

# **DECOMMISSIONING OFFSHORE RENEWABLE ENERGY INSTALLATIONS**

Consultation on guidance relating to the statutory  
decommissioning scheme for offshore renewable energy  
installations in the Energy Act 2004

## **Consultation Response Form** URN 06/1385

The closing date for this consultation is 1 September 2006.

You may find it helpful to set out your responses to the consultation using this response form.

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Organisation's name and remit (if applicable): British Wind Energy Association;  
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Please cross one box from the following list of options that best describes you.

- Developer or developers' representative organisation
- Marine environment user (e.g. navigational, fishing interests)
- Environment or heritage organisation
- Central Government organisation, Agency or statutory adviser
- Devolved Administration
- Local Government
- Regional organisation
- Law firm
- Academic institution
- Consultant
- Individual
- Other (please specify)

Please feel free to answer as many or as few questions as you wish. It is helpful if you can explain your views as fully as possible in the comments boxes, especially where you disagree with the proposals set out in the consultation paper.

**Question 1.** Do you agree that the scheme should be applied to all proposed new offshore wind, wave and tidal energy installations, including: any Round One wind farms which are still seeking consent under Section 36 of the Electricity Act 1989 or the Transport and Works Act 1992; all Round Two and subsequent wind farms; all wave and tidal energy installations which are not yet consented or operational?

Yes

No

No view

#### Comments

In the interests of equity, the scheme should not be applied to Round One offshore wind projects still seeking consent, since other Round One projects will not be subject to it. While it is appropriate that wave and tidal developers should have duties in regard to decommissioning, care should be taken to ensure these duties are not too onerous, since these are technologies at an early stage of development.

**Question 2.** Do you agree that there should be a general presumption in favour of disused installations being removed and subsequently reused, recycled, incinerated with energy recovery or disposed of (at a licensed site) on land?

Yes

No

No view

#### Comments

BWEA suggests that the Best Practicable Environmental Option (BPEO) approach be taken, which treats each case on its merits. Thus while removal to land should be the first option considered, it should by no means be the only option.

**Question 3.** Do you agree that the overall approach should encompass the flexibility to choose different decommissioning solutions for different sites, taking account of the specific risks posed by each site?

Yes

No

No view

#### Comments

BWEA agrees with the overall approach, but requests that this flexibility exists even within a single project, where either :

- a. different foundation concepts may be adopted within that project, or;
- b. different ground conditions may necessitate different techniques.

**Question 4.** Do you agree that we should apply the same standards to installations in territorial waters as to installations in the exclusive economic zone (i.e. the UK Renewable Energy Zone)?

Yes

No

No view

Comments

**Question 5.** Do you agree that any decision to allow some or all of an installation or structure to remain on or in the sea-bed should be based on a case-by-case evaluation of a range of matters, including, where appropriate: potential effect on the safety of surface or subsurface navigation; potential impact on other uses of the sea; potential effect on the marine environment, including living resources; costs of removal; technical feasibility of removal; and risks of injury to personnel associated with removal?

Yes                       No                       No view

Comments

**Question 6.** Do you agree with the specific examples suggested for objects which might be allowed to remain on or in the sea-bed or be only partially removed (depending on the outcome of a case-by-case evaluation)?

Yes                       No                       No view

Comments

BWEA considers that other examples may include :

- a.        Conduits in the inter-tidal zone within which export cables may be located;
- b.        Seabed preparation material (eg for gravity foundations);
- c.        Any material discharged during the construction process which was agreed to be left in-situ (eg small volumes of spilled grout);
- d.        Material effecting crossings of subsea cables and pipelines, eg mattresses, scour protection material etc

**Question 7.** Do you think that appropriate surveys should be required, upon completion of decommissioning, to enable identification and subsequent recovery of any debris located on the sea-bed (for example, debris which might have arisen during operation or maintenance of the installation or from the decommissioning operation itself)?

Yes                       No                       No view

Comments

**Question 8.** Do you think that independent verification of sea-bed clearance should be required?

Yes  No  No view

**Comments**

BWEA questions the role of independent verification if liabilities remain to exist for the Asset Owner following successful decommissioning.

**Question 9.** Do you agree that the method of removal should have regard to Best Practicable Environmental Option (BPEO), safety of surface and subsurface navigation, other uses of the sea, and health and safety considerations?

Yes  No  No view

**Comments**

**Question 10.** Do you agree that the choice of BPEO should be informed by an Environmental Impact Assessment?

Yes  No  No view

**Comments**

BWEA agrees with this, but recommends that the scope of the assessment be commensurate with the activities involved in the decommissioning process.

**Question 11.** Do you agree that disposal of waste at sea should not be contemplated?

Yes  No  No view

**Comments**

**Question 12.** Do you agree that the choice of waste management option should be based on an assessment of the Best Practicable Environmental Option (BPEO)?

Yes  No  No view

Comments

**Question 13.** Do you agree with the actions proposed for notification and marking of any remains?

Yes                       No                       No view

Comments

**Question 14.** Do you agree with the proposals for post-decommissioning monitoring, maintenance and management of the site (where an installation is not removed completely)? (Please indicate any views you have on the scale, frequency and duration of post-decommissioning monitoring which might be appropriate.)

Yes                       No                       No view

Comments

BWEA considers that all monitoring should only be undertaken when there is a defined purpose for the monitoring - otherwise monitoring should not be required. Therefore BWEA does not consider monitoring as a compulsory activity, and requests that Asset Owners may provide a case for not monitoring post-decommissioning effects. Should monitoring be required, BWEA recommends this be undertaken on a case-by-case basis.

**Question 15.** Do you agree that the Government should seek some form of financial security from developers to reduce the risk of liabilities falling to the public purse in the event of default by developers?

Yes                       No                       No view

Comments

**Question 16.** Are you able to provide any information on what provision developers currently make to ensure that sufficient funds will be available to meet their decommissioning liabilities?

Yes                       No                       No view

#### Comments

It is likely that BWEA members have differing views on this question, therefore BWEA would defer to comments from its membership through separate consultation responses.

**Question 17.** Do you agree that it might be appropriate for the Government to accept some risk of potential default on decommissioning liabilities?

Yes                       No                       No view

#### Comments

**Question 18.** Do you agree that the risk of default and abandonment of an offshore wind installation during construction and the first half of its life (assuming a 20 year life) is sufficiently low that no financial security should be required during that period?

Yes                       No                       No view

#### Comments

Given the large scale of investment required for substantial offshore wind projects, the prospect of abandonment before payback has been achieved is not credible. In the case of project failing financially due to poor returns, then there will still be value in the operating asset and it will be refinanced; the only other possible scenario involves catastrophic technical failure, and given that there is large experience of wind onshore and growing experience of it offshore, such a scenario is highly improbable.

**Question 19.** Do you agree with the guiding principles proposed for providing a policy framework against which financial security decisions can be taken?

Yes                       No                       No view

#### Comments

It is likely that BWEA members have differing views on this question, therefore BWEA would defer to comments from its membership through separate consultation responses.

**Question 20.** Do you agree with the examples given for what would normally be considered acceptable and unacceptable forms of security? (If not, please explain what changes you would propose.)

Yes                       No                       No view

**Comments**

It is likely that BWEA members have differing views on this question, therefore BWEA would defer to comments from its membership through separate consultation responses.

**Question 21.** Are there other mechanisms for providing financial security, not referred to, that you believe we should also consider?

Yes                       No                       No view

**Comments**

It is likely that BWEA members have differing views on this question, therefore BWEA would defer to comments from its membership through separate consultation responses.

**Question 22.** Are you aware of any particular instruments or techniques for segregating funds which would make them more (or less) suitable as a security in the event of insolvency?

Yes                       No                       No view

**Comments**

It is likely that BWEA members have differing views on this question, therefore BWEA would defer to comments from its membership through separate consultation responses.

**Question 23.** Do you agree with the proposed approach for pre-commercial, experimental marine technologies? (Please indicate what financial security mechanisms (if any) you would consider appropriate for such projects or what alternatives you would propose to give comfort to the Government and other interested parties that decommissioning will take place.)

Yes                       No                       No view

**Comments**

BWEA agrees with this approach. On financial security, it is likely that BWEA members have differing views on this question, therefore BWEA would defer to

comments from its membership through separate consultation responses.

**Question 24.** Do you agree with the overall approach proposed for the decommissioning programme process, including the order of the various stages. (If not, please explain what changes you would propose.)

Yes                       No                       No view

**Comments**

**Question 25.** Do you agree that it makes sense to discuss decommissioning requirements at an early stage, in parallel with Section 36 and other statutory consent applications where these are being made?

Yes                       No                       No view

**Comments**

BWEA considers that discussions on decommissioning should take place pre-construction, not pre-consent.

**Question 26.** Do you think the approach to consultation for decommissioning offshore renewable energy installations is appropriate?

Yes                       No                       No view

**Comments**

**Question 27.** In the future, will it be feasible to consult on decommissioning at the same time as consultations undertaken in the process of securing statutory consents?

Yes                       No                       No view

**Comments**

BWEA does not agree with consulting on decommissioning at the same time as discussing statutory consents, for the following reasons :

- a. The techniques to be deployed and extent of decommissioning will inevitably be subject to change
- b. Any such consultation would introduce delay into an already protracted and

overly-complicated consents procedure

**Question 28.** Are there any organisations, groups or individuals who you think it would always be appropriate to consult on individual decommissioning programmes? (Please indicate who these would be.)

Yes  No  No view

**Comments**

BWEA considers that those bodies with statutory responsibility fall into this category

**Question 29.** Do you agree with the proposed approach to reviews and modifications? (If not, please explain what changes you would propose.)

Yes  No  No view

**Comments**

BWEA recommends that Asset Owners have the right to propose the timetable for reviews and modifications, with DTI having the right to request more reviews if appropriate

**Question 30.** In the guidance, do you think it would be helpful to set out the frequency with which reviews might be undertaken, as a general guide? (Please indicate whether you agree that about every 5 years is appropriate or whether you would suggest an alternative timeframe.)

Yes  No  No view   
Every 5 years  Less often  More often  No view

**Comments**

BWEA considers that 5 years is a sensible interval, but recommends that Asset Owners have flexibility as stated above

**Question 31.** Do you agree with the model framework suggested in Annex E for the content of decommissioning programmes? (If not, please explain what changes you would propose.)

Yes  No  No view

**Comments**

**Question 32.** Do you agree with the regime for residual liability? (If not, please explain what changes you would propose.)

Yes                       No                       No view

**Comments**

Problems may arise from structures left in the water; issues of residual liability are likely to be small when structures are completely removed. Asset owners may have been asked to leave structures when they might otherwise have removed them, for instance a monopile may be left because of the environmental benefits that the artificial reef brings. If a developer would normally have removed this structure then they should not have to bear liability for it.

**Question 33.** Would you like to suggest any specific proposals for facilitating and encouraging industry cooperation and collaboration at the decommissioning stage?

Yes                       No                       No view

**Comments**

At present, it is difficult to predict the degree of industry co-operation, therefore BWEA proposes that this be left to the industry to decide.

**Question 34.** Do you have any comments on the analysis of costs and benefits in the partial Regulatory Impact Assessment included at Annex A?

Yes                       No                       No view

**Comments**

**Question 35.** Are you aware of any possible unintended consequences or other implications of the proposals set out in this consultation paper?

Yes                       No                       No view

**Comments**

Do you have any other comments that might aid the consultation process as a whole?

Comments

*Thank you for taking the time to let us have your views!*