

## UK government should seize its tidal energy opportunity

Ocean Energy Europe regrets the UK government's decision not to include tidal lagoons in its energy mix. Without revenue support, the Swansea Bay Tidal Lagoon will simply not go ahead and the UK will lose out on the many benefits it can bring – jobs, growth, industrial leadership and more.

The Hendry Review, commissioned by the Government in 2016, had found that lagoons can play a cost-effective role in the UK energy system, and that it would bring considerable benefits, from significant job creation to long term flood protection and carbon mitigation.

Despite this decision, the industry is awaiting clarity from the Government on whether other emerging renewable technologies such as tidal stream and wave energy are to be developed in the UK. To secure its global advantage in those technologies, and create a route to market, visibility on prices and volumes at home is badly needed.

Rémi Gruet, CEO of Ocean Energy Europe said:

“The benefits of tidal lagoons were well recognised, the cost of support comparatively cheap, and the long-term perspective very promising. Today's decision is therefore regrettable.

The UK government should now make sure it doesn't miss out on other emerging technologies such as tidal stream or wave energy. The UK is *the* global leader in tidal stream, and the world's most advanced projects are generating electricity in UK waters today.

To push those towards commercialisation, an “Innovation PPA” scheme for the early demonstration phase, as well as a ring-fenced CfD for more advanced projects, should be put in place. Revenue support is the only way for the UK to transform technology leadership into market dominance and build a new manufacturing industry, based in Britain”.

The latest Offshore Renewable Energy Catapult report on cost reduction and industrial benefits showed that tidal stream can be cost-competitive with nuclear energy in the UK in the medium term. Crucially, this would be achieved using a high proportion of UK technology, thus ensuring a high return to the UK economy.