

Ken Cook - Welsh European Funding Office

Managing Authority for 5 Programmes across ERDF  
and ESF - €2.4Bn

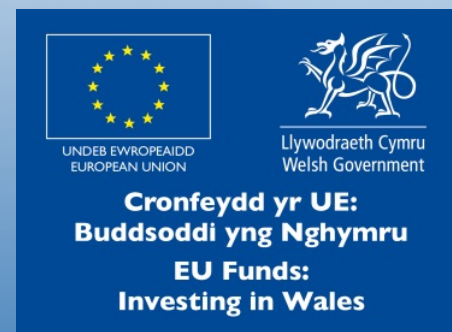
(<https://gov.wales/docs/wefo/publications/181204-esf-erdf-summary-en.pdf>)

Priority 3 Renewable Energy and Energy Efficiency  
€174m across 2 programmes, Marine Renewable  
Energy, Community Scale Energy,  
Energy Efficiency in Housing



**Cronfeydd yr UE:  
Buddsoddi yng Nghymru**

**EU Funds: Investing in Wales**



# **Marine Renewable Energy - Barriers to Investment**

## **Context in the UK**

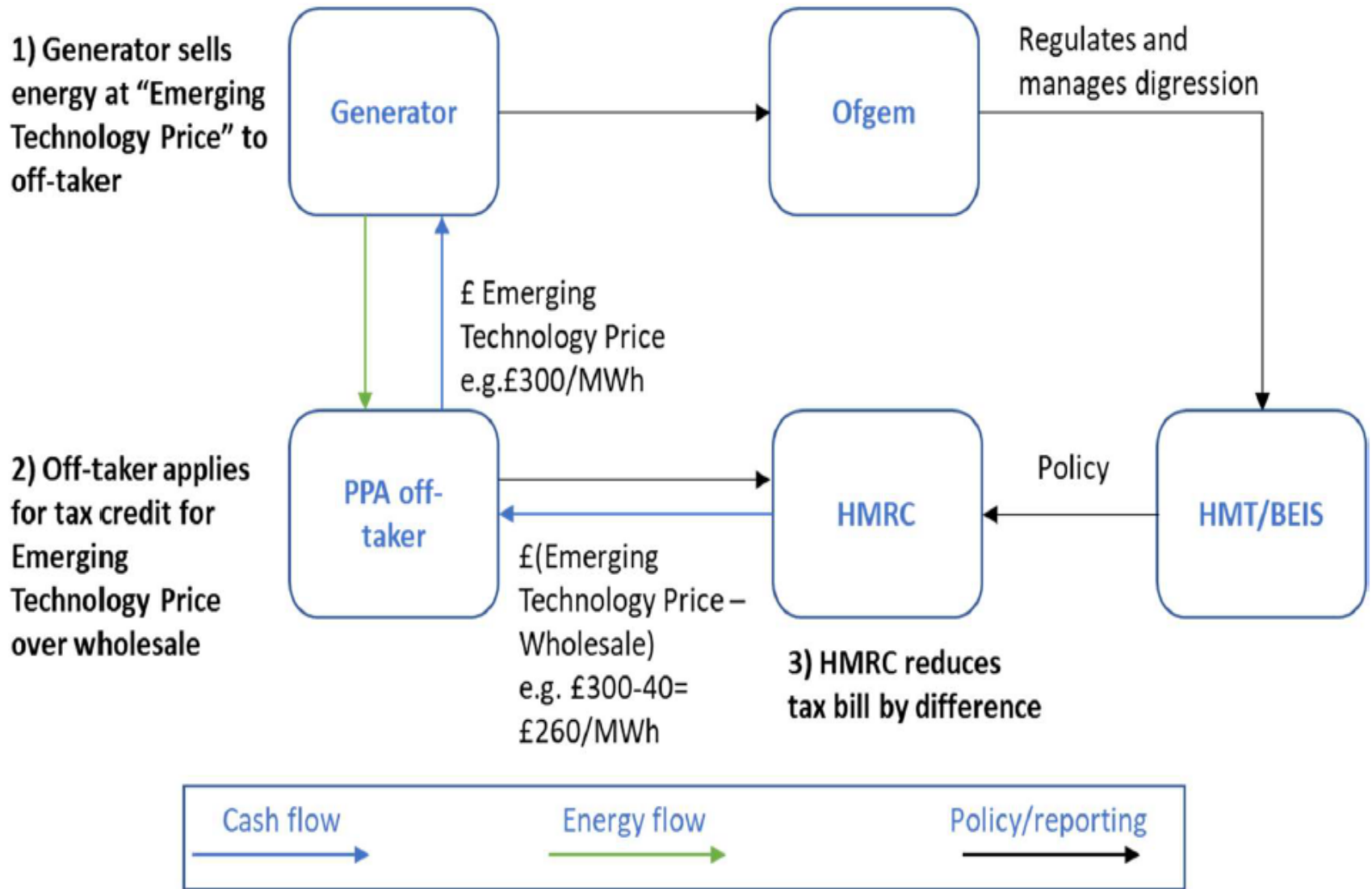
- Early Stage Technologies (tidal stream and wave)
- Predominantly SMEs
- Prototype stage – scale up to array level to demonstrate
- High initial capex costs
- Current Revenue support mechanism inaccessible

## **Revenue support proposal**

### **Innovation Power Purchase Agreement**

- consumers will not bear costs
- support new technology development towards cost reduction
- technologies should have to compete for support
- support should decrease over time
- only successful generation benefits - financial risk is born by the developer
- Up to 5Mw

## Mechanism



## State Aid Questions

- Is there aid to the “offtaker”?
- Is there a transfer of state resources?
- Do they flow through the offtaker to the generator?
- Is there/should there be an open procedure
- Block Exemption?
- Notification?



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