



Llywodraeth Cymru
Welsh Government

POLICY AND STRATEGY

Renewable energy deep dive biannual recommendations update 3

Outcome of the exercise to identify opportunities to significantly scale up renewable energy in Wales.

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Strategy

1. Renewable energy vision

Recommendation

Our Vision is for Wales to generate renewable energy to at least fully meet our energy needs and utilise surplus generation to tackle the nature and climate emergencies. We will accelerate actions to reduce energy demand and maximise local ownership retaining economic and social benefits in Wales.

Next steps towards completion

This recommendation is complete. We will continue to take forward the recommendations from the Renewable Energy Deep Dive.

2. National energy plan

Recommendation

We will scale up local energy plans to create a national energy plan by 2024, mapping out future energy demand and supply for all parts of Wales to identify gaps to enable us to plan for a system that is flexible and smart - matching local renewable energy generation with energy demand.

Key highlights / milestones

- The development of the Local Area Energy Plans (LAEP) is on schedule for completion by end of March 2024. At this point, the LAEPs will be scaled up

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to form regional and national views.

- The scaled up plans will form the basis of our National Energy Plan, also drawing on insights from other strategic energy planning and policy evidence. For example, Future Energy Grids for Wales, the Heat Strategy and the Energy Targets review.

Next steps towards completion

- Scale up LAEPs
- Determine scope of National Energy Plan (NEP)
- Agree format and structure of NEP report
- Agree approach to engagement and consultation
- Publish NEP by end of 2024

3. Public engagement and behaviour change strategy

Recommendation

Our Net Zero Wales public engagement and behaviour change plans will help citizens to take action to reduce demand, improve energy efficiency and use energy in a way which supports our vision.

Key highlights / milestones

Significant progress has been made on the delivery of this public engagement programme (acknowledged by the Climate Change Committee in their June 2023 [Wales progress report](#)).

Highlights include:

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- Publishing the new national **Climate Action Wales public engagement strategy** in July 2023.
- Delivering a new Climate Action Wales **Digital Hub** (website) and national campaign to encourage citizens to make green choices (including actions to reduce energy consumption and improve energy efficiency within homes).
- Introducing a new 3-year biannual Climate Survey as a repeatable method for tracking people's attitudes and behaviours connected to action on climate change. Delivering the **Wales Climate Week 2023** virtual conference (featuring 28 sessions and 4,162 live views), and introducing a new Welsh Government community engagement fund (which supported 39 organisations to hold **Climate Conversations** events with communities across Wales to gather evidence for a consultation on a new **Just Transition framework**).

Next steps towards completion

Over the next 6 months, the focus will be on delivering the commitments made in the new Climate Action Wales public engagement **Strategy**, including:

- On-going delivery of the Climate Action Wales campaign and promotion of the **Digital Hub**.
- Building a prioritised timeline for the introduction of policy levers to overcome barriers to citizen action on climate change.
- Implementation of the second wave of the 2023/24 biannual Climate Survey, including publication of the key findings.
- Beginning a review of our approach to citizen and stakeholder engagement and the opportunity to build on Wales Climate Week and the Climate Conversations community engagement fund.
- Evaluating programme impact through a new evaluation framework to ensure that the outcomes measured link to emissions reduction targets set out in our net zero pathways.

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4. Energy advice: Warm Homes / Heat Strategy

Recommendation

We want to see an easy to access advice service set up to help people improve the energy efficiency and smart performance of their homes and businesses as well as a ready supply of trusted suppliers and installers of low carbon heating systems in Wales. We will scope additional actions as we develop our future Warm Homes Programme and Heat Strategy.

Key highlights / milestones

Warm Homes Programme

- We published our policy statement in June 2023, which informed the specification for a new service, consisting of 3 lots: an independent advice service, a deliver agent and a quality assessor function.
- The advice service will provide impartial advice to all on the steps they can take to use energy more efficiently and further resources and potential sources of funding where applicable.

Public engagement

- See the update to recommendation 3.

Heat Strategy

- We published our consultation document on the Heat Strategy in Summer 2023. The consultation closed on 8 November 2023.

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Next steps towards completion

Warm Homes Programme

- Mobilisation and integration of the service. A full public service will be launched on 1 April 2024.
- Once launched, the advice service will continue to make links with partners locally and nationally, and with GB-wide energy efficiency and fuel poverty schemes, to leverage funding into Wales and support as many households as possible.

Heat Strategy

- We will publish our consultation response, final heat strategy and associated action plan in Spring 2024.

Grid

5. Ofgem engagement

Recommendation

We will step up our engagement with Ofgem to set out Wales' investment needs, with a focus on retaining value within Wales. We will set up a joint-working group to look at options for supporting new, flexible grid connections for renewables and energy storage solutions.

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Key highlights / milestones

- The Minister for Climate Change laid Ofgem's annual report before the Senedd to provide opportunity for scrutiny.
- Welsh Government and Ofgem have held bilateral discussions on the Regional Energy Strategic Planner proposals ahead of the October decision, and continue to participate in workshops to inform design.
- Welsh Government participated in the ongoing development of strategic network thinking.

Next steps towards completion

- The publication of the Electricity networks: transmission acceleration action plan and the Connections Action Plan address many of the systemic issues that prompted this recommendation. Welsh Government is involved in the advisory arrangements that steer this complex programme of activity.
- This national involvement, in addition to the energy planning activity under way across Wales, place us well to set out Wales's requirements. This action is therefore embedded in our core delivery work.

6. Wales Energy Systems Architect

Recommendation

Building on the Future Energy Grid Project, we will press Ofgem to create a Wales Energy System Architect to oversee:

- a. Demand side flexibility, domestic, non-domestic and dedicated, including energy storage
- b. The mapping of fuel (& transport) poor households against Distribution Network Operators (DNO) current & predicted constraint management zones

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(where demand side response/flexibility has greatest system value) with a view to socialised deployment of low carbon flexibility technologies to these homes and households

- c. Smart solutions for transmission and distribution including the use of Artificial Intelligence (AI) to maximise the use of the existing network. Including development of requirements, funding and opening up to the market for innovation. Engagement and inputs required from across industry.
- d. Supporting business cases for whole system planning and bring together of plans across South, Mid and North Wales
- e. Competition for network build to decrease costs and accelerate build times
- f. Development of a detailed whole system plan covering transmission and distribution
- g. Celtic Sea offshore network design and onshore reinforcements.

Key highlights / milestones

- The announcement by Ofgem of the Regional Energy Strategic Planner (RESP) is directly related to this recommendation and we have engaged directly with Ofgem and also with the ESO as it prepares to take on this role as part of its National Energy System Operator (NESO) role.
- Wales has offered to support both Ofgem and the NESO in piloting or testing areas of the RESP role, as our pan-Wales coverage of Local Area Energy Plans and regional energy teams make us a strong test bed.
- We have worked with the ESO and CGI plus other partners in the **Powering Wales Renewably** innovation project aimed at developing a digital twin of transmission and distribution networks in Wales. This, if it continues to be funded, provides a strong opportunity to maximise use of the existing network and test opportunities for future development, including the use of machine learning and AI.

Next steps towards completion

- We will continue to work with Ofgem and the NESO to help inform thinking

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about a Wals RESP and to ensure the existing work accelerates whole system thinking and network planning in Wales.

- We will continue to support the Powering Wales Renewably project, ensuring it is able to support Welsh communities and businesses to access the opportunities from a smarter grid.
- We will continue to explore the opportunities for smart local energy systems through Ynni Cymru, finding models that enable local benefit realisation.

Consenting and licensing

7. NRW review

Recommendation

We will undertake a review of consenting and supporting evidence and advice, to ensure a timely and proportionate process including:

- a. An end-to-end review of the marine licensing, consenting and supporting advisory processes to remove barriers, drawing on the work of existing groups
- b. A review of resource needs and options for consenting and advisory processes to keep pace with the growth in renewables, including an urgent review of resource needs and options for NRW's Offshore Renewable Energy Programme
- c. Identifying priority marine and terrestrial evidence gaps and mechanisms to fill them, to expedite the application process
- d. Reviewing and mapping the process for land based renewables installations to obtain an environmental permit, with a focus on emerging technologies
- e. Identifying options for releasing capacity and redirecting resource to agreed priority areas

We will report our findings during summer 2022, except for point b. which we will report on in spring 2022.

Key highlights / milestones

- Following the independent review of Marine Licensing the Minister for Climate Change agreed additional resource for NRW. The additional funding has enabled NRW to recruit 16 new staff to increase capacity in its regulatory and advisory functions and enables NRW to deliver improvements to the marine licensing process for all users, putting marine licensing on a stronger footing to support Welsh Ministers ambitions for the sustainable use of the Welsh marine area.
- NRW's most up to date set of priority marine and coastal evidence gaps is published on their website (Natural Resources Wales / Marine and coastal evidence priorities). A high proportion of these relate to offshore renewable energy. Work continues on the resource solutions to progress high priority work.
- NRW continues to work with external partners on strategic offshore evidence initiatives, as reported in period 1. We are also investigating options for collaborative projects with Universities but these are dependent on the Universities being able to secure research funding.
- We have completed an exercise to identify terrestrial evidence gaps by technology type

Next steps towards completion

- Officials continue to work with NRW to support delivery of the process improvements, this includes NRW routinely reporting progress against actions to marine licensing policy officials.
- The work NRW has undertaken recently to streamline the consenting processes is crucial to help de-risk the decision making process. This is demonstrated by the consenting of significant projects such as Morlais, Awel-y-Mor and Erebus, the first floating offshore wind project there in Wales, signalling an enabling consenting process.

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8. Marine strategic resource areas

Recommendation

We will, with NRW and key stakeholders, identify marine 'strategic resource areas' by 2023 and provide guidance to signpost appropriate and inappropriate areas for development of different renewable energy technologies. Our marine planning, licensing and marine conservation policies will work together to provide a pathway for marine renewable developments.

Key highlights / milestones

Technical mapping work to inform considerations on identification of potential strategic resource areas was completed during this period.

Key highlights over this period include:

- Holding a final stakeholder event to discuss the technical mapping work.
- Publication of mapping outputs on the Wales Marine Planning Portal.
- Holding a series of stakeholder mapping showcase sessions.
- Continuing discussions with regulators on guidance requirements to support implementation of strategic resource areas.

Next steps towards completion

- Publication of updated resource mapping on the Wales Marine Planning Portal.
- Publication of updated NRW environmental mapping on the Wales Marine Planning Portal
- Scope approach to proposals for potential strategic resource areas
- Continue to work with regulators on guidance requirements to support implementation of strategic resource areas.

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9. Offshore Advisory Powers (JNCC to NRW)

Recommendation

While we pursue the devolution of the Crown Estate we will streamline the process for developing the Celtic Sea renewable energy projects including delegating offshore advisory powers from the Joint Nature Conservation Committee (JNCC) to NRW.

Key highlights / milestones

- NRW and JNCC carried out targeted consultation on the options regarding the review of advisory responsibility in the Welsh offshore region in May 2023. This review will be considered alongside the resource requirements for NRW in the transfer of these functions.

Next steps towards completion

Devolution of the Crown Estate

- We welcome the recommendation from the Independent Commission on the Constitutional Future of Wales that the Crown Estate should be devolved to Wales in line with the position in Wales. We continue to make the case to the UK Government to devolve the Crown Estate to Wales.

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Finance

10. Investment group

Investment group

Recommendation

We will set up an expert group to explore ways of drawing down additional investment in renewable energy generation in Wales. We will prioritise local and community ownership to maximise local economic and social value.

Key highlights / milestones

N/A

Next steps towards completion

This recommendation is complete. We will continue to take forward the recommendations from the Investment in Renewables report.

Investment in Renewables sub-group recommendations

Recommendation

1. The Welsh Government should explore developing a partnership initiative/ Charter with the commercial renewable energy sector: the sector committing to standards on local and community benefits, supply chain benefits; and the Welsh Government committing to supporting the vision for Wales to be a net

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exporter of renewable energy, publishing updated renewable targets and clarity on community ownership requirements.

2. As Welsh pension funds look to implement their legal requirements to manage their funds and supervise risks, including protecting the pension funds from financial risks relating to climate change, Welsh Ministers will continue engaging on the opportunities for investment in renewable energy project in Wales through existing mechanisms such as the Partnership Council. The renewable energy sector also has an important role in promoting opportunities to invest in renewables in Wales. The Welsh Government will facilitate investment, for instance by bringing pension fund managers and renewables developers together to explore these opportunities further.
3. DBW should continue to develop the business case for investing in renewable energy developments. Investment by DBW should plug identified gaps where the existing models for local and community ownership is not possible. Returns from investments should support economic and social investment in local communities.
4. The Welsh Government should review progress in implementing the grid recommendations from the deep dive and wider UK reforms. If, following that review, the scale and pace of change remains insufficient to meet Wales' needs, it should review and seek to make use of all the practical levers that Welsh Government can exercise to encourage direct investment in the grid infrastructure in Wales.
5. With additional funding provided to CEW to promote community share offers, work needs to be completed to understand why take up in Wales is lower than the UK average. CEW needs to be able to demonstrate the positive impact of their activity and ensure people have adequate protection when considering an investment. CEW should report back to the Welsh Government on the effectiveness of the additional funding and report any funding gaps, should there be any.

Key highlights / milestones

Decarbonisation of pension investments:

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- In December 2023, the Welsh Local Government Association, together with Friends of the Earth, facilitated an event to build on conversations across Wales on the decarbonising of pension funds.
- The event included guest speakers and considered the challenges to decarbonising pensions, and how to overcome them. Consideration was also given to how investments can be more sustainable and what support and resources would be required to achieve those goals.
- Discussion at the event acknowledged the primary role of the funds has to be ensuring the funds meet pension requirements of their members. However, there was general agreement on the potential for a share of the funds to be used to support expansion of sectors that generate a return but also contribute positively towards net zero goals and reversal of nature loss. Affordable housing, targeted SME finance, clean energy and natural capital were all identified as examples that have such potential. It was noted that efforts are being made to develop a common framework that the eight funds in Wales can work towards in terms of decarbonising their funds.
- Whereas much pension fund investment is currently in global listed bonds, possibilities in terms of a greater focus on place-based impact (PBI) investments were identified. The Greater Manchester fund, for example, is currently investing 5% of its fund in projects in the region. The meeting also heard about the Swansea Fund's investment in timber and sustainable grassland, contributing to carbon sequestration and biodiversity.

Next steps towards completion

Decarbonisation of pension investments

- WLGA held a meeting with Friends of the Earth to start planning ahead for a follow-up event. A paper has been prepared for the Partnership Council for Wales for the March 2024 meeting to note this and future work on the potential of pension fund decarbonisation.

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Sector Deal

- The Welsh Government has already delivered on some of the aspects of the initiative/charter in publishing the revised renewable energy targets consultation and the updated guidance on local and community ownership. The Welsh Government continue to discussions with Renewable UK Cymru on the best way to take forward the development of a partnership initiative/charter with the commercial renewable sector in Wales

Investment

- Ynni Cymru will expand community owned renewable energy and smart local energy systems, which retain the benefits in Wales. Through consultation with the energy sector and key stakeholders such as Community Energy Wales and the Welsh Government Energy Service, we are starting to identify immediate emerging priorities and activities for Ynni Cymru. We are currently developing the business case for Ynni Cymru, which will outline its scope, remit, and parameters of work.
- Trydan Gwyrdd Cymru will be launched in the spring, with an independent Board which will include non-executive competence in maximising community value from the developer's work.

11. Contract for Difference

Recommendation

We will seek to create an alliance with devolved Governments to ensure the UK Government's Contract for Difference (CfD) process evolves appropriately to:

- a. reflect the primacy of supply chain development and
- b. to achieve a coherent and balanced development pathway for early

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commercial and emerging technologies.

Key highlights / milestones

- Welsh Government has responded and inputted into the CFD consultations and discussions.
- Welsh Ministers raised concerns in relation to AR5.
- The Welsh Government supported the Offshore Energy Alliance to commission a piece of work on Supply Chain to highlight opportunities.

Next steps towards completion

- This recommendation is complete. We will continue to take forward the recommendations from the Renewable Energy Deep Dive.
- Welsh Government continues to work closely with the Crown Estate in relation to the Celtic Sea and its Supply Chain opportunities

12. Non-domestic rates

Recommendation

We will look at the options to support local and community renewable energy generation through Non-Domestic Rates.

Key highlights / milestones

- We have **consulted** on and legislated for two new measures to support the use of renewable energy in non-domestic properties, from 1 April 2024.
- We are providing an exception from rating assessments for the properties

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they are part of, for plant and machinery used in onsite renewable energy and electric vehicle charging points. The types of renewable technology excepted from valuations include those used for the generation, storage or transmission of power from biomass, biofuels, solar, water, wind and geothermal sources.

- Through a new Heat Networks Relief, we are providing full (100%) relief for heat networks providing thermal energy generated from low-carbon sources. The relief is intended to support the development and growth of this sector that is anticipated over the next decade, by helping to minimise the financial barriers to the establishment of networks. The **qualifying conditions are explained in more detail in the guidance**.

Next steps towards completion

- We will monitor the impact of the new measures providing non-domestic rates support for renewable energy.
- This recommendation is complete. We will continue to take forward the recommendations from the Renewable Energy Deep Dive.

13. Procurement group

Recommendation

A working group will be set up to review options for how procurement can support the acceleration of renewable energy generation in Wales to maximise local economic and social value to include but not limited to:

- a. Improve procurement policy to incorporate social value including exploring with commercial developers how they can best meet local need.
- b. Options for utilising the buying power of the public sector in Wales to support reliable routes to market for community and public sector energy projects, including through long term Power Purchase Agreements.

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- c. How advice and support services can better assist community energy developers access market opportunities.
- d. How to better engage the community energy sector in the Wales funding Programme.
- e. How best practice can be disseminated including feeding into the Welsh Government's best practice group or the Procurement Centre for Excellence if established.

Key highlights / milestones

- This recommendation is partly met through the Well-being Impacts Working Group (the "Group") was established in September 2022 to support the Welsh Government in the delivery of the recommendations contained within Cwmpas' report following their review of the social value landscape in Wales. (NB this working group is separate to the one referred to in previous updates to the deep dive). The Group is made up of stakeholders from across the Welsh public sector who have worked together to develop a consistent methodology for measuring and reporting social value through well-being impacts.
- The work of the Group is being undertaken in the context of much broader legislative reforms affecting public procurement in Wales.
- The UK Government's Procurement Act 2023, which received Royal Assent in October 2023, will create a simpler, more flexible set of rules, making public procurement more accessible to businesses including our Welsh SMEs. The "public benefit" objective in the Act means that Welsh contracting authorities ("WCAs") need to consider how their procurement activity can deliver additional benefit, including how to maximise social value through the delivery of more well-being impacts. Furthermore, the Act will allow WCAs to take account of measures that will help improve local economic, social, environmental and cultural well-being where it is relevant to the subject matter of the contract.
- The Welsh Government's Social Partnership and Public Procurement (Wales) Act places a socially responsible procurement duty on WCAs, which

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requires them to consider how they can improve the economic, social, environmental and cultural well being of their area by carrying out public procurement in a socially responsible way, in accordance with the sustainable development principle.

- Alongside the legislative reforms, the Cyd service (formerly the Procurement Centre of Excellence) has operated as an alpha service since October 2022. Since inception the service has used Net Zero as a focus policy area through which the Cyd service has been developed. Cyd now provides a digital platform cyd.cymru which sign posts buyers to relevant case studies, best practices, toolkits and other resources to assist them in their roles.

Next steps towards completion

- A procurement journey has also been launched which has started to map the resources to the procurement lifecycle.
- The resources are being extended to include Wales procurement policy notes and relevant legislation which is now also starting to be mapped.

Community and local energy

14. Resources for community / local energy

Recommendation

We will scale up resources to support community and local renewable energy in Wales including:

- a. From the Welsh Government Energy Service with staff and financial support to ensure coverage for community owned heat, energy efficiency and transport project development (with continuation for renewable electricity) and support for shared ownership

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- b. Action from government to encourage private developers to include options for shared local and community ownership including through tenders issued on public land.
- c. Welsh Government funding to build additional capacity in community enterprises to help them start to scale their work and mentor smaller organisations, to create a larger, sustainable sector.

Key highlights / milestones

- Funding to build additional capacity in community enterprises to help them start to scale their work has been given in the form of resource grants.

Next steps towards completion

- This recommendation is complete. We will continue to take forward the recommendations from the Renewable Energy Deep Dive.
- This work has naturally evolved into the Ynni Cymru programme.
- Recipients of the resource grant funding are engaged with Ynni Cymru as part of the community stakeholder working group.

15. CEW and publicly owned developer (Ynni Cymru)

Recommendation

CEW & Publicly Owned Developer (Ynni Cymru)

We will ensure that the community owned sector is involved and gains input into Ynni Cymru considering the following 3 options:

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- a. The community energy sector has a stake in the publicly owned developer
- b. WG invest in an existing community energy organisation to deliver this work e.g., YnNi Teg, Egni or a Coop of Energy Coops
- c. WG invest in both the publicly owned energy developer and a community owned energy developer = two bodies with resource to develop projects.

Key highlights / milestones

- Ynni Cymru will expand community owned renewable energy and smart local energy systems, which retain the benefits in Wales.
- Through consultation with the energy sector and key stakeholders such as CEW and the Energy Service, we are starting to identify immediate emerging priorities and activities for Ynni Cymru.
- The publicly owned large scale developer, Trydan Gwyrdd Cymru, is informed by a community representative on the Board.

Next steps towards completion

- We are currently developing the business case for Ynni Cymru, which will outline its scope, remit, and parameters of work.
- Trydan Gwyrdd Cymru will be launched in the spring, with an independent Board which will include non-executive competence in maximising community value from the developer's work.

16. Community energy access to public estate

Recommendation

We will improve access to the public estate for the community energy sector via
(a) community enterprises have rights to first proposal if not developed by a

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public body (b) structuring tendering processes to favour socially minded projects / community schemes.

Key highlights / milestones

- Work continues to identify opportunities on the woodland estate for wind development.

Next steps towards completion

- When Trydan Gwyrdd Cymru is operational and sets out its development strategy, the subject of further access to the estate for community groups can be considered. This will include an assessment of community development capacity and appetite to take forward projects.
- As LAEPs are finalised we will support the community energy sector to consider how best community groups can help deliver the generation opportunities they identify.

17. Ownership guidance

Recommendation

We will finalise and publicise the guidance on shared ownership, including what meets the definition of 'shared ownership', and work closely with private developers to maximise impact. We will publish the guidance in spring 2022.

Key highlights / milestones

Previous updates have provided information on the publication of [guidance on Shared Ownership of Energy Project in Wales](#).

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Next steps towards completion

- This recommendation is complete. We will continue to take forward the recommendations from the Renewable Energy Deep Dive.

Economy and social value

18. Port and marine infrastructure (TCE and UK Government)

Recommendation

We will work with the UK Government to bring new investment to ports in Wales. We will work with ports in Wales to identify opportunities for specialisation and collaboration, and to make Welsh ports investment ready. We call on The Crown Estate and UK Government to maximise the value of supply chain and infrastructure development opportunities in Wales from their leasing rounds.

Key highlights / milestones

- Early stage support through match funding of up to £1m provided to Pembroke Port
- The Marine Energy Programme (MEP) Team have been working with both MHPA/Pembroke Port and ABP/Port Talbot to encourage them to collaborate to provide a multi-port approach to the very significant opportunities presented by FLOW in the Celtic Sea. Collaboration with local authority partners, led to a successful bid for Free port status based on FLOW for MHPA/Pembroke Port and ABP/Port Talbot.
- Erebus project on hold in wake of Contracts for Difference Allocation Round 5 – no offshore wind developers bid, including Blue Gem Wind

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- Floating Offshore Wind Port Infrastructure & Manufacturing Fund (FLOWMIS) announcement expected soon.
- Ongoing discussions with ports indicate that revenue uncertainty remains a potential concern. Welsh Government believe there is a risk that this could have a depressive effect on port investment (smaller stages of upgrade over a longer period of time) which could in turn reduce the scale of benefits delivered in Wales.
- Holyhead Breakwater has received WG funding to secure the future of the Holyhead Port

Next steps towards completion

Over the next six months we will:

- Monitor and finalise grants to both ports
- Meet Blue Gem Wind to discuss next steps (if any) with Erebus
- Continue discussions with ports on collaboration and actions needed to maximise the socio-economic benefits to Wales of FLOW
- Continue to explore UKIB / UKG under-writing of revenue uncertainty with partners (e.g. TCE) to encourage early full infrastructure upgrades at the ports
- North Wales Growth Deal is working with the Port of Holyhead to support the delivery of Port infrastructure
- Consider the potential of operations and Maintenance hubs

19. Net zero skills action plan

Recommendation

As we develop a net zero skills action plan by spring 2022 we will support greater industry collaboration to maximise supply chain opportunities in Wales.

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Key highlights / milestones

- Since the publication of the Plan in February 2023 activity has been focused on delivering the 36 actions and on-going awareness raising.
- Action 1 committed to undertake a public consultation to help deepen our understanding of sector specific skills needs and included targeted questions around the definition, employer challenges and support, cross-cutting themes.
- The consultation closed on 31 December 2023 and the responses are being analysed by Miller Research Ltd.
- The Final report is due the end of March with the publication of the Sector Roadmaps in May 2024 with engagement events.
- A new element of the Flexible Skills Programme (FSP) was introduced in October 2023 aimed at employers it provides 50% to upskill its workforce.
- Green Personal Learning accounts and Personal Learning accounts are delivering current skills needs.
- A review is underway to create a new Employer support package for the Summer of 2024.
- WG supported the North Wales Regional Skills Partnership to carry out detail work in relation to skills gap in North Wales. This has now been published.

Next steps towards completion

- This recommendation is complete. We will continue to take forward the recommendations from the Renewable Energy Deep Dive.
- iCrossing has been commissioned to develop a Glossary of Terminology on Green / Net Zero Skills and will align to Climate Action Wales.
- An Equality Action Plan is being developed to support the wider plan.
- FE mapping of NZ courses is also underway with a report due the end of March 2024.

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20. Industry renewable programme

Recommendation

Working with industry, we will scope a programme of work to maximise the installation of renewables, flexibility and storage on business and industrial sites. The programme will explore mechanisms to support and de-risk investment.

Key highlights / milestones

- NZIW continues to go from strength to strength, in this period it has been successful in securing a “Launchpad” South West Wales which involved up to £2.2m funding from UKGov in the first round.
- NZIW recently led a bid to develop the North East Wales Industrial Cluster (NEW-ID) and was awarded up to £711k from UKGov structures for place-based decarbonisation, within the two clean growth hubs at Deeside and Wrexham.
- Officials are currently encouraging industry to apply for the UKGov IETF fund Phase Three, applications close in April 2024.

Next steps towards completion

- Officials will continue work to encourage industry to apply for the UK Gov IETF fund Phase Three, applications close in April 2024.

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Innovation

21. Welsh Regulatory Derogation with Ofgem

Recommendation

We will call on Ofgem to develop a Welsh regulatory derogation to enable energy business model innovation in support of the wider recommendations of the Renewable Energy Deep Dive. The objectives of the derogation should include:

- a. Accelerate the scale-up of renewable energy in Wales
- b. Enable energy business model innovation
- c. Realise the benefits and wider co-benefits of renewable energy (from a Welsh and energy systems perspective)
- d. Unlock energy system value, such as that from demand flexibility customers and consumers peer to peer trading and local electricity supply
- e. Better engage and protect the interests of Welsh citizens.

Key highlights / milestones

N/A

Next steps towards completion

- As yet we have not identified any specific projects where a derogation is needed.
- We will use local area energy plans to identify the challenges for the regulatory and funding regimes. Plans are due to be completed by March 2024. We will collate and share key insights with Ofgem and stakeholders.

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