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## Transcript

- 00:10 Welcome back to our latest edition of Energy Transition Shorts. It's been quite a few months in the UK energy markets. We've had DESNZ out there with the Solar Roadmap and REMA. We've had NESO with the opening of the Gate 2 window. We've had uplifting news from the Climate Change Committee. We've got AR7 coming up. We've got UK government support for supply chains. We've also got the rooftop revolution, the beneficial role of BESS, and last but not least, floating offshore wind.
- 00:44 There is also some encouraging news from government about focusing on the cost of delivering all of this and that's absolutely critical, of course, and what we all care about. But, let's get started. I'm very, very happy to say that I've got Saffron Hooper-Kay with me. She's the Head of Solar and Storage in our Asset Management division. She's going to help us unpick some of these mammoth announcements and pick out a few of the little interesting nuggets that we've got. So, Saffron, thanks for coming on. Perhaps we can start with what the Climate Change Committee had to say.
- 01:14 I think the highlight of the story is that it is really good news, and we also have a large challenge ahead of us. We've seen an increase in global solar investment of 5%, which is a greater increase than we have seen in the last six years. Change in government has resulted in change in policy. And we're really seeing this in the most recent result of AR6. And AR6 being CfD Allocation round 6. Correct. So, in the most recent allocation round, we achieved a 9.6GW of new renewable technology sort of scheduled for delivery before 2030.
- 01:51 Yeah. And of which five was solar? Of which 5GW was solar. Yes. However, we are looking at a target of 4.5GW every year before 2030 if we're expected to meet these targets.
- 02:07 And we were talking earlier about the fact that this is the most investment that we've seen since 2015. Is that right? The most installation. The most installation, which is fantastic. So then the last thing that really caught my eye was the rooftop revolution. So, here at Downing, we do quite like our rooftop. We've got a fair bit of it. 16,000 rooftops, which you have the pleasure of looking after. Thank you. And, we kind of like it as an asset class, right? Do you want to talk us through and unpick some of the things in the announcements about that?
- 02:36 Yeah, so I think a really exciting concept of how we can add to the existing targets of 45 to 47GW by 2030. We've seen a recommendation of increasing of rooftop deployment by 9 to 10GW in that same period, 2030, which would mean that the potential for rooftop solar would account for 18% of the full deployment between now and 2030.
- 03:09 And that's massive, right? So, when we think about rooftop, you know, we love rooftop as an asset class right. But, the problem has always been about scale and it's always been about how do you deploy it. You know, how can you just get people on roofs to put their stuff on in a way in which you can

build the size that you're looking for? Feels like it's going to be quite a challenge, doesn't it?

03:30 Yeah, a challenge which, they've acknowledged that we need to make certain regulatory changes to make it easier through planning, etc., and other sources of funding. Yeah, absolutely.

03:39 Well, look, I hope you find that interesting. Just a few nuggets from what has been an absolute flurry of announcements from the government and various associated bodies. There'll be more to come on Energy Transition Shorts. Hope you enjoyed it. We'll speak to you soon.