooth so peaks must be managed. As part of the EMR, the aim of [the Capacity Market](#) is to ensure there is backup capacity available to the grid to meet any expected shortfall in electricity supply when demand is high. The focus is on ensuring security of supply in the medium term. It provides a regular payment to reliable forms of electricity capacity, in return for the capacity being available when the system is tight. An auction to award capacity agreements is held four years ahead of the year in which the capacity may be required. A second auction is held one year ahead of delivery if added capacity is thought to be needed.

CfD were introduced by the Coalition Government to replace the Renewables Obligation as part of the EMR. CfDs work by fixing the prices received by low carbon generation, reducing the risks they face, and ensuring that eligible technology receives a price for generated power that supports investment. CfDs can also reduce costs by fixing the price consumers pay for low carbon electricity (known as the strike price). This requires generators to pay money back when electricity prices are higher than the strike price, and provides financial support when the electricity prices are lower.

The first CfD auction by the Government opened in October 2014 with the results announced in February 2015. In total [27 projects were selected to share £315m worth of contracts](#).³ This included 748.55 MW of onshore wind with a strike price of between £79 and £83 MW/h, and 1162MW of offshore wind with a strike price of between £115 and £120 MW/h.

The results of the second CfD auction were announced this week (11 September). In total, 11 new energy projects worth up to £176m per year are set to generate over 3GW of electricity.⁴ Announcing the results of the auction, the Government stated that [the cost of energy from new offshore wind farms has halved in the past two years](#).⁵

Low carbon economy: Decarbonisation

Through the [Climate Change Act 2008](#), the Government is committed to reduce emissions by at least 80% of 1990 levels by 2050, and to contribute to global emission reductions to limit global temperature rise to as little as possible above 2°C. To meet these targets, the Government has set five-yearly carbon budgets which currently run until 2032. Each carbon budget restricts the amount of greenhouse gas the UK can legally emit in a five year period and is set with advice from, and progress monitored by, the Committee on Climate Change (CCC), an independent statutory advisory body established by the

³ [CFD Auction Allocation Round One](#), DECC, [accessed 13 September 2017]

⁴ [New clean energy projects set to power 3.6 million homes](#), DBEIS, 11 September 2017

⁵ [New clean energy projects set to power 3.6 million homes](#), DBEIS, 11 September 2017

2008 Act. The UK is currently in the second carbon budget period (2013 to 2017).

In July 2016, the Government approved the fifth carbon budget, which requires UK emissions to fall 57% below 1990 levels by 2032. While the UK is on course to meet its first three carbon budgets up to 2023 (UK emissions were 42% below 1990 levels in 2016), the [CCC has stated](#) that the Government will need to take additional steps to close the gap between the UK's projected emissions and the level set by the fourth and fifth budgets.⁶ Specifically, the CCC says that progress will need to extend beyond the power sector (where GHG emissions are down 16% since 2012) and waste sector (where GHG emissions are down 9% since 2012) if carbon budgets are to be met, while the economy continues to grow.⁷ The combined emissions from all other sectors were down just 1% since 2012 by comparison.

The Clean Growth Plan was originally due to be published by the end of 2016, but has been delayed. The Climate Change Act requires the Government to publish plans "as soon as is reasonably practicable" after the budget is set. On 27 June 2017, the [new Climate Change Minister, Claire Perry](#), confirmed that the Plan would be published after the summer recess and said that she wanted it *"to be as ambitious, robust and clear a blueprint as it can be, so that we can continue to deliver on this hugely vital piece of domestic and international policy."*⁸

1.2 Energy policy: Wales

The Welsh Government's overarching approach to energy policy was set out in [Energy Wales: A low carbon transition](#), published in 2012, which committed the Government:

- To use energy more efficiently;
- To reduce reliance on energy generated from fossil fuels; and
- To actively manage the transition to a low carbon economy.⁹

The [Cabinet Secretary for Environment and Rural Affairs reaffirmed](#) the Welsh Government's commitment to these policies in an oral statement to the Welsh Assembly on 6 December 2016, saying:

This Government remains committed to the ambitions set out in 'Energy Wales'. I have three clear priorities for this Assembly. First, we will reduce the amount of energy we use in Wales. Second, we will reduce our reliance on energy generated from fossil fuels. Third, we will actively manage the transition to a low-carbon economy. We will drive this transition to deliver maximum benefits for Wales, providing strategic leadership, and reducing uncertainty. We must continue to grow the economy at the same time as reducing emissions and managing affordability. I will ensure our policies and support are

⁶ CCC, [Meeting Carbon Budgets: Closing the policy gap](#), 29 June 2017

⁷ CCC, [Meeting Carbon Budgets: Closing the policy gap](#), 29 June 2017

⁸ [HC Deb 27 June 2017 c626](#)

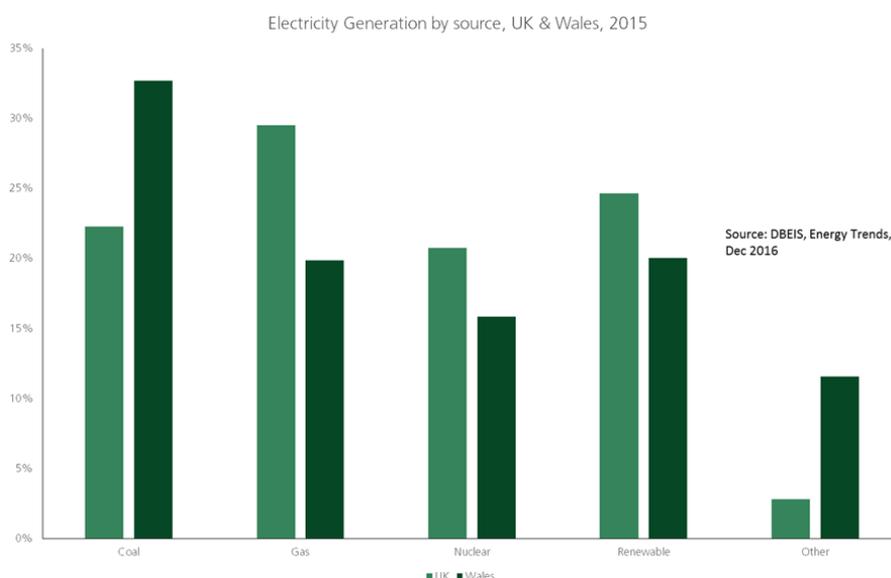
⁹ Welsh Government, [Energy Wales: A low carbon transition](#), 2012

aligned and work towards delivering a low-carbon energy system for Wales.¹⁰

The [Wales Act 2016](#) devolved more energy policy responsibilities to the Welsh Assembly, though it is still largely a reserved policy area. The Welsh Assembly and Government has responsibility for: the licencing and granting of consent for onshore oil and gas projects, all onshore wind projects, renewable energy projects under 350MW that are developed in the Wales inshore and offshore regions and the promotion of energy efficiency.

Energy Statistics: Wales

The chart below shows the share of electricity generated by various sources in Wales, and the UK as a whole. Coal generation represents a third of Welsh-generated electricity, compared with less than a quarter of total UK generation, while renewables account for a fifth of generation in Wales, compared with almost a quarter of all electricity generated in the UK.



It should be noted that, owing to the inter-connected nature of the GB National Grid, electricity generated in Wales may not be consumed there, and vice versa.

1.3 Marine energy

The UK has the largest wave and tidal resources in Europe. However, marine renewables as a source of low-carbon energy are still at early stages of development.

In 2013, the [Coalition Government noted](#) that wave and tidal stream energy has the potential to meet up to 20% of the UK's current electricity demand (30-50 GWs of installed capacity).¹¹ Renewables

¹⁰ [Statement: Energy](#), 6 Dec 2016

¹¹ [Wave and tidal energy: part of the UK's energy mix](#), DBEIS, 22 January 2013

UK, a renewable energy trade body, has suggested that by 2050 the global market for marine energy could grow to £76 billion.¹²

Tidal power availability is very site-specific. The highest tidal ranges in the UK are on the west coasts of England and Wales though smaller tidal potential also exists in Scotland. Scotland's wave potential is larger.¹³

Box 1: How does tidal energy work?

Tidal energy is created by the constantly changing gravitational pull of the moon and sun. It is a reliable source of energy because tides are predictable, and never stop. Tidal resources are at their best when there is a good tidal range and the speed of the current is amplified by the funnelling effect of the local coastline and seabed.

A tidal lagoon generates electricity twice in one tide – once when the tide is coming and once when it is going out. Tidal lagoons work in a similar way from barrages by “capturing a large volume of water behind a man-made structure, which is then released to drive turbines and generate electricity.”¹⁴

[Tidal Lagoon Power](#) have four planned tidal lagoon sites in Wales: Swansea (see below for more details), Cardiff, Newport and Colwyn Bay. The Swansea bay tidal lagoon has been described by its developers as a “pathfinder project”, while the Cardiff tidal lagoon would be the “first large scale tidal lagoon” (~3,000MW).¹⁵

Swansea bay tidal lagoon

On 9 June 2015 planning consent was given for what the Government described as “the world's first Tidal Lagoon” for generating energy in Swansea Bay. The application, made by Tidal Lagoon Power (TLP), was to construct a man-made, 240MW (megawatt) tidal Lagoon, averaging 14 hours of generation every day.¹⁶

The project consists of a 9.5km long sea wall in Swansea Bay between the Rivers Tawe and Neath, connecting Swansea Docks and the Swansea University Science and Innovation campus.¹⁷ It would have 16 23-foot hydro turbines and a six mile breakwater wall. TLP estimates it would generate 320MW of electricity for 155,000 homes over 120 years.¹⁸

TLP hope to start building the lagoon in 2018 and expect it to be ready to generate power in three years.¹⁹

For the project to go ahead, it will require a marine licence to be granted by Natural Resources Wales (NRW). NRW conducted an

¹² [Ocean energy race The UK's inside track](#), Renewables UK, [accessed: 12 September 2017]

¹³ Marine Energy, European Marine Energy Centre, [accessed 13 September 2017]

¹⁴ Tidal Lagoon Power, [Tidal Technology](#), accessed 12 September 2017

¹⁵ [Tidal Lagoon Power Projects](#), Tidal Lagoon Power Ltd [accessed 13 September 2017]

¹⁶ Department of Energy and Climate Change, [Swansea Bay Tidal Lagoon project gets green light on planning](#) 9 June 2015

¹⁷ Natural Resource Wales, [Swansea Bay Tidal Lagoon](#) [accessed 13 September 2017]

¹⁸ Tidal Lagoon Power, [Swansea Bay](#) [accessed 13 September 2017]

¹⁹ Tidal Lagoon Power, [Swansea Bay](#) [accessed 13 September 2017]

initial public consultation between 7 March 2014 and 25 April 2014. A consultation on further information supplied by the applicant in July 2016 took place between 29 July 2016 and 15 September 2016. NRW is still reviewing the technical expert information it received, and has stated:

This is a particularly complex application, and we continue to assess the expert information we have received to help us make our decision. Once we are satisfied that we have fully assessed all the relevant information, we will announce our decision.

We will produce a decision document that summarises our proposed decision and shows how we've taken comments we've received into consideration.²⁰

The Welsh Government set out its support for the Swansea Bay Tidal Lagoon in a [Written Statement on 5 October 2016](#). Ken Skates, Cabinet Secretary for Economy and Infrastructure, expressed his support on the basis of the anticipated economic benefits and low-carbon energy it would bring to the area:

Our commitment to renewable energy projects, including tidal lagoons, is set out in our new Programme for Government, "[Taking Wales Forward](#)". We support tidal lagoons because they provide an opportunity to grow a vibrant Welsh industry that delivers prosperity aims in parallel with directly delivering against our decarbonisation commitments.

The energy sector is a key sector for the Welsh economy based on our natural resources, the long tradition of generation and a pipeline of major future investment. This includes the first of Tidal Lagoon Power's projects, Swansea Bay Tidal Lagoon, which is estimated to create 1,900 jobs during construction with significant opportunities to develop supply chains for the wider community.

We have been engaging with Swansea Bay Tidal Lagoon for a number of years across a range of areas and we continue to do so during the current Hendry Review, the UK Government's Independent Review of tidal lagoons, to ensure Welsh businesses and the local economy gain maximum benefit. We are servicing this important project in a cross-government manner and have already provided support on a range of areas including skills and the supply chain.

The tidal lagoon has the support of the Swansea Bay City Region Board and other partners in the region who recognise the potential value of the project to Swansea, the Swansea Bay City Region and Wales as a whole.

Whilst I recognise the project requires a number of agreements yet to be reached, I am excited at the prospect of placing Wales at the forefront of the development of a tidal range sector across the UK.²¹

²⁰ Natural Resource Wales, [Swansea Bay Tidal Lagoon](#) [accessed 13 September 2017]

²¹ Welsh Government Written Statement [Swansea Bay Tidal Lagoon](#) 5 October 2016

Environmental concerns

The potential impact of the Swansea lagoon on the environment – especially the fauna living in and around Swansea Bay – have proved divisive.

The impact on the fish population of the lagoon has been [assessed](#) most recently by Natural Resources Wales.²² The organisation estimated that the lagoon was likely to have a detrimental impact on fish populations, especially the Atlantic salmon and sea trout species which NRW think will decrease by 21% and 25% respectively. The study also states that TLP's modelling of fish distribution do not corroborate evidence received by NRW.

NRW's impact study was [contested](#) by TLP who claimed that the figures used were unsourced and therefore unverifiable and "misleading".²³

The Royal Society for the Protection of Birds have in the past opposed²⁴ the Severn Estuary barrage project. Since the latter project was dropped, they have been "cautiously positive" about plans to replace it with the Swansea Bay lagoon which they see as less damaging to wildlife:

In this context we have been cautiously positive about plans to site the World's first tidal energy lagoon in Swansea Bay, in a location where it should not damage the Severn Estuary's wildlife and habitats, which are protected by international law.²⁵

However, RSPB Cymru have voiced concerns about the impact of the lagoon on migratory birds, fish, and other species as

The estuary, and the rivers that feed into it, contain and support a wealth of wildlife so rich that it is considered to be of international importance and is protected by international law. Its saltmarshes and mudflats are used by an average 74,000 birds each winter, its waters support over 100 fish species and vast numbers of invertebrates, and the estuary is a vital migration route for migratory fish, including Atlantic salmon, sea trout and eels.²⁶

They have also criticised the lack of an "adequate [post-construction] modelling and monitoring package" of the lagoon on wildlife in TLP's application.²⁷ As a result, the charity said they had "no confidence" in the project:

At this time, we have no confidence that tidal lagoons can be sited in these highly sensitive areas without huge disruption to the natural system. We believe that it is far, far too soon to be

²² [Fish impact levels](#), NRW [accessed 13 September 2017]

²³ [Swansea Bay tidal lagoon fish death figures 'misleading'](#), BBC, 14 December 2016

²⁴ RSPB, [The Severn Estuary](#) [accessed 13 September 2017]

²⁵ ['What are we doing about tidal lagoons? – guest blog by Dr Sean Christian, RSPB Cymru'](#), RSPB Cymru Blog, 19 May 2015

²⁶ RSPB, [The Severn Estuary](#) [accessed 10 April 2017]

²⁷ ['What are we doing about tidal lagoons? – guest blog by Dr Sean Christian, RSPB Cymru'](#), RSPB Cymru Blog, 19 May 2015

considering any lagoon in the sensitive inner estuary until we understand the impacts of the first scheme at Swansea Bay.²⁸

The charity concluded that more work on assessing the environmental impact of the lagoon needed to be done. It was reported in the press that they were ready to legally challenge TLP if nothing was done on this front.²⁹

The Hendry review

Due to the controversial nature of the project, in February 2016 the Government [commissioned](#) the former Energy Minister Charles Hendry with the task of reviewing the “feasibility and practicality of tidal lagoon energy in the UK.” The Government was particularly concerned about the value for money of tidal technology.

The final report – the ‘Hendry review’ – was published in January 2017 and supported the idea of a Swansea tidal lagoon as a small pathfinder project before large-scale lagoons are rolled out. Hendry estimated that the cost of this pathfinder would be about 30p per household over the first 30 years; then 50p per household over 60 years for large-scale projects.³⁰ Hendry stressed the need to pause for a reasonable period after the pathfinder so that in-depth monitoring and research can be carried out to address issues as they arise.

The Government has yet to respond to the recommendations made in the Hendry review. In July 2017, the Government stated that it was still “assessing the recommendations of the Hendry Review” on tidal lagoons and would publish a response “in due course.”³¹

Concerns over costs and Government subsidies

The project requires subsidy from the Government in the shape of a strike price under the Contracts for Difference scheme.³² According to reports in 2014, the company Tidal Lagoon Power initially argued that it needed a strike price of £180 per MWh for 90 years.³³

It then requested a strike price of £168/MWh for 35 years.³⁴ The prices suggested have been highlighted as they are higher than other renewable energy projects and the strike price for Hinkley C (£92.5/MWh).

A strike price has yet to be agreed with the Government. At Budget 2016, the Government set a cap for future CfD support at £85/MWh for projects commissioning by 2026 (and £105/MWh for 2021).³⁵

²⁸ [‘What are we doing about tidal lagoons? – guest blog by Dr Sean Christian, RSPB Cymru’](#), RSPB Cymru Blog, 19 May 2015

²⁹ [‘Tidal lagoon plans face legal challenge from RSPB’](#), *The Telegraph*, 10 January 2017

³⁰ Hendry review, [The Hendry Review – Overview](#), 12 January 2017

³¹ [PQ HL841](#) 26 July 2017

³² Department for Business, Energy and Industrial Strategy, [Electricity Market Reform: Contracts for Difference](#), 26 February 2015. More information on Contracts for Difference can be found in the House of Commons Library note on Energy Policy Overview.

³³ The Times, [‘Giant lagoon to generate power and pleasure’](#), 7 February 2014

³⁴ BBC News, [Swansea Bay’s £1bn tidal lagoon hit by delay](#) 2 October 2015

³⁵ Hendry Review, [Final report](#), para. 7.2

The Hendry Review concluded that “tidal lagoons are more expensive than offshore wind and nuclear during earlier periods.”³⁶ However, economies of scale with larger future lagoons will make it a cheaper source of energy than the pathfinder:

During a 60-year period, a large scale tidal lagoon is less expensive than offshore wind and significantly less expensive than nuclear (with an average annual cost of c.£0.50 as compared to c.£1.40).³⁷

1.4 New nuclear

Successive Governments^{38, 39, 40} have supported nuclear power. The main benefits are seen as being a low-carbon, reliable, baseload energy source.

The [2011 National Policy statement](#)⁴¹ on nuclear identified eight sites suitable for new nuclear reactors. Of these, six are in some stage of planning or development for a new nuclear power station. A range of possible reactors are being considered.

Today, the UK has fifteen operating reactors, generating about 21% of its electricity.⁴² The vast majority of these reactors are due to be shut down before 2030. There are plans for thirteen reactors and another four proposed⁴³ as options to reduce the nuclear spent-fuel and plutonium stockpiles stored at Sellafield in Cumbria. Though only one reactor so far has been granted a nuclear site licence (Hinkley Point C). Hinkley Point C was granted final approval in 2016 and is set to be the first nuclear reactor constructed in a generation (25 years).

A new Wylfa Newydd nuclear power station

As part of the Government’s plans for new nuclear build, it is proposed that two new Advanced Boiling Water Reactors (ABWRs) are built by Horizon Nuclear Power, a subsidiary of Hitachi, at the Wylfa site.⁴⁴ Until 2015 this was the site of the oldest nuclear power station in operation in the UK.

Horizon Nuclear Power state that their aim is to secure first electricity generation at the site by the mid-2020s, and that the different components of proposals are likely to include:

- a power station, including two nuclear reactors with a minimum generating capacity of 2700 MW;

³⁶ Hendry Review, [Final report](#), p.82

³⁷ Hendry Review, [Final report](#), p.82

³⁸ Deborah Summers and Andrew Sparrow, [‘Gordon Brown unveils economic measures to prepare UK for downturn’](#), 19 December 2008

³⁹ Gov.uk, [Long-term Nuclear Energy Strategy](#), 26 March 2013

⁴⁰ Gov.uk, [Realising the vision of a new fleet of nuclear power stations](#), 20 April 2016

⁴¹ Department for Energy and Climate Change, [New Nuclear Sites/National Policy Statement](#), 19 July 2011

⁴² World Nuclear Association, [Nuclear Power in the United Kingdom](#), June 2017

⁴³ World Nuclear Association, [Nuclear Power in the United Kingdom](#), June 2017

⁴⁴ Welsh Affairs Committee, [The future of nuclear power in Wales](#), Second Report of Session 2016–17, 26 July 2016, **HC 129**

- a Marine Off-Loading Facility (MOLF);
- cooling water intake and outfall structure electricity transmission infrastructure;
- other associated buildings, such as administration offices, park and ride facilities, temporary worker accommodation, and at least one logistics centre;
- construction of a temporary Site Campus to accommodate construction workers;
- interim waste and spent-fuel storage facilities;
- access roads; and
- measures and initiatives to manage any impacts during the construction and operation of a new power station.⁴⁵

There has been some local opposition, and the council have called on the company to ensure any jobs created go to local people.⁴⁶

In May 2017, it was reported that the developers had unveiled a more compact design following a third consultation.⁴⁷

In 2016, the Welsh Affairs Committee examined the new nuclear in Wales and in particular the potential of the Wylfa site, and the concerns over cost and environmental impact. The Committee were told by New Nuclear Watch Europe that the Wylfa Newydd project “should not be contemplated unless the strike price is below that of Hinkley Point C.”⁴⁸ It was repeated that the experience of the Hinkley Point C project was likely to will inform future decisions on nuclear power (see box 2 for further information on the Hinkley Point C project).

On cost, the committee recommended that:

...the Government negotiate a strike price for Wylfa Newydd below that agreed for Hinkley Point C and seek a price that would be competitive with renewable sources, such as on-shore wind. The Government should not continue with the project if the price is too high.⁴⁹

Box 2: Hinkley Point C

Hinkley Point in Somerset was originally proposed as one of eight suggested by the Government in 2010 for development. It was granted a license granted in 2012 from the Office for Nuclear Regulation (ONR). There have been a number of setbacks which have hampered the development of the site.

⁴⁵ [Wylfa Newydd – About our site](#), Horizon Nuclear power, [accessed 13 September 2017]

⁴⁶ [Wylfa Newydd: Anglesey council's 'serious concerns'](#), BBC, 25 October 2016

⁴⁷ [Wylfa Newydd: Anglesey nuclear power station to be smaller](#), BBC, 24 May 2017

⁴⁸ Welsh Affairs Committee, [The future of nuclear power in Wales](#), Second Report of Session 2016–17, 26 July 2016, **HC 129**, para 17

⁴⁹ Welsh Affairs Committee, [The future of nuclear power in Wales](#), Second Report of Session 2016–17, 26 July 2016, **HC 129**, para 23

In December 2013, the European Commission opened an investigation to assess whether the project breaks state aid rules. The Commission subsequently approved the project in 2014, but in June 2015, the Austrian government filed a legal complaint with the European Commission.⁵⁰

The United Nations, under the Convention on Environmental Impact Assessment in a Transboundary Context also expressed concern that the UK had failed to fully consult neighboring countries on the project.⁵¹ The UK indicated that it would in future notify the relevant Parties for all future nuclear power plant development applications.⁵²

Original construction was planned to be completed by 2023. However, in 2015 EDF announced that this target would not be met and delayed a final investment decision.⁵³ This decision was delayed again in early 2016.⁵⁴

On the 28 July 2016, the EDF board approved the project but on the same day the Secretary of State for Business, Energy and Industrial Strategy announced that the Government, under new Prime Minister Theresa May, were delaying their final decision on signing project contracts.⁵⁵ On 15 September 2016 the UK government gave final approval to the project.

The plant, with a projected lifetime of sixty years, has an estimated construction cost of £18 billion and a strike price for the power it produces of £92.50/MWh for 35 years.⁵⁶ The construction is two thirds funded by EDF and a third by Chinese state owned company China General Nuclear (CGN). In September 2015 the then Chancellor George Osborne announced a £2 billion government guarantee for the project financing.⁵⁷ The National Audit Office (NAO) has criticised the terms of the Hinkley deal, stating in a June 2017 report that the “deal for Hinkley Point C has locked consumers into a risky and expensive project with uncertain strategic and economic benefits.”⁵⁸ This view has to an extent been compounded by the falling subsidy costs for offshore wind announced in the latest CfD auction, where strike prices for offshore wind were bought for as little as £58/MWh (reported by the Government to be 50% lower than the first auction held in 2015).⁵⁹

1.5 Energy prices and proposals for reform

Regional domestic energy price statistics are produced based on electricity supply areas, meaning that data for Wales as a whole are not available. The available data are presented below, with the two regions covering Wales highlighted. Prices in the Welsh regions were somewhat higher than those in most of the rest of the UK, behind only the North of Scotland. These prices reflect costs including, for example harmonisation and distribution costs.

⁵⁰ Agence France-Presse, [Austria files legal complaint against UK's Hinkley Point C nuclear plant](#), The Guardian, 6 July 2015

⁵¹ Prospect Group, [Hinkley Point C: UK in 'non-compliance' with ESPOO convention](#), 6 June 2016

⁵² United Nations, Economic and Social Council, [Report of the Implementation Committee on its thirty-eighth session](#), 18 May 2017

⁵³ Michael Stothard and Christopher Adams, [EDF delays investment decision on UK nuclear reactor plans](#), Financial Times, 12 February 2015

⁵⁴ Emily Gosden, [Hinkley Point go-ahead delayed amid EDF funding doubts](#), The Telegraph, 26 January 2016

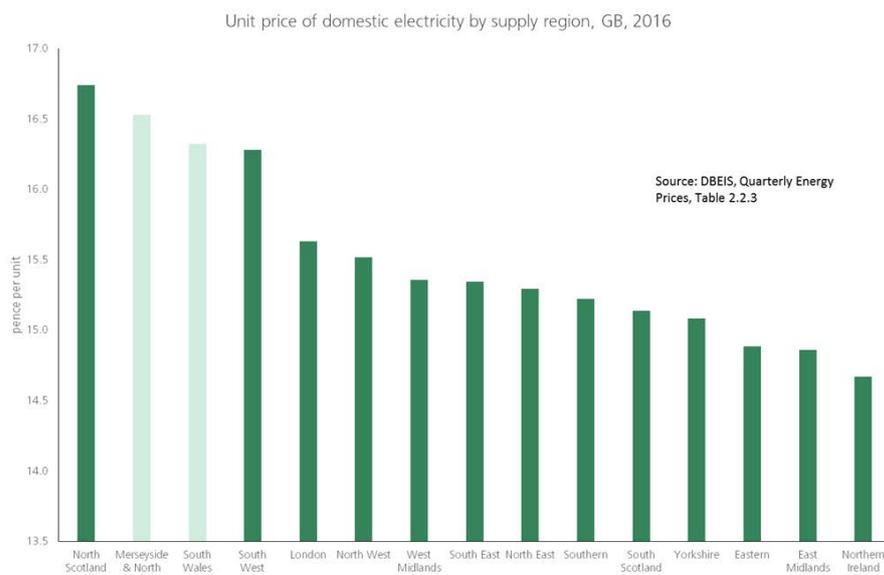
⁵⁵ Graham Ruddick and Jamie Grieson, [Hinkley Point C in doubt after British government delays approval](#), 29 July 2016

⁵⁶ Gov.uk, [Government confirms Hinkley Point C project following new agreement in principle with EDF](#), 15 September 2016

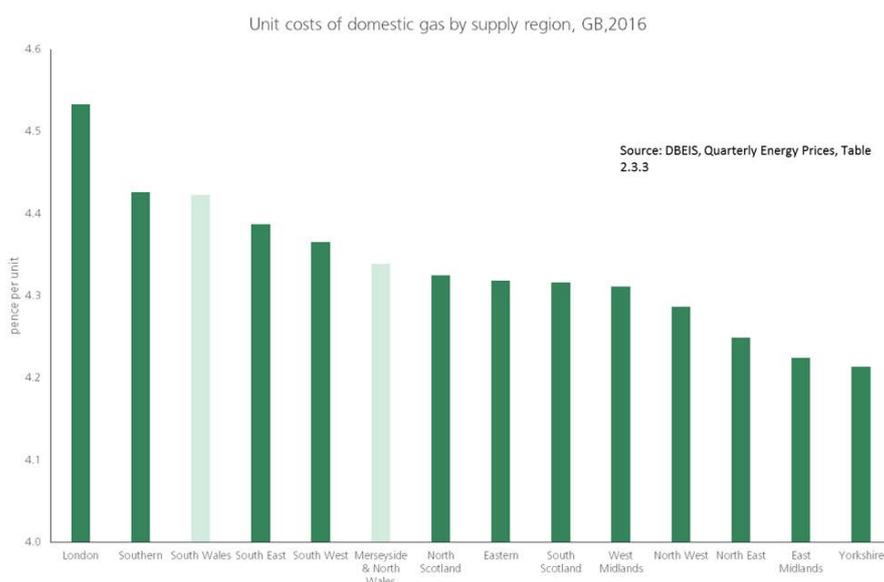
⁵⁷ Emily Gosden, [Hinkley Point new nuclear plant edges closer with £2 billion Government guarantee unveiled by George Osborne](#), The Telegraph, 21 September 2015

⁵⁸ NAO, [Department for Business, Energy & Industrial Strategy: Hinkley Point C](#), June 2017

⁵⁹ [New clean energy projects set to power 3.6 million homes](#), DBEIS, 11 September 2017



For Gas prices, the situation is less pronounced, although Welsh prices are higher than the UK-wide average.



At the 2017 General Election a price cap was in both the Labour and Conservative manifestos. After the election in June 2017, the Secretary of State for Business, Energy and Industrial Strategy [Greg Clark wrote to Ofgem](#) to encourage them to implement a “safeguard tariff”.⁶⁰ Ofgem are currently consulting on how to take action.

The [Industrial Strategy Green Paper](#), published in January 2017, promised an independent energy review to assess the affordability of energy and to inform a roadmap of energy priorities in future.⁶¹ This [review was launched in August 2017](#), under the leadership of Professor Dieter Helm, and will report back at the end of October 2017.⁶²

⁶⁰ [Energy retail market: letter to Ofgem](#), DBEIS, 21 June 2017

⁶¹ [Building our Industrial Strategy](#), HM Government, Jan 2017, p. 91

⁶² [Independent review to ensure energy is affordable for households and businesses](#), DBEIS, 6 August 2017

For further information, please see the Library brief, [Energy bills and proposals for reform](#).

2. News items

Guardian

UK green energy expensive? Not any more. From now on it's cheap

A record low price set for offshore wind power is good for UK jobs, the taxpayer and household bills. It is bad news for Hinkley C and the nuclear industry

11 September 2017

<https://www.theguardian.com/business/2017/sep/11/uk-green-energy-expensive-not-any-more-from-now-on-its-cheap>

Wales Online

A deal has been struck to connect Cardiff's £8bn tidal lagoon to the electricity network

The lagoon would only be built if a smaller one planned for Swansea is approved and becomes a success

10 September 2017

<http://www.walesonline.co.uk/business/business-news/cardiff-8bn-tidal-lagoon-new-13597830?service=responsive>

South Wales Argus

More green energy for Wales

21 August 2017

http://www.southwalesargus.co.uk/news/15486744.More_green_energy_for_Wales/

BBC News Online

Swansea tidal lagoon 'could kick start regeneration'

27 July 2017

<http://www.bbc.co.uk/news/uk-wales-politics-40727482>

BBC News Online

Tidal lagoon would make Wales renewable energy leader, say AMs

1 March 2017

<http://www.bbc.co.uk/news/uk-wales-politics-39120896>

Financial Times

UK review backs £1.3bn tidal lagoon project in Swansea Bay

Supporter says technology could provide 12% of UK electricity needs

12 January 2017

https://www.ft.com/content/1dac0b28-d897-11e6-944b-e7eb37a6aa8e?ftcamp=published_links/rss/companies_energy/feed//product

3. Press releases

Tidal Lagoon Power

Grid connection secured for 3,240MW Cardiff Tidal Lagoon

11 September 2017

- Offer from National Grid Electricity Transmission Plc accepted by Tidal Lagoon (Cardiff) Limited
- Would be the UK's largest renewable energy project, capable of powering every home in Wales
- Located between Cardiff and Newport, it would be the first tidal lagoon power plant at full-scale, made possible by the consented pathfinder project at Swansea Bay
- Already 3 years into preliminary environmental and engineering studies, a full application for Development Consent for Cardiff Tidal Lagoon is anticipated in 2019
- As reported to Government by the independent Hendry Review, Cardiff Tidal Lagoon is expected to generate among the cheapest electricity of all new power stations built in the UK

Tidal Lagoon Power has secured the grid connection for a 3,240MW capacity tidal lagoon expected to generate among the cheapest electricity of all new power stations built in the UK.

The project, located between Cardiff and Newport, has been selected as the first to employ at full-scale the blueprint being established by the pathfinder Swansea Bay Tidal Lagoon, a consented, world-first project awaiting final sign off by the UK Government in the coming weeks.

Tidal Lagoon Power's chief executive, Mark Shorrock, said:

Our offer to the UK Government is to contract Swansea Bay Tidal Lagoon for a lower subsidy per megawatt hour than Hinkley Point C. While we await the Government's response to this offer and to the independent Hendry Review of tidal lagoons, we have continued our development work on the subsequent programme.

Today we have secured the grid connection for a tidal power station equal in installed capacity to Hinkley Point C. Looking at the pounds per megawatt hour unit cost of new build power stations, nuclear is currently priced in the nineties, the latest offshore wind projects are expected to drop into the seventies and our models show Cardiff Tidal Lagoon beating them all in the sixties.

What's more, by leveraging the commanding position taken by UK industry preparing for Swansea Bay Tidal Lagoon, the supply chain contracts awarded for Cardiff Tidal Lagoon will be worth more than £6 billion to UK companies.

In January this year, the Hendry Review, an independent report to Government by former Conservative energy minister Charles Hendry, concluded that Cardiff Tidal Lagoon could generate power that is

less expensive than offshore wind and significantly less expensive than nuclear.

It found that contracting Cardiff Tidal Lagoon's 5,500GWh annual output adds less than 50p on average to annual household electricity bills, versus £2.39 for a 5,500GWh portion of Hinkley Point C's contracted annual output.

The Review concluded that large scale tidal lagoons could be built in the UK at a cost of £65 per MWh to £85 per MWh, which is cheaper than new nuclear and comparable to where UK offshore wind projects are expected to come in. It agreed that as a first step, the UK should proceed '*as soon as is reasonably practicable*' with the consented pathfinder tidal lagoon at Swansea Bay.

The UK tidal lagoon industry can be certain in its ability to reduce costs immediately via the physics of simply moving to bigger sites with similar or higher tidal range to Swansea Bay. It does not rely on an assumption of technology learning or mass manufacturing over time, although these will clearly help drive costs even lower.

Investec Bank's Jeremy Ellis said:

In our experience and given their sustainable long-term return characteristics, there is likely to be investor demand for both project and development equity of tidal lagoons once there is clarity regarding government support for the pathfinder then a portfolio of full scale tidal lagoons. This grid offer enhances Cardiff's reputation as a standout full scale tidal lagoon project.

A more stable, more flexible energy system

Tidal lagoons can provide the grid with entirely predictable, year round, zero carbon electricity at scale. With an annual power output in excess of 5,500GWh the Cardiff Tidal Lagoon will generate enough electricity each year to power every home in Wales, for the next 120 years.

In holding back periods of power generation or pumping for storage, a tidal lagoon offers flexibility and stability to the system, helping to ensure that electricity is generated at the times it is most needed and consumed efficiently at times of over-supply.

When operating in pumping mode, Cardiff Tidal Lagoon could act as a flexible load for the grid, with up to 2,171MW of demand permitted under the agreement with National Grid. Crucially, this could be timed to facilitate the integration of more intermittent wind and solar power and more inflexible nuclear power into the future energy system. A portfolio of geographically dispersed tidal lagoons could further enhance these system benefits.

Phil Sheppard, National Grid's Director of UK System Operator, said:

Tidal power presents a reliable and predictable source of renewable generation that has the potential for highly flexible

operation in the future. We have worked alongside tidal lagoon developers to gain an understanding of the operational characteristics of the proposed lagoons. This infrastructure project will have a significant impact as we move towards an increasingly low carbon electricity network.

An Olympic-sized economic opportunity for the Cardiff Capital Region

With the potential to invest around £8 billion of private capital, spanning between the cities of Cardiff and Newport, the lagoon represents an Olympic-sized economic opportunity to the Cardiff Capital Region, a diverse city region of 1.5 million people consisting of 10 local authorities. Early independent estimates suggest that over 3,000 construction workers would be required on the build, with the potential to create and sustain over 8,000 Welsh and UK manufacturing jobs in the project's supply chain.

Leader of Cardiff Council, Cllr Huw Thomas, said:

We welcome this development as an important milestone in progressing a hugely exciting and potentially transformative project for Cardiff and the wider region. The National Grid deal could play a key role in driving the project forward, making this extraordinary vision a reality. There's little doubt the opportunities are huge. Thousands of jobs could be created delivering low carbon energy. Cardiff and the city region could become renowned across the world for driving green technologies. We look forward to sitting down with Tidal Lagoon Power to discuss their plans in detail. It's important Cardiff, its residents and the wider region are all able to capitalise on the opportunities a project of this scale offers.

Current plans for Cardiff Tidal Lagoon comprise a 20.5km breakwater wall housing up to 108 tidal lagoon turbines within at least two powerhouse units. By enclosing approximately 70km² of the Severn Estuary, the project would pass an average of some 600 million cubic metres of water through its turbines on each tidal cycle, more than 11 times the volume of water available to the pathfinder at Swansea Bay.

According to the Severn Vision Partnership Project, up to 7% of the intertidal area in the estuary could be lost to sea level rise by 2055, resulting in the loss of up to 40% of total saltmarsh habitat. While affecting some intertidal and subtidal habitats, the Cardiff Tidal Lagoon would offer protection to a large stretch of the habitat under threat while providing additional feeding opportunities to overwintering and resident birds. The associated Ecosystems Enhancement Programme will look for further opportunities to enhance and create new habitat within the Severn Estuary and further afield, as well as supporting measures to improve the migration, spawning and escapement for key migratory and resident fish species.

Debbie Wilcox, leader of Newport City Council said:

This exciting new project is fantastic news for our city and our partners in the Cardiff Capital Region. It represents a massive boost in confidence in the region and the promise of cleaner, cheaper power and thousands of jobs is very welcome. We wish Tidal Lagoon Power all the best in pulling together such a successful project.

Lloyds Bank's Paul Williams said:

As commercial bank to Tidal Lagoon Power ("TLP"), Lloyds Bank is delighted to have been involved with TLP's pathfinder Swansea Bay project from its infancy, especially as this has now paved the way for TLP's development of the Cardiff Lagoon project – the UK's first large scale tidal lagoon project. Supporting low carbon, long dated critical UK Infrastructure is core to Lloyds Banking Group's Helping Britain Prosper Plan of which renewable energy – and in this case, tidal power – sits firmly within. Renewable energy initiatives such as Tidal Lagoon Power are vital for the progression and development of Infrastructure in the UK.

Department for Business, Energy & Industrial Strategy

New clean energy projects set to power 3.6 million homes

11 September 2017

Record amount of renewable capacity secured to power our homes following second contracts for difference auction.

- Competition drives down the cost for consumers - new offshore wind projects will be delivered as low as £58/MWh from 2022-23
- Further boost to the UK's low-carbon supply chain, as part of the government's ambitious Industrial Strategy and upcoming Clean Growth Plan

Eleven new energy projects worth up to £176m per year have been successful in the [latest competitive auction for renewable technologies](#), the government has announced today (Monday 11 September).

The projects, which are set to generate over 3GW of electricity, enough to power 3.6 million homes, demonstrate that the UK continues to be an attractive place to invest in clean energy.

The government is committed to investing in clean technology and driving economic growth as set out in our ambitious Industrial Strategy and upcoming Clean Growth Plan.

The competitive approach is continuing to drive cost reductions in the renewable energy industry - the cost of new offshore wind projects starting to generate electricity from 2022-23 are now 50% lower than the first auction held in 2015 (1). The other successful technologies, Advanced Conversion Technologies and Dedicated Biomass with Combined Heat and Power, also achieved significant savings.

Competition has also driven down the costs for consumers. The capacity delivered in this auction cost up to £528m per year less than it would have in the absence of competition.

Projects are to be delivered across Great Britain from Wales to the Scottish Highlands and the West Midlands from 2021.

Minister for Energy and Industry, Richard Harrington, said:

We've placed clean growth at the heart of the Industrial Strategy to unlock opportunities across the country, while cutting carbon emissions.

The offshore wind sector alone will invest £17.5bn in the UK up to 2021 and thousands of new jobs in British businesses will be created by the projects announced today. This government will continue to seize these opportunities as the world moves towards a low carbon future, and will set out ambitious proposals in the upcoming Clean Growth Plan.

This investment will help the UK meet its climate targets while supporting jobs in Britain's growing renewable industry. The UK has the largest offshore wind capacity in the world and low carbon businesses have a combined turnover of £43 billion, employing 234,000 people.

[View the Contract for Difference \(CFD\) auction results.](#)

- [Contracts for Difference](#), which provide long-term certainty for investors, are designed to drive investment in a new generation of clean, secure electricity supplies. This is the second round of Contracts for Difference auctions, with the first held in 2015. Successful projects receive 15 year contracts.
- The cost of offshore wind projects are now 50% lower than the first auction held in 2015 when comparing the lowest clearing price for successful offshore wind projects commissioning in 2018/19 and the lowest clearing price for offshore wind projects commissioning in 2022/23.
- Total budget impact for contracts allocated in the second CFD auction round is forecast by National Grid at up to £176.2m/year (in 2012 prices). However, actual annual spend will depend on how wholesale prices and project-specific operational factors change over time.
- The Low Carbon Contracts Company (LCCC) now has 10 working days in which to make an offer to successful developers. Developers then have 10 working days after the offer is made to return signed contracts.

Welsh Government

Warm Homes Nest – Report reveals benefits for homes and businesses

21 July 2017

The Cabinet Secretary for Environment and Rural Affairs has highlighted the positive economic impact felt by Wales' households and businesses thanks to the Welsh Government's flagship fuel poverty scheme.

[Welsh Government Warm Homes Nest](#) (external link) provides all householders in Wales with access to advice and support to help

them reduce their energy bills. This includes a referral for eligible householders for a package of free home energy efficiency measures such as a new boiler, central heating system, loft or cavity wall insulation, or renewable technologies.

In 2016/17, the Welsh Government provided £19.5m for Nest and a further £3.9m has been levered in through the GB-wide Energy Company Obligation.

[The Nest Annual Report for 2016/17](#) (external link), published today reveals:

- Over 5,500 households received free energy efficiency measures.
- Average energy bill savings for households who had measures installed are estimated at £410 per year.
- 264 households benefited from new or additional benefits, with an average increase in household income of over £1,800 per household per year. This equates to a £482,500 potential increase in benefit take up this year.
- 382 households benefited from a Warm Home Discount rebate worth £140 off their electricity bill; this represents a total saving on energy bills of over £53,400.
- 77 households benefited from receiving support from their water companies. HelpU and Water Direct. They are collectively estimated to make direct savings of £14,300.

Since 2011, 190 opportunities have been created by Nest including jobs, apprenticeships and training. All installations have been carried out by Wales-based small and medium sized enterprises (SMEs).

One company that has directly benefited from its involvement in Nest is QRL Radiator Group, based in Newport. QRL have been supplying radiators to Nest since January 2011, all made from steel produced by TATA steel. Over 153,000 QRL radiators have been installed through Nest.

Speaking during a visit to QRL yesterday Lesley Griffiths said:

Today's report shows Nest continues to contribute impressively to job creation and growth in Wales. Since the scheme started in 2011, all installations have been carried out by Wales-based enterprises and over 190 opportunities have been created in the process.

We should rightly be proud of Nest's impact, both economically and environmentally. There is, though, no room for complacency. Tackling fuel poverty in Wales remains a significant challenge. That is why I am investing over £104 million in Welsh Government Warm Homes schemes over the next four years to improve a further 25,000 homes.

I am confident Nest will continue its success in 2017/18. I look forward to seeing many more households who have been struggling to heat their homes benefit from the help the scheme provides.

Welsh Government

Welsh public sector to be carbon neutral by 2030

05 July 2017

The Cabinet Secretary for Environment and Rural Affairs, Lesley Griffiths, has spoken of her ambition for the Welsh public sector to be carbon neutral by 2030 and is calling for views on how this can be achieved.

Although the public sector only accounts for a small amount of Wales' emissions it is uniquely placed to influence emissions far more widely in areas such as transport, energy and land use.

As well as tackling the issues of air pollution, this approach can have a positive impact on the local economy by reducing energy costs and by creating investment opportunities for the low carbon economy.

The Cabinet Secretary is now seeking evidence of the opportunities and challenges around the carbon neutral ambition, including whether interim targets should be introduced and how progress should be monitored and tracked.

The Welsh Government is already investing over £2m a year to identify and support renewable energy projects and energy efficiency projects within the public sector. By the end of this Government term almost £70m is expected to be invested in public sector energy projects.

The Cabinet Secretary said:

Wales is already at the forefront of global action on climate change, leading the way in the UK in recycling and introducing ground-breaking legislation of the Wellbeing of Future Generations Act.

I believe the public sector should lead by example in reducing emission, which is why I would like to see the sector be carbon neutral by 2030. I am keen to hear views on how best to address particular challenges and how we realise the significant opportunities and benefits associated with this agenda. This evidence will then inform how we proceed with work in this important area.

Natural Resources Wales' (NRW) is already making progress through its Welsh Government financed Carbon Positive Project. Through calculating the organisation's net carbon impact, it found that over 80% of their emissions were indirect, with 55% from the procurement of goods and services alone. Results indicate that the organisation is net carbon positive; storing more carbon annually than it is releasing through its operations.

As part of the Project, NRW has identified feasible options to reduce emissions and protect and enhance carbon stocks. For example, it

found it could achieve up to 27% emissions saving from its vehicle fleet through adopting low emission transport options.

NRW are pressing forward with action, including installing charging points, procuring electric vehicles and looking to improve the energy efficiency of their buildings, recognising the economic business case as well as the environmental reasons for taking action.

The lessons learnt from the project will be shared with the Welsh public sector with the aim of encouraging others to follow NRW's lead.

The Cabinet Secretary added:

It's pleasing to hear the excellent work Natural Resources Wales are doing through their Carbon Positive Project and I would like to see others follow their lead, including the Welsh Government. I have asked officials to look at a similar project across our offices.

Jennifer Kelly, leading the Carbon Positive Project for Natural Resources Wales, said:

As a public sector body, and as the environment body for Wales, we have an important role to play in addressing climate change. Our Carbon Positive Project has taken an ambitious approach to understand our carbon impact and to identify opportunities to address it.

One opportunity we've identified is that, by using current low emission technologies in our fleet, we could cut emissions by up to 27%, and reduce costs by 5%. We've also been delivering some exciting demonstration projects to take action on our carbon impact now, including introducing electric vehicles, installing renewable energy and restoring peatland habitats.

We're looking forward to sharing our experiences with others later in the year and hope this will encourage wider decarbonisation in Wales.

Tidal Lagoon Power

Tidal Lagoon Power Statement; Hendry Review

12th January 2017

This is an exemplar of a well-managed, timely and thorough independent review. We thank Charles and his team for their positive and professional endeavour throughout the process.

With the publication of the Hendry Review we've hit 'peak consensus.'

Home-grown power from the tides, starting at Swansea Bay, is something we can all agree on: communities and investors, conservationists and industrialists, politicians of all persuasions and now an independent government review, all singing from the same hymn sheet.

Swansea Bay Tidal Lagoon is a vision of how Great Britain can replace part of our ageing power station fleet with low cost,

reliable power that also revitalises our industrial heartlands and coastal communities.

When we pay our electricity bills, we are mostly supporting other countries' energy industries and other countries' workers. It doesn't have to be that way. Tidal lagoons will generate electrons that work for Britain and bring down bills.

The Hendry Review has set the final piece of the jigsaw in place: a watershed moment for British energy, British manufacturing, British productivity and our coastal communities. We look forward to working with Ministers and Officials to bring this new industry to life.

Mark Shorrock, Tidal Lagoon Power

The final Hendry report has been produced in [English](#) and [Welsh](#). You can read a summary of the report's conclusions and recommendations [here](#).

4. Parliamentary material

PQs

[Hendry Review: Tidal Lagoons](#)

Asked by: Neil Parish

What discussions he has had with the Secretary of State for Business, Energy and Industrial Strategy on the date of publication of the Government response to the Hendry review on tidal lagoons.

Answering member: The Parliamentary Under-Secretary of State for Wales (Guto Bebb) | Department: Wales

The Wales Office has had close discussions with ministerial colleagues following the publication of the Hendry review. The lagoon at Swansea is an exciting project, but it is essential that it delivers value for money for the energy consumer and for the taxpayer.

Neil Parish: It is nine months since the Hendry review strongly endorsed the tidal lagoon at Swansea, where the rise and fall in the tide is the second highest in the world. It would unlock power for generations, not only on the Welsh side but on the other side of the Bristol channel. When are Ministers going to make a decision?

Guto Bebb: My hon. Friend is undoubtedly a champion for this new technology. However, it has to be stated on record that although the Hendry review was supportive of a tidal lagoon in Swansea, no real financial issues were dealt with in that report. It is necessary that we make the right decision not just in terms of the concept of a tidal lagoon in Swansea, but for the energy price that the consumer will pay and for the taxpayer. We will make the right decision in due course. *[Interruption.]*

[...]

Albert Owen: As has been indicated, the Hendry review was set up by the Conservative party, and the framework to finance these big projects was set up by the Conservatives. It is time, now, to stop talking and start delivering for Wales. I urge the Wales Office to stand up for Wales on this project and deliver for Wales.

Guto Bebb: The hon. Gentleman is undoubtedly a champion of energy projects across Wales and, indeed, in his own constituency of Anglesey. He will understand, as I do, that such decisions must be right in relation to the costs for the taxpayer and the energy consumer. We will ensure that the decision, when it is made, takes all issues into account, and that it is right for the energy consumer and the people of Wales.

Theresa Villiers: Will the Minister make renewable energy in Wales a priority so that it can play its full part in delivering our important goals on energy security and tackling climate change?

Guto Bebb: The development of energy policy in Wales is about energy security. It is about securing our energy supply for the future, which is why I and my colleague in the Wales Office are always involved with projects such as the new Wylfa power station in Anglesey. We are looking at small modular reactors for parts of Wales, and we are, indeed, still looking at the tidal lagoon in Swansea.

Christina Rees: Wales has a once-in-a-generation opportunity to become the world leader in tidal lagoons. The Swansea Bay tidal lagoon alone will generate 2,000 jobs and contribute £300 million to the Welsh economy during its construction. Welsh Labour MPs, the Welsh Labour Government and many public faces and campaigners have declared that they “Love the Lagoon”, so why are the Government refusing to publish their response to the Hendry review and, in so doing, putting the project at risk?

Guto Bebb: At the risk of repeating myself, the hon. Lady highlights the fact that there is support for the concept in Wales—indeed, there is. But she also needs to be honest about the fact that the Labour Government in Wales, Labour MPs from Wales and Labour Assembly Members from Wales have highlighted the danger of high energy prices for the steel industry, for example. We need to make a decision that is right for industry in Wales and for the Swansea Bay tidal lagoon, but we need to do that on a calculated basis, looking at the facts. That is what we will do.

HC Deb 06 September 2017 | Vol 628 c142

[Tidal Power: Vale of Clwyd](#)

Asked by: Ruane, Chris

To ask the Secretary of State for Wales, what steps the Government is taking to promote renewable energy through tidal power in the Vale of Clwyd.

Answering member: Alun Cairns | Department: Wales Office

With 750 miles of coastline, Wales is perfectly placed to exploit energy from our tides through a variety of developing technologies, including tidal stream or wave turbines. In addition, the UK Government is currently considering the role tidal lagoons could play in the UK's energy mix.

HC Deb 05 September 2017 | PQ 6294

[Tidal Power: Cardiff](#)

Asked by: Stevens, Jo

To ask the Secretary of State for Wales, what steps his Department is taking to promote renewable energy through tidal power in Cardiff Central constituency.

Answering member: Alun Cairns | Department: Wales Office

With 750 miles of coastline, Wales is perfectly placed to exploit energy from our tides through a variety of developing technologies, including tidal stream or wave turbines. In addition, the UK Government is currently considering the role tidal lagoons could play in the UK's energy mix.

HC Deb 05 September 2017 | PQ 6277

[Tidal Power: Swansea Bay](#)

Asked by: Saville Roberts, Liz

To ask the Secretary of State for Business, Energy and Industrial Strategy, what progress has been made on the Swansea Bay Tidal Lagoon project.

Answering member: Richard Harrington | Department: Department for Business, Energy and Industrial Strategy

The Swansea Bay tidal lagoon project was given a Development Consent Order in June 2015. A marine licence has not yet been awarded by Natural Resources Wales. The responsibility for deciding whether to grant a seabed lease rests with the Crown Estate.

The Government's negotiations with Tidal Lagoon Power Ltd are commercially sensitive and it would not be appropriate to comment on the latest proposal.

HC Deb 11 July 2017 | PQ 2460

[Tidal Power: Swansea Bay](#)

Asked by: Saville Roberts, Liz

To ask the Secretary of State for Wales, what discussions he has had with the Department for Business, Energy and Industrial Strategy on the delay to the Swansea Bay Tidal Lagoon project.

Answering member: Alun Cairns | Department: Wales Office

I have had a number of discussions and written exchanges with Ministers in the Department for Business, Energy and Industrial Strategy, including on the Swansea Bay Tidal Lagoon.

I remain supportive of a tidal lagoon at Swansea Bay. Nevertheless, it is essential that we ensure the project represents value for money.

HC Deb 10 July 2017 | PQ 2458

Early Day Motion

EDM 129 2017-19

HENDRY REVIEW ON SWANSEA BAY TIDAL LAGOON

That this House notes the Government's previous commitment to the Swansea Bay Tidal Lagoon (SBTL); highlights the recommendation to launch the SBTL project in the Hendry Review commissioned by the Government; further notes the Hendry Review described it as a matter of urgency; acknowledges the Conservative Party's failure to include the project in its election manifesto and in its Queen's speech, despite having previously committed to it in the last Parliament; welcomes the companies and firms that are on standby to bid for the procurement; notes that this energy scheme will encourage students towards STEM subjects and will give them a credible prospect of working in Wales; notes the potential of private capital investment in Wales and the generation of power for 155,000 homes over 120 years; recognises the opportunities the scheme will bring into Wales such as leisure, tourism and maritime activities; and calls on the Government to renew its commitment to the SBTL project and invest in Wales as they have in Northern Ireland.

Tabled: 04 July 2017

Primary sponsor: Saville Roberts, Liz

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