

# Press release: Boost to remote island wind projects as consultation launched

[A consultation has been launched today](#) (15 December 2017), including proposals to enable remote island wind projects to apply for a Contract for Difference (CfD) in the next competitive auction for less established renewable technologies (subject to state aid approval).

Wind projects on remote islands (such as Western Isles, Orkney and Shetland) have great potential due to the strong winds on the islands and the opportunity to bring employment and benefit local supply chains. However, they also face higher costs due to their location and transmission requirements, which set them apart from onshore wind projects elsewhere in Great Britain.

The Government announced up to £557 million for future auctions in its [Clean Growth Strategy](#) and intends for these changes to be implemented, so that island wind projects can compete in the next auction, planned for spring 2019. The consultation will also seek views on how island communities can benefit from these projects.

The last auction proved the benefits of the Government's competitive approach and saw the cost of new offshore wind fall by as much as 50%.

If a sufficient number of projects are successful it should facilitate the construction of new transmission links, which could deliver a range of wider and longer term benefits and cost savings to the renewables industry and to the island economies.

UK Energy Minister Richard Harrington said:

We've placed clean growth at the heart of our new Industrial Strategy. We are cutting emissions while keeping costs down for consumers, creating high value jobs and growing the economy.

We are delivering on our commitment to support remote island wind projects, which have the potential to benefit local communities.

UK Government Minister for Scotland Lord Duncan said:

Wind projects in the remote islands of Scotland have the potential to generate substantial amounts of electricity and cut emissions, supporting economic growth and delivering lasting benefits for communities.

Enabling these projects to compete in future auctions will reinforce the UK's position as a world leader in renewable

generation, as well as providing Scottish jobs in any projects supported.

I urge local communities, developers and other stakeholders to work together to ensure that such projects deliver lasting benefits to the islands.

A [2013 report](#) for the UK and Scottish governments concluded that wind projects on the Western Isles, Orkney and Shetland could supply around 3% of the UK's total electricity demand.

More than 750MW of wind projects with planning consent on these islands could be eligible for the next auction.

The consultation also asks for views on other changes the government is considering making to the Contracts for Difference (CfD) scheme, to enable it to continue to support new generation and provide best value for bill payers in coming years.

These changes include proposals to increase the efficiency requirements for Combined Heat and Power (CHP) and Advanced Conversion Technologies (ACT) as technology improves. This ensures that only sufficiently advanced and efficient plants are awarded subsidy.

Changes are also proposed to ensure that costs of future projects can be accurately forecasted and that future schemes continue to drive carbon emission reductions.

1. The consultation opened on 15 December 2017 and runs until 9 March 2018.
2. Government aims to support the development of onshore wind projects on remote islands, where they benefit local communities. This consultation sets out a proposed definition of remote islands wind, as a new technology that can compete in future auctions for 'less established' technologies (also known as 'Pot 2'). The proposal is subject to state aid approval.