Cleantech en-vision

The quarterly newsletter of Cambridge Cleantech

May 2014

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Political uncertainty unnerving renewables investors

The UK has over the past quarter fallen one place to fifth in the overall table, switching places with Japan. The top three places remained unchanged on the last quarter, with the US, China and Germany taking first, second and third respectively.

The UK's slide was ascribed to policy uncertainty being replaced with the "unwelcome news" that mature technologies would need to compete for support under the EMR contracts for difference (CfD) regime. The analyst said that "political points" won by the government through measures to address rising energy bills were outweighed by its failure to implement a 2030 decarbonisation target and a lack of timely details on Electricity Market Reform (EMR).

Japan's increasing attractiveness was a consequence of its rapidly growing solar photovoltaics market and successful offshore wind sector. Elsewhere in the top 10, Australia fell from sixth to eighth place as its government removed carbon pricing and clean energy funding.

By technology, the UK's performance in the rankings remained largely unchanged from the last quarter, though in biomass it rose from sixth to second. The report said news that dedicated biomass will not have to bid competitively under the CfD regime had helped boost sector confidence.

Positive developments for the UK over the past quarter included the application of over 18GW of capacity for the EMR Final Investment Decision (FID) programme and a series of high-profile IPOs. The report also highlighted the positive impact that Royal Assent for the *Energy Bill* delivered in late December. This, it said, had introduced a level of stability, despite the most mature technologies receiving a £5/MWh reduction in their CfD strike prices from those in the earlier draft EMR *Delivery Plan*.

But UK offshore wind suffered a disappointing quarter, with several high-profile projects being down-graded. SSE's offshore development plans are under review as two of its projects missed out on FIDeR funding. ScottishPower cancelled its 1.8GW Argyll Array project after encountering construction and technical issues. RWE dropped plans for the 1.2GW Atlantic Array offshore windfarm, claiming it was no longer economically viable, while also reducing the capacity of the proposed Triton Knoll development from 1.2GW to 600MW-900MW.

The report argued that with more than 40GW of offshore capacity allocated in site licensing rounds to date - significantly above the government's 2020 target of 10GW- further cancellation and mothballing can be expected.

Overall the UK's attractiveness to renewables investors was being undermined by the perception of "mixed signals" from the government. An apparent conflict within the government over the development of shale gas, and a "worrying lack of clarity" over long-term energy strategy coincided with growing concerns over security of supply.

Ernst & Young also said that a prolonged investigation by the European Commission into the state aid case regarding the Hinkley Point C nuclear station could prevent a final investment decision being taken as planned in July 2014, and thereby "jeopardise future energy supplies".

The report captures the change in mood for UK renewables. We have maintained our place for each technology but there are clear warning signs as EMR details - especially on auctioning for established technologies - emerge.

Ernst and Young

MPs warn of green finance gap

The environmental audit select committee has said that the current level of green investment is less than half of that which is necessary for the UK to meet its binding environmental targets.

The committee issued on 6 March its report on *Green Finance*. It suggested that, while the UK required £200bn of investment in low-carbon infrastructure by the end of the decade, it was currently only attracting between £8bn-£10bn a year. This, it said, meant both that annual investments requirements were likely to continue to increase over the coming years, and that a "significant scale-up" was necessary.

The report argued that uncertainty for potential investors about the direction of government policy had acted as a significant barrier to investment. During the inquiry, witnesses told the committee that there was more regulatory uncertainty around the UK energy sector than there had been for some time, and that this had a "dampening effect" on project development activity. The report said that the government's Electricity Market Reform (EMR) package, though "flawed", would provide an opportunity for significantly greater policy stability into the future. It said the government should use the programme's implementation to make a clear commitment to avoiding further unplanned regulatory and subsidy changes for low-carbon energy. But it also recommended that, to add further clarity, the government should implement measures recommended by the Committee on Climate Change - an early energy-intensity target for electricity generation and the extension of the Levy Control Framework and indicative funding levels to 2030.

The committee highlighted the "solid start" made by the Green Investment Bank (GIB), saying that it had helped to "fill part of the gap" in the required level of low-carbon investment. As of January 2014, the Bank had committed £764mn, to mobilise £3,200mn when fully deployed - a ratio or private to public investment of 3:1. The government has said that it will be unable to borrow until 2015-16 and "once government debt is falling as

a percentage of GDP"; and last year's Autumn Statement indicated that the latter milestone had slipped to 2016-17. But the committee noted that the graphs in the Autumn Statement report showed projected debt to be at least no worse than flat from 2015-16, and heard evidence from several witnesses who questioned why its borrowing should be controlled when Germany's KfW bank borrowed significant sums in order to provide loan finance. Arguing that the GIB needed to be able to borrow to enlarge the scale of its work, the report said that the government should make an "early and clear" statement on its long-term future by confirming that it would be able to borrow from 2015-16.

The report considered how the GIB could contribute to the government's intention to expand the community energy sector. DECC's *Community Energy Strategy* indicated that the department was working with the European Commission on including small-scale onshore wind and hydroelectricity within the GIB's approved scope of operation. Meanwhile the Commission indicated to the committee that the decision-making process for approval "did not need to take a long time". But the report criticised the government for having "spent a long time talking about extending the remit of the GIB to community energy without being able to show any progress". It said the government should prepare and submit the relevant information to the Commission to secure state aid approval as quickly as possible, and should work with the GIB to develop effective aggregation methods to facilitate smaller-scale lending.

The committee was eager to see what "teeth" the government's Community Energy Unit would possess to address issues facing the sector. It argued that the unit should prioritise active engagement with other departments, such as DCLG and the Treasury, to ensure that all local authorities have the tools and resources to ensure community schemes can play a full part in the UK's energy mix. The report added that the unit "should prioritise initiatives to allow community energy producers to directly supply energy at lower prices to local communities, and work with Ofgem to make it mandatory for electricity distributors to work with licence lite and set fixed fees for this".

But the committee raised significant concerns about the European Commission's new state aid proposals, which envisage feed-in tariffs being available only for renewable energy projects of under 2MW. The government should, the report said, ensure this proposal was not implemented.

The report highlighted some important opportunities to add further clarity to the UK's framework

Parliament

Fixed-price Rocs to be introduced from 2027

DECC responded on 12 March to its consultation on the transition from the Renewables Obligation to the contracts for difference regime.

The department issued in July 2013 a consultation on the transition period between the two regimes. The 12 March response confirmed that, while many stakeholders expressed a preference for April 2017, it intended to introduce the fixed-price certificate (FPC) scheme for the Renewables Obligation (RO) in 2027. DECC said concerns about the proposal had not been substantiated. In particular, responses failed to change DECC's assessment that Roc values were unlikely to fall below the buyout price in practice, and that a significant over-supply of Rocs was unlikely to occur.

DECC believed the earlier introduction of a fixed price would involve significantly more transactions owing to the higher proportion of ROC-accredited facilities as at 2017 when compared to 2027. Consequently an early introduction of the fixed price would result in higher administrative costs, which would be passed on to either consumers or taxpayers. DECC will be preparing and consulting upon the detailed design of the FPC scheme and the associated secondary legislation in due course.

New generating stations will make a one-off decision over whether they are supported under the RO or contracts for difference (CfD) when they apply for accreditation. Should the operator change its mind over the choice of the scheme by withdrawing its application or refusing the offer of either accreditation or CfD signature, it will not regain the choice.

But signatories of an Investment Contract will regain their choice of scheme should the contract be terminated or fall away for reasons relating to state aid or to possible amendments to the Investment Contract. The detailed definition of the circumstances in which Investment Contracts may be terminated will be set out in the final draft Investment Contracts, which are expected to be sent to applicants this month.

DECC confirmed that operators applying for the RO or CfD will be asked to provide a self-declaration, which will be subject to a verification process between Ofgem and the CfD Delivery Body. Some respondents had challenged this idea as it was believed it may increase the administrative burden. The self-declaration will include a statement confirming the operator has not entered into an Investment Contract or that the Investment Contract has been terminated for reasons relating to state aid or the standard CfD terms and conditions. It will also contain a statement that confirms the operator understands that by making an application for RO accreditation this makes them ineligible for a CfD on the accredited capacity of the station unless the application for the RO is unsuccessful.

The government said that a 12-month grace period will be offered for grid connections and radar delays and to signatories of Investment Contracts if a contract is withdrawn under specific circumstances. However, it has decided to restrict the offer of a 12-month "enabling financial decisions" grace period to technologies it considers have a higher risk of delay. The 18-month grace period for biomass has also been extended to include biomass CHP.

DECC intends to offer operators of RO accredited biomass stations or units that have never claimed any Rocs under the dedicated biomass or biomass conversion band the option of leaving the RO, if they are successful in applying for a CfD or Investment Contract as a biomass conversion. The processes and requirements that will apply to operators taking up this option will have to follow a similar procedure to the self-declaration.

The government confirmed the arrangements to allow biomass co-firing stations and units to bid into the capacity market (CM) and leave the RO if successful. But this option would not be opened up to a wider group of RO-accredited stations. These stations would not be allowed to return to the RO after leaving it for the CM as it was considered disruptive to the Roc market.

Setting of the RO is also to continue to take place in October - six months prior to the RO period. DECC noted concerns that announcing the level two months before the start of the compliance period as it had suggested would have created uncertainty around the accurate setting of consumer tariffs - potentially leading to higher costs for consumers.

There are some very important announcements here for both generators but also suppliers.

DECC

A Warm Welcome to New Members

Cambridge Cleantech is delighted to have welcomed several new companies as members in the last quarter.

To find out more about these organisations or to contact them, please click on the new member below.

Associate Founders:

- Environmental Communications Consultants
- EcoCooling
- Utilitrack

Members:

- Nick Dutton Technical Services
- Mole Solutions
- Perigee
- AON Risk Solutions
- Prism Power
- Kilsyth
- Syn2gen
- HMN Colmworth
- Light Planet
- Libralato
- NIAB Innovation Farm
- Propelair
- Cambs County Council
- Ludgate Investments
- China National Engineering Consultancy
- Adiabatic Logic
- Energy Communications

Cambridge Cleantech is a leading membership organisation providing innovative business support services from access to finance, to contract opportunities and support for start-ups. Our 280+ members are at the heart of our activities that are driving the development of Europe's fastest growing cleantech cluster.

For any further information on any of our new members or for further information on membership, please don't hesitate to contact the team on 01223 750017

Unique RBS Test and Rollout Opportunity for your Innovations

Do you have a great innovation that will help build a more energy, waste or water efficient future? If so check out the RBS Innovation Gateway, where you can grab a **£3,000 grant** to develop your early-stage ideas. If you have a **garage-tested or market-ready innovation**, take this opportunity to **trial and roll out** your innovation across RBS' estate of **2,500 properties**.

Submit your idea here and get involved today!

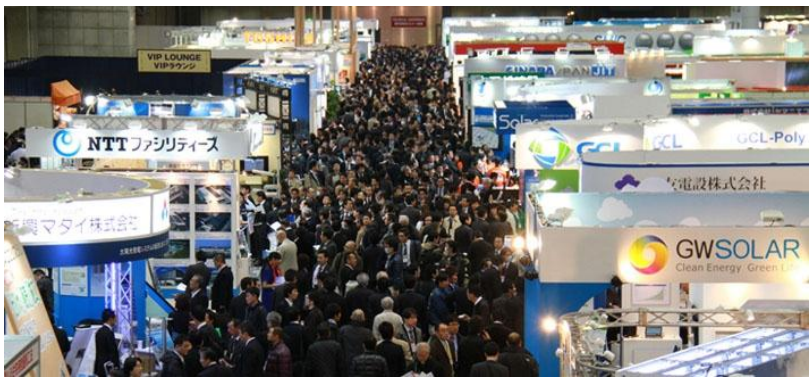
Hugh Parnell, Chairman of Cambridge Cleantech comments: "*Given the chance, most innovators would prefer to sell their products rather than raise capital by selling equity, so if the RBS Innovation Gateway enables them to do this, with accreditation, this will be a major boost for this part of the cleantech innovation world.*"

One of the participating innovators, Syed Ahmed, MD of SAVORTEX comments: "*The ability to test, pilot & commercialise real innovation, and to work with an organisation that values sustainability will benefit generations to come.*"

World Smart Energy Week Expo: JAPAN

A report from the Cambridge Cleantech Japan expert Sarah Parsons

I recently visited this Expo in Tokyo which has attracted a lot of attention as the world's largest B2B exhibition of cutting edge renewables/smart energy technologies. There was a dazzling mixture of companies from across the globe as well as the major Japanese players including the Fukushima Offshore Wind Consortium. I also spotted a wind turbine product developed by the British company Evance Wind, the CEO of which shared his success in the Japanese market at Cambridge Cleantech's Japan Seminar last year!



From speaking to exhibitors, they had many opportunities to meet with potential partners and clients. Some were using interesting marketing techniques to attract interest in their products and were benefiting from the current surge of interest from Japanese companies not normally operating within this sector wanting to partner up or invest.

With Japan introducing high feed-in tariffs for off-shore wind, reviewing its Energy Policies and introducing generous subsidies for FDI, its growing clean tech sector offers many opportunities.

Japan In Perspective

The next World Smart Energy Week will take place in Osaka in September and the next one in Tokyo is in February 2015 (www.wsew.jp/en)

For more support on exhibiting at these Expos or for more information on the Japanese clean tech, contact Sarah Parsons, MD of 'Japan In Perspective'.

www.japaninperspective.com

Cleantech Mission to Beijing and Hong Kong Success

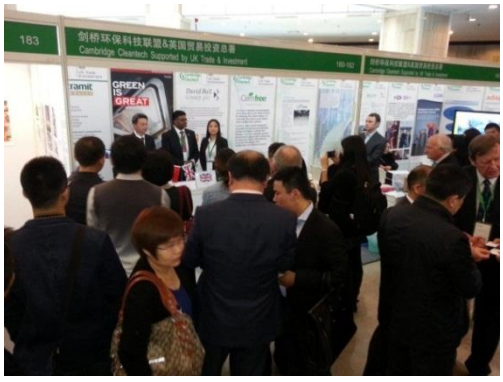
Cleantech companies from across the Cambridge region and the UK have just returned from a major and successful trade mission to China and Hong Kong.

The mission, which was led by Cambridge Cleantech as the official UKTI approved organiser of the British Pavilion at the event, included 15 companies exhibiting at and attending the largest building technologies convention in China with 3,000 attendees. The event took place in Beijing over 3 days and was organised by the Chinese Government's Housing and Urban Development Department.

A number of the UK companies travelled on to Hong Kong and attended and spoke at a full day cleantech seminar at the Hong Kong Science and Technology Parks (which was the first international partners to join Cambridge Cleantech 18 months ago).

Martin Garratt, CEO of Cambridge Cleantech and mission lead, comments that "according to the UK government, UK exports to China doubled last year and with the new Chinese 5 Year Plan incorporating a major section on achieving an improved environment, the opportunities for Cambridge and UK cleantech companies are immense."

He went on to say "we were pleased to secure UKTI accreditation to organise the British Pavilion and delighted with the strong response from our members wishing to join us on the mission. Cambridge Cleantech and many of the companies spoke at seminars during the convention and at the British Embassy reception, which has resulted in a very high profile for Cambridge and the cleantech cluster within the Chinese building technologies sector."



David Ball, Chairman of the David Ball Group PLC comments "we have wide ranging interests across Asia, but this was our first visit to China and it proved to be a real opportunity to engage with Chinese companies, local authorities from across

the country and other international companies already present in China. The Hong Kong event also provided the chance to renew business relationships with local partners and to meet potential new clients."

Sean Cochrane, Product Director of Cyan Technology Ltd comments, "We have been active in the Chinese market for several years and this event, which attracts so many senior local authority figures, provided us with an opportunity to develop our business further, not least through our local business partners who joined us at the event."

The companies attending the mission included: The David Ball Group PLC, Cyan Technology Ltd, Stramit, Cambridge Architectural Research, Cambridge Environment and Technology, the Building Research Establishment, the Chartered Institute of Builders, ADAPT UEA, Fielden Clegg, Space Syntax, NDTSL, Space Syntax and Studio LK.

Cambridge Cleantech members providing expertise to University Technical College Cambridge

Martin Garratt, Chief Executive of Cambridge Cleantech, has been appointed as a Governor of the University Technical College Cambridge. We are proud to be sponsoring the UTC whose specialist area is Environmental Science and Technology. The UTC Cambridge has been established to provide scientists, technologists and technicians in the shortage areas of biomedical and environmental sciences and technology.

utc university technical college cambridge

www.utccambridge.co.uk

Cambridge Cleantech members are providing expertise in the form of employer led challenge projects, company visits, master classes, work-based learning and mentoring that will lead to apprenticeships, jobs and higher education. The UTC Cambridge is now accepting applications for students aged 14 to 19 to start in September 2014 when it will be opening in a state of the art building on the Cambridge Biomedical Campus. For further information please go to following link: http://utccambridge.co.uk/

See also 'Cleantech focus for new University Technical College' feature in this newsletter.

WE@EU: Water efficiency in European urban areas

A EUROPEAN PLATFORM FOR EU EXCELLENCE IN WATER EFFICIENCY AND URBAN WATER MANAGEMENT

Join this free international network to improve your regional, national and transnational links within the water sector.

As part of the European Commission's 'Europe 2020' vision to deliver sustainable and inclusive SMART growth through investment in education, research and innovation, the Global Sustainability Institute at Anglia Ruskin University and Opportunity Peterborough have partnered to represent the East of England alongside four other regions in Spain, France, Israel and Malta - all of which are facing similar problems in their urban areas, to deliver the Water Efficiency in European Urban Areas (WE@EU) Project.

Opportunity Peterborough

The project aims to create an open European platform for EU excellence in water efficiency and urban water management, through the identification of collaboration opportunities and shared learning experiences. The project will unlock business opportunities, increase competitiveness, generate new skills and stimulate investment in water efficiency based research, development and innovation practices.

Members of the network will foster links with our partners in the EU and international sustainability arena, helping to overcome the fragmentation of global water efficiency and management knowledge.

Global Sustainability Institute
Anglia Ruskin University
Cambridge Chelmsford Peterborough

We encourage all stakeholders with a personal, research or business interest in water efficiency to get in touch if you would like to be part of this exciting and fully funded initiative.

For further information please contact:

Katie Hiscock, Project Manager at the Global Sustainability Institute and

Opportunity Peterborough

T: 01223 698 523 or 01733 317 446

E: katie.hiscock@anglia.ac.uk or
katharine.hiscock@opportunitypeterborough.co.uk

Visit our Twitter page here: https://twitter.com/WEatUK @WEatUK #WEatEU

This project has received funding from the European Union's Seventh Framework Programme for research, technological development and demonstration under grant agreement no 320007.

Growth Acceleration!

St John's Innovation Centre (SJIC) in Cambridge is offering their exceptional training portfolio to all Cleantech members. The portfolio is designed specifically for growing, ambitious companies.

SJIC has a strong record of supporting high growth companies. Their training programmes are tailored for each client and include many formats, delivered by experienced leaders. They utilise techniques that are cutting edge, including neuroscience, to provide training that immediately delivers results.

Training topics include leadership, financing, pitching skills, sales skills and team performance, amongst many others.

ST JOHN'S INNOVATION CENTRE

SJIC also provides clients with access to the Growth Accelerator programme, that can offer up to 50% grants towards training of the senior people in an organisation.

David Sales, Training Manager, at SJIC says "we would be delighted to assist any Cleantech members who wish to accelerate growth in a cost effective manner".

Further details are available at www.stjohns.co.uk/training or by calling David Sales at 01223 223807.

Pioneering new course developed for graduates working in growing businesses

Anglia Ruskin University

Small and growing businesses need their new graduate employees to get up to speed and add value quickly. Any busy manager will tell you it is a challenge to find enough time to spend on developing new recruits, especially managers in smaller companies without the luxury of structured in-house programmes or a large HR department to support them.

Anglia Ruskin University has developed The Graduate Development Programme to help managers in this situation. The programme delivers the experience, outcomes and benefits of an in-house graduate training scheme without the usual time outlay and other associated costs to the business. It is designed for any of your current employees who have graduated in the last two years and will fast-track their ability to offer measurable value to your company while honing their personal business skills.

Each course runs over six months and during this time, participants attend six full days of training led by experienced trainers, business experts and guest speakers. Independent project work between sessions is developed around real challenges and will increase their exposure to the different roles and responsibilities required in the workplace.

We have had an overwhelmingly positive response to our recent pilot sessions and places are now available for the June 2014 intake.

For more information about the course or how Anglia Ruskin can support your business, contact Kate Drewitt on 0845 196 2955, GREATS@anglia.ac.uk or visit http://anglia.ac.uk/graddev

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Low Carbon KEEP Programme launches Capital Grant Scheme, offers 40% contribution to resource efficiency purchases

£4,000 on the table for purchases that help companies use less resources

The recently launched Low Carbon KEEP Capital Grant Scheme will support SMEs across the East of England looking to reduce their consumption of resources, such as water, energy or raw materials by offering to pay 40% of the cost of items like equipment, machinery or software.

The total spend on the items must be between £2,500 and £10,000 in value (excluding VAT). All items bought using the grant will remain under ownership of the company making the purchase.

Examples of the kind of purchase that could be made under the scheme include low-energy lighting, energy monitoring devices, 3D printers, more energy-efficient machinery and cutting edge software.

For more details, call 0845 196 2840 or 0845 196 4310, or e-mail lowcarbon@anglia.ac.uk. For more information about the Low Carbon KEEP Capital Grant Scheme, visit www.anglia.ac.uk/lowcarboncapital

WISOPEDIA –a "Wiki" for all things Intellectual Property (IP)

A new pilot project is getting to grips with IP for business and academia. Wisopedia is based on a new collaboration between Anglia Ruskin University's Lord Ashcroft International Business School (LAIBS), SmartLIFE, Cambridge Cleantech and Founder member Reddie Grose.

At the heart is the desire to share experience and know-how about all things IP. To not only explore the how's and why's of IP but to build a platform of awareness which helps remove perceived or real obstacles to entrepreneurs and researchers getting their ideas to market.

The pilot project's main outcome will be a "Wiki". Similar to "Wikipedia", the content will be based on users' updates of information. It is about to go live and following the pilot from June 2014 the partnership will maintain and grow the Wiki via its microsite on SmartLIFE's website.

As the Wiki takes shape with the input of the willing community of practitioners, an associated aim is to share extant IP, such as publically-funded patents, across different business and academic sectors. In this way the collaboration aims to create new ideas and pathways to success.

LAIBS is keen to bring its researchers into close contact with entrepreneurs and discover IP issues early on their research pathways. For example, rather than waiting until the end of a PhD long haul to 4 or more years there may be scope to spin-off research findings or business ideas much earlier. This maximises the chance of spinning out enterprise that is enabled by IP – before IP may become a burden or obstacle.

martLIFE™ promotes and educates the sustainable built environment, and has been training and holding conferences on this for several years from two bespoke venues in north Cambridge. Co-located in the Future Business Centre, home to environmental and social enterprises, and together in generating a unique eco-system of enterprise and education for a smarter economy, **Cambridge Cleantech** has become the third partner to Wisopedia, providing a natural connection into its powerful and expanding network of cleantech organisations.

LAIBS' partnership with SmartLIFE is all about connecting business school research with the wider and smarter built environment and the many associated fields and disciplines. "Smart Societies" is an ARU programme led by LAIBS that seeks a new model for organizations and societies that will fundamentally impact on the way we interact in undertaking the innovation process. Central to this is Intellectual Property knowledge and practice – especially how it's transmitted and brought into key skills provision – that will underpin the innovation pipeline, connectivity, creativity, and the smart economy.

So Wisopedia is seen as part of this longer-term work. It is reassuring to see a broad church of start-ups, university researchers and social enterprises already feeding into different events. It really is collaborative when the IP industry itself engages; in this project through the support of expert advice from Cambridge's Redde & Grose. The mutual aim is as much to dispel myths as to build an understanding to know when and how to use IP in the development of ideas and business.

New 'Resource Scarcity' SIG - Your Views and Support Welcomed

Discussions are underway to form a new Special Interest Group (SIG) around the topic of Resource Scarcity, focused on Land and Water Resource Optimization for Ecosystem Services and Food Security. This innovative group will gather together a range of experts, stakeholders and interested parties to develop Greater Cambridge and the surrounding East Anglia region into an area at the forefront of research, future thinking and risk management. Particular focus will be to showcase case studies in areas such as:

- Food, water and energy security
- Ecosystem services as the underpinning resources to inform policy
- Economic and policy frameworks that incentivize land owners, growers, the food supply chain, water agencies and the public community to preserve resources for the public good (water quality, biodiversity & habitat, healthy soils, lower emissions)

- Providing solutions for flood protection, food production and resilient landscapes

The new SIG is the brainchild of Stephanie Race, CEO at Crop Performance Ltd, initially working with Cambridge Cleantech. We would like to hear about your ideas for the new SIG and interested parties should contact martin.garratt@cambridgecleantech.org.uk. Crop Performance Ltd is an information services company that provides decision support solutions for sustainable agriculture. Its Crop Intelligence Solution enables the food industry forecast crop supply in advance of harvest and monitors the impact of climate change on food production.

Cleantech focus for new University Technical College

The topping out ceremony for the new University Technical College in Cambridge has been carried out by Lord Baker. The cleantech sector (along with biomedical), is the key focus at the new college where pupils will be trained to equip themselves with the skills required to become technical level workers in the cleantech and biomedical sectors in the Cambridge area.

Pictured at the topping out ceremony is Lord Baker with Martin Garratt, CEO of Cambridge Cleantech

The £10 million College, which will specialise in teaching biomedical and environmental science and technology, opens in September this year, sponsored by Cambridge University Health Partners and Cambridge Regional College and supported by Cambridge Cleantech and a range of world-leading businesses.

Lord Baker, the pioneer behind UTCs and chairman of the Baker-Dearing Educational Trust, praised the specialist science college for 14 to 19 year-olds and said it would be "a great success". "This whole concept of UTC Cambridge was only a dream in 2012 and it is quite remarkable that we have the framework of the building up and that students will be here in September," he said. "I am very excited about this UTC and I am delighted to be here – it is going to be a great success. The youngsters in this college will not need to join the ranks of the unemployed."

Martin Garratt, CEO of Cambridge Cleantech comments that "many cleantech sector companies require technical level staff and currently struggle to find individuals with the relevant background training. The new course will contribute to filling this gap and in so doing, help the cleantech sector to continue to flourish in the Cambridge area"

UTC Cambridge principal Melanie Radford said the visionary college was part of an innovative development in education. "UTCs are the most exciting educational venture in the world at the moment. With the help of the employer partners and governors this is going to be a spectacular success," she said.

The state-funded UTC will take students from a 25-mile radius of Cambridge, offering GCSEs, A levels and practical qualifications alongside special industry-led Challenge Projects.

SSE reduces offshore wind commitments

SSE confirmed on 26 March that it would "narrow significantly" the focus of its near-term development plans in the offshore wind sector. Alongside confirmation of its energy price freeze until 2016, the company said that it would end its interest in the 340MW Galloper wind farm--in which it is a 50-50 partner with RWE - and that it would not invest further in the 690MW wind farm off the coast of Islay. SSE said that it would continue to invest in its Beatrice offshore wind project for the rest of the year, but would take further decisions on future involvement in 2015. It also confirmed that it would not extend its commitments to its Forewind and Seagreen projects until "it has achieved sufficient confidence in the viability of the wider offshore wind sector".

SSE

DONG Energy sells half of London Array share

DONG Energy confirmed on 31 January that it had signed an agreement to sell half of its 50% share in the 630MW London Array wind farm to La Caisse. On completion of the £644mn deal, La Caisse will enter into the existing joint venture, with a 25% ownership alongside DONG Energy (25%), E.ON UK (30%) and Masdar (20%).

Samuel Leupold, vice president of DONG Energy Wind Power, said "farm down" of the company's ownership shares in wind projects was a central part of its business model. "Our strategy is to continually enter into partnership agreements with industrial and financial partners to extract part of the value creation from our projects, share the risk in our portfolio, and attract capital to be able to continue to invest in new offshore wind farms", he added.

The deal is expected to be completed in the first half of 2014.

DONG Energy

Application submitted for world's first tidal lagoon

Tidal Lagoon Power confirmed on 7 February that it had submitted a planning application for the world's first tidal lagoon power plant.

The application for a Development Consent Order (DCO), under the *Planning Act 2008*, follows three years of feasibility work and impact assessments. As a project of national significance, the application will now be reviewed by the Planning Inspectorate, before public determination and then determination by the energy and climate change secretary.

If approved, the project would be the largest tidal plant in the world. It would see a 9.5km-long sea wall built to capture renewable energy for 120 years. It aims to source at least 65% of content in the UK.

Mark Shorrock, chief executive of Tidal Lagoon Power, said: "Our intention is to supply 10% of the UK's domestic electricity by building at least five full-scale tidal lagoons in UK waters by 2023."

Tidal Lagoon Power

Green Investment Bank invests £461mn in UK wind projects

The Green Investment Bank (GIB) has announced the investment of a total of £461mn in two UK offshore wind projects. The GIB confirmed on 31 March that it would be jointly purchasing a 50% (25% for each company) stake alongside the Japanese Marubeni Corporation in Dong Energy's Westermost Rough 210MW offshore wind project, and that it had agreed to acquire a 10% stake in RWE Innogy's Gwynt y Môr offshore windfarm for £220mn. GIB chief executive Shaun Kingsbury said that, by making these investments on fully commercial terms, GIB was able to directly finance the expansion of the sector and create a demonstration effect that other investors could follow.

GIB

DECC funds low-carbon heat drive

Local authorities across England and Wales have been awarded a share of nearly £2mn to support the development of new heat network projects. These awards represent the first wave of successful bidders to be announced under the government's drive to promote heat networks through its new devoted delivery unit.

The 26 successful local authorities will receive grants ranging from £15,000-£250,000. They will also be given technical and commercial support by the department, including assistance in developing business plans, which is intended to help them to attract commercial investment. The Heat Networks Delivery Unit was established in September 2013 with a £7mn fund. The remaining funding will be allocated through subsequent funding rounds running until March 2015, with the second round of allocations being announced at the end of this March.

Energy and climate change secretary Ed Davey said on 30 January that, with many people in urban areas sharing walls and roofs with neighbours, it could make sense for them to share the way their homes were heated.

Government estimates show that around 14% of UK heat demand could be "cost effectively" met by heat networks by 2030 and around 43% by 2050.

DECC

EU renewables passes 14% energy market share

Eurostat estimated on 10 March that energy from renewable sources contributed 14.1% of gross final energy consumption in the EU in 2012--up from 8.3% in 2004.

The largest increases in individual member stats over the period 2004-12 were recorded in Sweden (38.7% to 51.0%), Denmark (14.5% to 26.0%), Austria (22.7% to 32.1%), Greece (7.2% to 15.1%) and Italy (5.7% to 13.5%). The UK's share of renewable energy in gross final consumption fell short of this at 4.2% in 2012.

The renewable target to be reached by 2020 is a share of 20% renewable energy use in gross final energy consumption. Estonia was in 2011 the first member state to reach its 2020 target, and was followed by Bulgaria and Sweden.

Eurostat