



Catching the Tide

Now and for the future of Anglesey and North West Wales



In October last year, the Crown Estate, landowners of UK coastal waters, designated six areas of sea bed as DEMONSTRATION ZONES for the development and installation of wave and tidal turbine technology. Three of these UK zones are good sites for Tidal Stream development, the other three for capturing wave energy. Of the two designated zones in Wales, only one is for Tidal Stream, is located off the coast of Holy Island and is called the WADZ West Anglesey Demonstration Zone.

The Crown Estate looked for Third Party Managers (TPMs) to manage and add value to the zones. Following a competitive process, Menter Môn was appointed in June 2014. As an official TPM, with a 45 year lease for 37km² of sea bed, there is an opportunity to invest in adding value to the zone, and to attract tidal turbine technology developers and installers. Menter Môn will then collect rent from the developers, both as Sea bed rental for the Crown Estate and as added value rent paid wholly to Menter Môn as the TPM.

Menter Môn believes it to be very important that a local company represents community interests (all other applicants were national property or technology companies) by adding value to the zone and making it work for the local economy and its people. Amongst the



bidders only Menter Môn was truly committed to ensuring a positive impact on the local SME business sector and the area's underemployed.

Any surplus income (which may be substantial over 45 years) will be recycled into the local and regional economy - it will not leak out in returns on foreign capital; it will elevate the whole concept of community energy to a more meaningful level. Via Menter Môn, the community will own the zone and benefit from its surpluses.

Economic benefits can be huge; other than Research and Development potential and necessary Supply Chain development; it is not inconceivable that tidal stream

turbines could generate a significant contribution to our future energy resources. It is important to underline that Menter Môn is a not for profit organisation with a proven track record enshrined in altruistic aims and objectives to contribute to the region's wellbeing and economy.

These returns will only be achieved if the Anglesey zone can be made the most attractive site in the UK for turbine developers. We have a head start - tidal current speeds, water depth, and seabed topography are among the best in the EU; but, there are two other zones competing with us in the UK, and France will soon start designating coastal areas for marine renewable development. There is a race on to become the primary hub for marine renewables in the UK, if not Western Europe and "catching the tide" is very much more meaningful than a cheap pun.

Success will depend upon how well and how quickly Menter Môn and its stakeholder partners in Wales can work together to:

- a) Undertake generic consenting in the zone, so that developers need only seek consent for their technology
- b) Connect the zone to grid so that power generation of over 100 MW+ can be achieved
- c) Manage and evaluate the Research and development of turbine design. It's not an overstatement to suggest that North Wales can become pre-eminent in this field of renewable energy development
- d) Develop the supply chain opportunities for SME business; this together with the development of new skills and technologies in local and regional marine environmental and engineering support services are well within our grasp and represent important objectives for Menter Môn.

We can achieve these objectives, but with so much dependent upon pursuing robust consent procedures and securing an appropriate power distribution connection, Menter Môn needs early stage fixed term revenue funding. It is seeking to secure this from its own resources and with assistance from the Nuclear Decommissioning Authority. Gearing up local supply networks, harnessing local R&D capacity (a fifth of the zone will be set aside for innovation trialling of new technologies), links to the new Science Park and preparing a

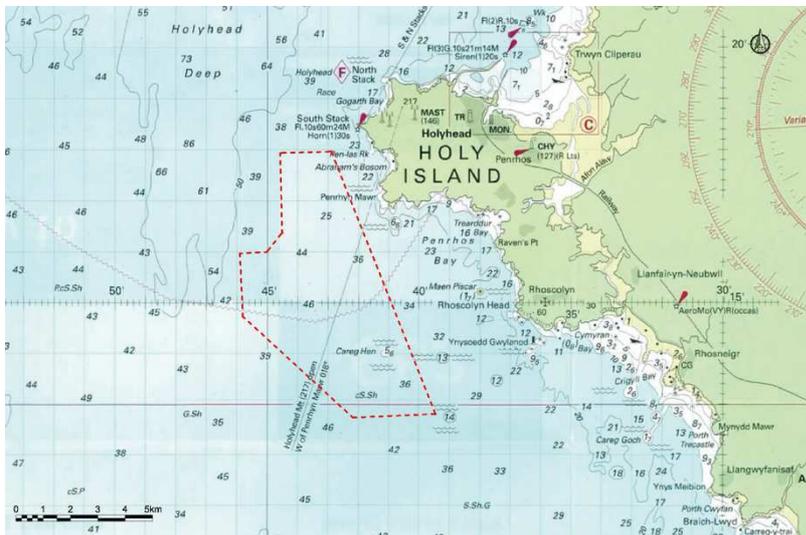


landscape for jobs are also of paramount importance, highlighting the need for revenue funding.

We are now assembling the funding package in order to progress the zone in a manner timely enough to ensure that opportunities for Anglesey and North West Wales to become a tour de force in tidal power are not missed.

Gerallt Llewelyn Jones

Managing Director



Menter Môn as an organisation has attracted in excess of £40 million of grant funding from various sources for a range of activities since it was established almost twenty years ago. It continues to fund community projects, support local initiatives and businesses on Anglesey and is a champion of Social Enterprise for the region.