



***SOUTH WEST WALES CORPORATE JOINT
COMMITTEE - ENERGY SUB-COMMITTEE***

10.00 AM TUESDAY, 27 FEBRUARY 2024

VIA MICROSOFT TEAMS

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1. Chairs Announcements
2. Declarations of Interests
3. Minutes of Previous Meeting (*Pages 3 - 16*)
4. Forward Work Programme (*Pages 17 - 18*)
5. Delivery of Local Area Energy Planning in South-West Wales (*Pages 19 - 32*)
6. Regional Skills Partnership (Verbal Update)
7. Investment Prospectus (*Pages 33 - 38*)
8. Urgent Items
Any urgent items at the discretion of the Chairperson pursuant to Section 100BA(6)(b) of the Local Government Act 1972 (as amended).

W.Bramble
Chief Executive

Civic Centre
Port Talbot

Wednesday, 21 February 2024

Committee Membership:

Chairperson: **Councillor P.Miller**

Councillors: A.Owen, A.Lewis, J.Hurley and R.Sinnett

National Park

Representatives: S.Alderman and L.Bickerton

South West Wales Corporate Joint Committee - Energy Sub-Committee

(Via Microsoft Teams)

Members Present:

6 November 2023

Chairperson: Councillor D.Simpson

Councillors: T.Hodgeson, A.Owen, A.Lewis and W.F.Griffiths

National Park Representatives: S.Alderman and L.Bickerton

Officers In Attendance: S.Brennan, G.Bacon, A.Moss, S.Keating, R.Griffiths, A.Eynon, W.Bramble, S.Aldred-Jones, G.Jones, L.McAndrew, B.Burggraaf, V.Camp and J.Baker-Edwards and C.Plowman

1. **Welcome and Chairs Announcements**

The Chairperson welcomed everyone to the meeting.

2. **Declarations of Interests**

The following declaration of interest was received:

Liz Bickerton

General declaration - As she is a freelance consultant, who undertakes a number of evaluations for third sector organisations, some involving energy efficiency. Energy efficiency is one of the priorities of the Energy Sub Committee.

3. **Terms of Reference**

The Committee were presented with the Terms of Reference of the

Energy Sub Committee of the South West Wales Corporate Joint Committee.

It was explained that the Terms of Reference were presented to the Corporate Joint Committee, along with the other Sub Committee Terms of Reference, in October 2022.

Members were informed that the document set out the overarching aim of the Sub Committee; along with the functions and makeup of the Committee.

RESOLVED: That Members note the terms of reference of the Energy Sub-Committee.

4. **South West Wales Regional Energy Policy and Scene Setting**

Members received a presentation setting the scene on factors and governance structures influencing regional energy policy, and outlining known developments in regional energy.

A discussion took place in regards to planning for a more integrated, low carbon energy system. It was explained that the National Policy, Regional Energy Strategies and Local Area Energy Plans (LAEPs) were integral to achieving this.

The circulated presentation highlighted the landscape within the South West Wales Region, giving a broad picture of the governance and level of detail for the various work streams; for example, there were a number of Regional Officer Task Groups taking place, and progress was underway in terms of the key projects for the Region, including the Celtic Freeport and Blue Eden – Tidal Lagoon Project.

Members were informed that the current situation was fairly similar across other Regions in Wales, in terms of their governance structures.

It was stated that the South West Wales Corporate Joint Committee had approved its Corporate Plan, which included the action plan for the Regional Energy Strategy; there were two priorities included in this plan, which the Regional Directors Group had been working on progressing. The first priority noted was to map available resources and identify resource gaps; one of the impact measures of this was to establish a Regional Delivery Team. It was confirmed that job adverts for the three posts within the Team had been advertised, and interviews would be taking place in the next few weeks; the three

positions were for a Project Manager and two Project Officers, all of which would be funded by Welsh Government. It was explained that the implementation and delivery work would accelerate from this point onwards.

Following on from the above, it was noted that the second priority was to formulate implementation programmes alongside partners; some of the actions within this priority was to develop prioritised action plans, and align with the LAEPs. It was confirmed that this work had been ongoing, and again this work will progress further when the Regional Delivery Team was in place.

The Committee were informed of the challenges associated with this work stream:

- Pace and scale at the regional strategic level
- Uncertainty around the cost of delivery/net zero
- Funding capital and revenue for identified projects
- Skills work to design, deliver, implement, maintain and monitor
- Policy reforms and influence
- Governance
- Infrastructure

It was reiterated that one of the priority actions was to align projects; one of the identified projects was an investment prospectus for the Region, which would align the Celtic Freeport, LAEPs, regional planning and other key projects taking place across the Region. Members were informed that Officers were hoping to develop an investment prospectus in partnership with Net Zero Industry Wales.

The Chief Executive from Net Zero Industry Wales was in attendance at the Energy Sub Committee to provide further information in regards to the future proposal for an investment prospectus for the Region. It was explained that the Net Zero Industry Wales was set up with support from Welsh Government, in order to assist the Welsh industrial clusters in their efforts to decarbonise; over the last six months there had been focus on supporting the industrial clusters in South Wales to deliver their plans. Following discussions with Pembrokeshire Council, it was noted that it was clear there was a need to update the investment prospectus for the area; in order to help attract inward investment, and to highlight the advantages of the investment plans that had been developed and how they could benefit the Region, including the Celtic Freeport.

The Committee was informed that there were several Clean Growth Hubs within the South Wales industrial cluster; the Milford Haven Future Energy Cluster being one of them, however they were also in other areas such as Port Talbot, Cardiff and Newport. It was noted that it would be important for each Hub to capture the inward investment potentials, and detail how that cluster will develop over time.

Reference was made to the support Net Zero Industry Wales was receiving from PwC, and how they would be looking into recruiting staff to assist with the work required to progressing this work.

It was concluded that the intention of Net Zero Industry Wales was to establish a team approach, and alignment of the various elements of work, as opposed to reinventing what was already in existence.

Members asked if Net Zero Industry Wales planned to align the work with privately funded projects, such as the Blue Eden –Tidal Lagoon Project, which weren't funded by the Government. The Committee was assured that this was the intention, with the support of the private companies.

Prior to the continuation of the presentation, it was explained that the Transport Team within the Welsh Government Energy Service had completed some analysis on the fleet transition across all Local Authorities. Officers were pleased to confirm that the South West Region was leading across Wales; the average of fleet transition was around 4%, and the South West were leading with 7.2%.

Officers provided information in regards to the regional economy and energy landscape; the importance of understanding the landscape, the scale of opportunity and gaps. It was detailed in the presentation that Milford Haven was the UK's largest Energy Port; however, surrounding this was Valero Pembroke Refinery and Oil Terminal which was the second largest in Europe, RWE Pembroke Power Station which was the second biggest combined cycle gas power station in Europe, LNG Terminals at South Hook and Dragon, and Puma with their commodity storage facility. In terms of offshore, it was highlighted that there was huge potential in the Celtic Sea for marine renewables; whether this be floating offshore wind or tidal wave power.

It was evident that the South West region had vast emitters, with the UK's largest single point emitter at TATA Steelworks in Port Talbot, RWE being the third biggest emitter in the UK, and Valero being in

the top ten single point emitters in the UK; it was a significant opportunity to support this transition to low carbon methods of energy production and use.

A discussion took place in regards to the South Wales Industrial Cluster project and its vision to 'develop a world leading, truly sustainable industrial cluster, befitting the societal needs of 2030, 2040, 2050 and beyond'. It was explained that decarbonisation can happen through various means such as fuel switch from gas and oil into renewable electricity, electric arc furnaces in the steel industry, and electrolysing to make green hydrogen using renewable electricity; there were some great benefits of this including retention of jobs, and unlocking further opportunities in the new renewable economy.

Members were informed of one of the developments called HyLine Cymru; this would be a dedicated hydrogen pipeline which would flow from the West, where the floating offshore wind industry was set to establish. It was explained that there should be an abundance of renewable electricity from this; there were times where the renewable electricity wouldn't feed into the electricity grid, and during this time it would be best to make hydrogen with that renewable electricity. Officers stated that hydrogen was a versatile fuel that can be used where and when it was needed; a pipeline into that industrial cluster was really key to enabling the hydrogen industry, and also enabling floating offshore wind in the Celtic Sea. It was added that the power produced from the turbines could be used day and night.

A further discussion took place in regards to floating offshore wind. It was stated that The Crown Estate's (TCE's) ambition was to unlock up to 4.5GW of new floating offshore wind capacity by 2035; with regional potential to utilise a further 20GW of floating offshore wind capacity by 2045. Officers mentioned that studies had shown there was even more capacity out there, potentially attainable between 49.9GW to 120GW. The presentation detailed that there were 3,000 jobs and £682million in supply chain opportunities for Wales and Cornwall by 2030; and made reference to the three projects that were currently underway:

- TwinHub developed by Hexicon with expected contracted completion by 2025
- Erebus developed by Blue Gem Wind with expected completion by 2026/2027

- Valorous developed by Blue Gem Wind with expected completion by 2029

Officers provided a graphic of where the initial consenting zones were going to be with TCE for floating offshore wind; the three zones were highlighted, each having 1.5GW to add up to the 4.5GW capacity by 2035. It was explained that it would then be key to get that power ashore in a coordinated fashion; and as previously mentioned, hydrogen could potentially be made out at sea and come ashore in pipelines.

Members made reference to the fact that TCE was a UK Government business, and asked for clarity in terms of how money for licences would flow back to Wales. It was noted that currently those funds would go to the UK Government; however, there was a recommendation from the National Infrastructure Commission to identify if it could be devolved, similarly to how the Scottish Crown Estate had been devolved. It was added that the benefits for Wales was the consent to build renewables in Welsh waters, which would also create the supply chain benefits.

Reference was made to the recent news in regards to the transition to electric at TATA Steelworks in Port Talbot, and the implications for those steel making jobs. It was noted that electric arc furnaces would require less man power; however, there had been £1.2billion reserved for Port Talbot which was one of the biggest investments seen for the industry in decades. It was added that the electric arc furnaces were a stepping stone towards a green steel industry, and there would be more opportunities from this. Officers mentioned that the £1.2billion was in addition to multiple other billions of investment required to decarbonise the industry in South Wales, and retain some of that industrial activity; in the short to medium term, there was potential job growth in order to deliver this ambitions plan across the region.

A discussion took place in regards to the opportunities associated with tidal stream, tidal range and wave; and the various projects that were currently ongoing. It was mentioned that one of the benefits of tidal stream and tidal range was that they were predicable power sources.

The presentation detailed information in regards to the Swansea Port Development Project (formerly known as the Blue Eden –Tidal Lagoon Project); this was a £4billion project, estimated to be worth

£114m a year to the Swansea economy, and creating up to 2,500 full-time jobs. Officers expanded on the various elements to the project, which included:

- Expanding the Fabian Way park and ride site to create a green energy transport hub to potentially include a hydrogen manufacturing station for hydrogen-powered transport, an abundance of electric vehicle charging points, and restaurants and flexible working areas for visitors to enjoy.
- Expanding on approved solar farm plans at the former Tir John landfill site to create one of the UK's largest solar energy generating facilities.
- A new manufacturing facility on the former Morrissey Site in SA1 to make high-tech batteries that would store the renewable energy generated by the project and for worldwide distribution.
- A tidal lagoon
- A floating solar facility
- A hyper-scale data centre powered by renewable energy
- An oceanic and climate change research centre
- Energy-efficient eco-homes anchored in the water
- A new district heating system using renewable energy

In regards to transmitting renewable electricity, it was explained that currently the grid doesn't have the capacity to be able to transmit more than 1.8GW; last year the UK generated c.30% of its energy from renewables, of which wind power was the biggest contributor. It was further explained that when the wind farms were operating at night, and demand on the grid was low, there may be opportunities to store this power in batteries or to electrolyse green hydrogen which could be stored for future use for industry, power generation, transport or heat. It was explained that currently when wind turbines were generating at capacity, and generating more wind power than can be transmitted due to grid bottlenecks, this can lead to overloading of the grid; at which point the National Grid pays the windfarms to turn off, and pays for an alternative generator to be turned on, which would typically be gas powered near to the point of demand. Officers stated that last year, the UK spent £215million on turning wind farms off, and £717million turning on gas power plants to replace the lost wind power.

Following on from the above, Officers highlighted some of the potential solutions, one of those being to build more electricity cables to take the power to demand centres; this would mean there would be

more pylons, which aren't favoured throughout communities. Another solution mentioned was to add more energy storage at cable bottlenecks; for example, lithium batteries, pumped hydro and creating blue/green hydrogen.

Officers provided further information in regards to hydrogen production, which had great renewable electricity potential. It was explained that upgrades were needed in terms of the electricity grid and ports infrastructure; however, sufficient progress was being made, with the carbon content of the grid electricity dropping by 60-70% over the last ten years, a lot of development with the ports especially since the Celtic Freeport announcement. Members were informed that industrial processes, heat and transport emissions were the hardest sectors to action and lower emissions; there were still a lot of oil and gas being used in industry, as well as diesel and petrol being used for vehicles. However, it was noted that there was potential for green hydrogen to service industry, transport, power generation and heat; studies showed that increasing volumes of floating offshore wind would be a well suited and economic way to produce green hydrogen, and enable an increase in usable energy to provide heat and fuel for transport. It was mentioned that the forecast for the cost of producing green hydrogen from UK floating offshore wind would become very affordable, and by 2050 will be on a par in the UK with the lowest global price for green hydrogen production.

The Committee were provided with information in regards to the current projects that were underway across the Region:

- RWE Pembroke Net Zero Centre – £3billion had been announced for this project, which was looking at all aspects of green hydrogen production and how this hydrogen could be utilised.
- Swansea Bay City Deal Programme – included a number of projects that were aligned with the regional energy agenda; some of these included Pembroke Dock Marine project, Homes as Power Stations and Supporting Innovation and Low Carbon Growth Project.
- Global Centre of Rail Excellence – the UK's first net zero railway purpose built for research, testing and certification of rolling stock, infrastructure and innovative new rail technologies, with the aim to be fully operational by 2025.
- Celtic Freeport bid – the business case was currently being drafted for this project, with the requirement to submit to UK

Government by the end of the month; this project will transport the ports and had many benefits such as the potential of 16,000 jobs, £5.5 billion of new investment and accelerating the roll out of floating offshore wind.

- Eirlys Solar Farm – a proposal for 29MW solar development in Port Talbot.
- Canolfan Eto – a circular economy hub in Carmarthenshire looking at recycling resources at their ‘re-use village’.

Members queried how hydrogen would be cascaded across the country. Officers confirmed that there was a project ongoing with the gas network companies called ‘Project Union’; this would involve a hydrogen gas pipeline, connecting all industrial clusters across the county. It was mentioned that the HyLine Cymru would link in with this, running from the waterway in Milford Haven into the industrial cluster at Baglan, Port Talbot. Officers added that this could potentially be moved at whatever volume was required across the country, to satisfy the needs for industry, heat and transport.

It was expressed that collaboration was hugely important, and there was a need and desire to do this; there was some good collaborative work currently ongoing, however it was recognised that this could be expanded. One example provided of where collaboration was needed, was in regards to the charging and refuelling infrastructure. Officers stated that it was also key that the Corporate Joint Committee engage, on a regional basis, in terms of fleet transition.

In addition to the above, it was explained that there had recently been a collaborative procurement exercise for fleet across all of Wales; this had resulted in a saving of around £650,000, and seen delivery times go down around 18 months to between two/three months. It was mentioned that there will be another procurement exercise taking place in the near future, and Officers confirmed they would share further information on this when it becomes available.

A discussion took place in regards to the need for the Energy Sub Committee and Corporate Joint Committee to determine how it was going to take this work forward. It was mentioned that further intelligence may need to be gathered before the Committees were able to make a decision on this.

RESOLVED: The report was noted.

5. Local Area Energy Plan (LAEP) Progress Update

The Principle Energy and Sustainability Consultant at City Science provided the Committee with an update in regards to the progress of delivery of the Local Area Energy Plans (LAEPs) within the Region.

It was explained that City Science was producing three LAEPs for South West Wales, in Carmarthenshire, Neath Port Talbot and Swansea; with Pembrokeshire already having their own LAEP. It was noted that although the plans were produced separately and tailored to the local area, it was recognised that there was a need for regional alignment; a lot of the activity being carried out by City Science was ensuring consistency across the Region.

Members were informed that Local Area Energy Planning was a comprehensive study into the local area energy system; looking at the whole system and all of the sectors involved, to determine the energy requirements between now and 2050, and what was needed to decarbonise the energy system during that time. It was added that the LAEP project started in February 2023, and was due to run until February 2024.

A discussion took place in regards to the Corporate Joint Committee and LAEP interaction. It was noted that the Corporate Joint Committee was the regional steering group for LAEP sign off, and also a key stakeholder; whilst the plans were local, they will be developed using regional collaboration. Whilst many of the scenarios were local, it was highlighted that a large number were regional; therefore, ensuring the LAEPs remained connected and transparent with regional governance structures was vital.

Following on from the above, it was explained that whilst the Corporate Joint Committee was not a governing body for LAEP progress, it was important to provide updates on the progress made. Officers confirmed that the individual Local Authorities will soon be receiving their draft LAEPs.

In addition, it was stated that once all LAEPs across Wales were completed, the Energy Systems Catapult, who were the organisation to develop the concept and guidelines for the LAEPs, were going to pull the information together to create regional and national views of Local Area Energy Planning; this would help to provide informed evidence base across Wales.

The presentation detailed information in regards to the various stages of developing a LAEP. It was mentioned that throughout the progress

of the LAEP, there was an extensive stakeholder engagement process to assist in the work.

- Stage 1 and 2 – preparation, project management and producing a stakeholder engagement plan
- Stage 3 - developing a baseline using local and national data to understand the local area energy systems
- Stage 4 – developing various data models for the local area energy systems, including model of future scenarios
- Stage 5 – refining scenarios and identifying pathway to net zero
- Stage 6 – developing and prioritising near and long-term actions to support the delivery of the pathway, as well as developing a robust action plan
- Stage 7 – delivery of the LAEP

It was explained that the LAEPs for Carmarthenshire, Neath Port Talbot and Swansea were currently at stage 6 of the process. Members were informed that various workshops had taken place during this stage, including Action Workshops and Prioritisation Workshops; Focus Groups were currently being held to build on the potential actions in a lot more detail.

City Science provided detail in regards to the extensive stakeholder engagement processes that had been undertaken thus far:

- During Stage 2 – held a Stakeholder Planning Workshop to conduct stakeholder mapping and develop the stakeholder engagement plan.
- During Stage 3 – held 1:1 interviews (10 per Local Authority) to provide baseline information; following this held a Stakeholder Baseline Review to share the developed baseline.
- During Stage 4 – held a Scenarios Workshop to explore potential future scenarios; following this held a Modelling Approach Meeting to refine and agree on the modelling approach.
- During Stage 5 – held a Wider Factors Workshop to understand the wider, non-technical factors in the area; following this provided a Model Outputs Presentation and Pathway Refinement Workshop.
- During Stage 6 – as previously mentioned, held an Actions Workshop and Project Prioritisation Meeting.

It was highlighted that the next steps will be to hold a Governance Workshop with the Local Authorities, and a separate Community Focus Group.

The Committee were provided with detail in regards to the different ways in which actions could be developed. The presentation highlighted an example from Pembrokeshire's LAEP, in which their actions were split into different categories e.g. electric grid reinforcement, deploy heat pumps and decarbonise transport; and another from Peterborough's LAEP which used quick wins, low regrets, enabling actions and decision points as part of their actions.

Following on from the above, it was explained that the actions for Carmarthenshire, Neath Port Talbot and Swansea had yet to be confirmed; however there was going to be 15 actions per Local Authority, and the presentation provided an idea of how these actions could be grouped.

The presentation also displayed an example of how the 'action detail' could be displayed for each of the final actions. It was mentioned that City Science had been refining this area of work over many years as a consultancy, and had found it was vital to provide extra detail; this would include an overview of the action, route map alignment, governance (both owners and champions of each action), implementation steps, funding requirements, cost benefit, and risk and dependencies.

To conclude the presentation, Members were informed of the next steps and current timeline for those steps:

- Action Focus Group – 23/8/2023
- Governance Workshops – 01/12/2023
- Finalise Actions – 07/12/2023
- Draft LAEP Delivery – 15/12/2023
- Feedback from Councils – 19/01/2024
- Delivery of Final LAEP – 09/02/2024

Members queried whether the work being carried out by City Science linked in with the Race to Zero campaign, and if the South West Wales Region would be signing up to this area of work. Officers explained that the Race to Zero campaign was a public facing way of demonstrating the progress being made towards targets. It was noted that arrangements could be made to provide the Committee with further information in regards to Race to Zero, at a future meeting,

which could enable the Committee to determine if they wish to take part in this.

A discussion took place in regards to the capital costs involved in producing and delivering the LAEPs. It was explained that it would be a collaborative effort across both public and private sectors to deliver the LAEPs; it would be important to have Welsh Government intervention and funding in order to deliver energy efficiency. It was added that Welsh Government were already supporting with grants for heat pumps, and in regards to the Electrical Vehicle roll out around 97% of that had been leveraged as grant funding to date.

Reference was made to the engagement activities that City Science were undertaking as part of the work for the LAEPs, and whether a community based approach had been considered as part of the activities. It was highlighted that wider stakeholders had been included across a lot of the engagement work, for example engaging with Small and Medium-sized Enterprises (SMEs) and large energy users to discuss how they could potentially reduce consumption. In terms of community groups, it was noted that they had been invited to the workshops that had taken place; there was also an upcoming focus group which was specifically going to look at how the community can be involved in certain actions.

Officers added that there had also been community engagement at Welsh Government level; the team within Welsh Government leading on Local Area Energy Planning were in communication with Community Energy Wales to discuss local area energy planning.

RESOLVED: The report was noted.

6. **Future Priorities and Forward Work Programme**

The Committee received the Forward Work Programme for the Energy Sub Committee.

A discussion took place in regards to the frequency of meetings. It was agreed that there was a need for an additional meetings of the Energy Sub Committee; Democratic Services would arrange this in liaison with the Energy Leads for the Region.

The following items were proposed to be added to the Forward Work Programme during the meeting:

- Regional Skills Partnership – Upskilling and Resources for the future

- Update from the Welsh Government Hydrogen Team
- Presentation on Race to Zero and Carbon Disclosure Project

The Forward Work Programme was noted.

7. **Urgent Items**

There were no urgent items received.

CHAIRPERSON

**SOUTH WEST WALES CORPORATE JOINT
COMMITTEE – ENERGY SUB COMMITTEE**

FORWARD WORK PROGRAMME

2023-2024

Meeting Date 2024	Agenda Item	Type	Contact Officer
13 May 2024	Net Zero Delivery Plans	Information	Geoff Bacon
	Funding and Costing for Decarbonisation Plans	Information	Geoff Bacon

SOUTH-WEST WALES CORPORATE JOINT COMMITTEE ENERGY SUB COMMITTEE

27th February 2024

Report of the Chief Executive, Pembrokeshire

Report Title: Delivery of Local Area Energy Planning in South-West Wales

Purpose of Report	To advise the committee on the progress of delivery of the local area energy plans within the region.
Recommendation(s)	That the committee note the progress made to date and forthcoming key milestones.
Report Author	Kendal Davies (Carmarthenshire County Council)
Finance Officer	Chris Moore
Legal Officer	Craig Griffiths

Background

1. Welsh Government have funded the development of local area energy plans (“LAEPs”) for every local authority in Wales. This follows several local authorities being pilot locations, including Pembrokeshire. The LAEPs are being delivered by City Science in the South-West Wales Region for Swansea, Neath Port Talbot, and Carmarthenshire.
2. Draft LAEPs have been produced and are currently being internally reviewed by each local authority, with the technical modelling being reviewed by National Grid Energy Distribution and Wales and West Utilities.
3. Final LAEPs will be delivered for local authority cabinet consideration towards end March 2024.
4. Following completion of the national LAEPs there will be an exercise undertaken by the technical advisors to Welsh Government to align and consolidate the findings. This will then inform the further development and strategic direction of regional actions, and lead to the creation of a Wales-wide Energy Plan.
5. Welsh Government have also funded, for 24 months, the appointment of a Regional Energy Team consisting of an Energy Project Manager plus two Energy Project Officer posts. Whilst these posts are employed by Carmarthenshire County Council, they are a regional resource for the four local authorities. A panel consisting of lead officers from each local authority conducted interviews in November 2023 with a preferred candidate selected for each post. The Energy Project Manager (Dr Elaine Forde) and Energy Project Officer (Rob Broome) have recently commenced duties, Unfortunately, the preferred candidate for the other Energy Project Officer post was subsequently unable to accept the

job offer due to personal reasons, as was the next highest scoring candidate. Accordingly, the vacant Energy Project Officer post is to be readvertised shortly.

6. Additional points to note:

- The LAEPs have been developed through regional collaboration with themes aligned to the Regional Energy Strategy. Stakeholder workshops have also been arranged on a thematic and regional basis to ensure a regional approach whilst still maintaining a local focus.
- Whilst many of the scenarios and levers are local a large number are regional (skills, transport, housing, infrastructure) thus ensuring that the LAEPs remain connected with regional context...

Financial Impacts: None

Integrated Impact Assessment: These will be completed when the LAEPs are ready for local cabinet decision-making.

Workforce Impacts: Welsh Government have funded the recruitment of three new officers to support the development and delivery of the Local Area Energy Plans.

Legal Impacts: None

Risk Management Impacts: Risks arising as part of the LAEP process are managed as part of programme delivery by Energy Systems Catapult. A risk register for the overall programme may be available on request.

Consultation: A wide range of stakeholders are consulted as part of the development of the LAEPs.

Reasons for Proposed Decision: No decision required.

Implementation of Decision: N/A

Appendices: City Science slides outlining progress with the LAEPs.

List of Background Papers: N/A



CITY SCIENCE
delivering decarbonisation

**RHAGLEN LEAP
RHANBARTH DE
ORLLEWIN CYMRU
SW WALES REGION
LAEP PROGRAMME**

Diweddariad
Update
02/2024

TROSOLWG O'R RHAGLEN / PROGRAMME OVERVIEW

SW WALES LAEP PROGRAMME

City Science is producing three LAEPs for SW Wales – Carmarthenshire, Neath Port Talbot and Swansea. Although produced separately and tailored to the local landscape, we will ensure that the three LAEPs are aligned regionally and are consistent.

Page 22
Local Area Energy Planning is a detailed, comprehensive process designed to identify the most effective pathway(s) to decarbonising the local energy system, and set out and agree a Local Area Energy Plan (LAEP) suitable for implementation. Local Area Energy Planning is a whole-system, evidence-based process, led by Local Government and developed collaboratively with defined stakeholders.

The LAEP projects started in February 2023 and run until March 2024.

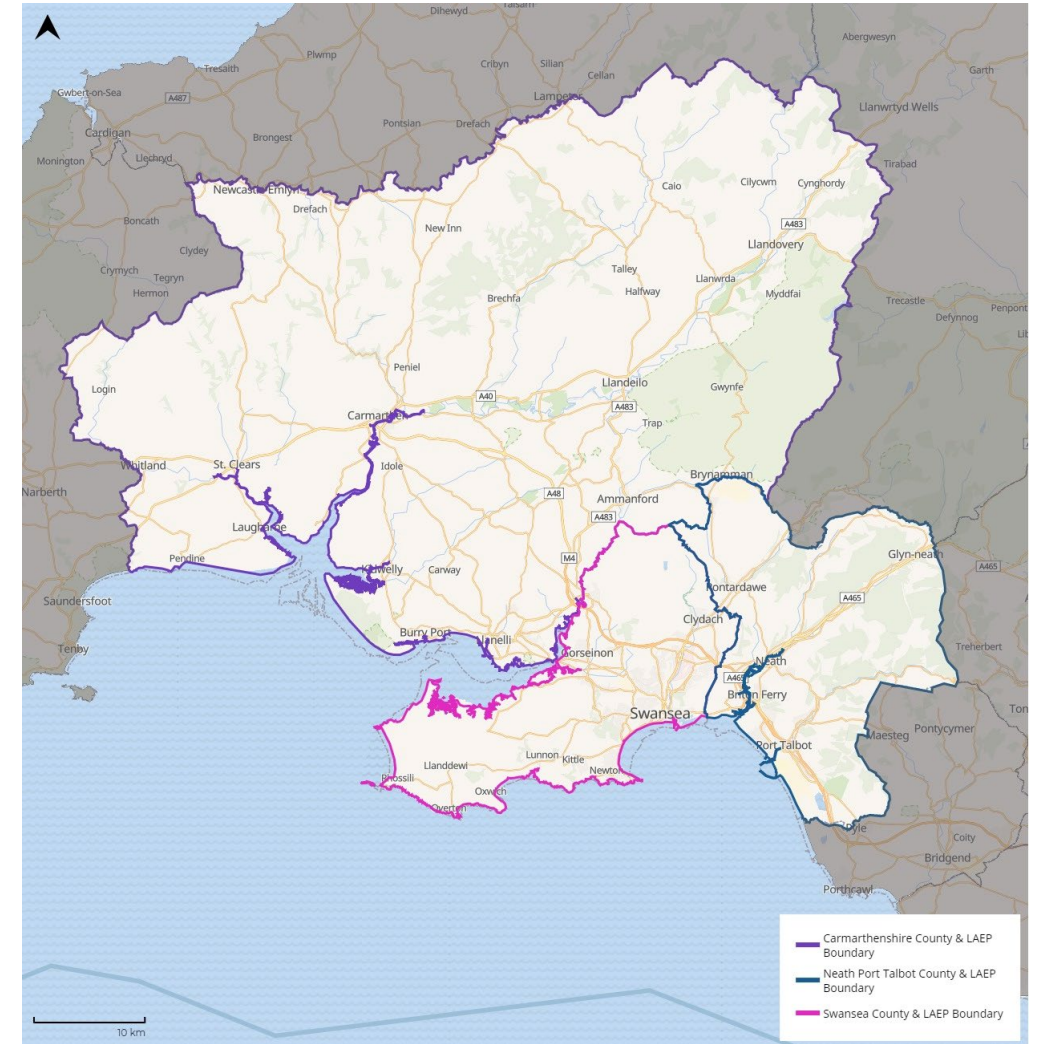


TROSOLWG O'R RHAGLEN / PROGRAMME OVERVIEW

REGIONAL ALIGNMENT

Page 23

- Regional Directors' Group (which reports into CJC) is the regional steering group for LAEP sign off.
- Whilst plans are local, they have been developed using regional collaboration and themes aligned with the four regional energy strategies. Stakeholder workshops have been arranged on a thematic and regional basis to ensure collaboration and a regional approach to development, whilst still maintaining a local focus.
- Whilst many of the scenarios and levers are local, a large number are regional (skills, transport, housing, infrastructure) and so we have ensured the LAEPs remain connected and transparent with regional governance structures.
- Whilst CJC is not a governing body for LAEP process it is prudent given the stage in the process to include a very brief update on the progress to date and key next steps.
- Following the completion of the LAEPs there will be an exercise undertaken by the technical advisors to Welsh Government to align and consolidate the findings. This will then inform the further development and strategic direction of regional actions, and lead to the creation of a Wales-wide National Energy Plan.



TROSOLWG O'R RHAGLEN / PROGRAMME OVERVIEW

PROGRESS THROUGH THE STAGES OF THE LAEP

Stage 1: Held regional and local inception meetings and produced regional and local inception report.

Stage 2: We held Stakeholder Engagement Planning Workshops and produced the resulting Stakeholder Engagement Plans.

Stage 3: We completed a policy review, conducted local area interviews, consolidated and analysed baseline data, and produced Baseline Reports.

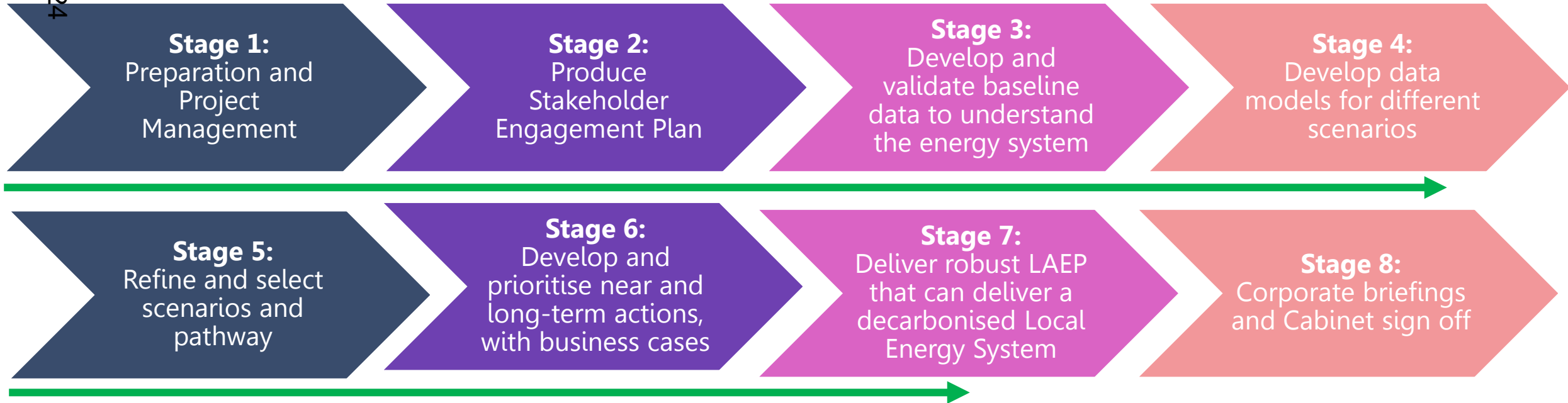
Stage 4: Held Scenarios and Modelling Approach Workshops, tailored the modelling and produced and presented the outputs of the modelling.

Stage 5: Held regional Wider Factors Workshops and refined the pathways.

Stage 6: Held Actions Workshops, Prioritisation Workshops, Focus Groups and developed actions

Stage 7: Produced draft LAEPs documents, which are currently being reviewed by the Councils, Welsh Government, Energy Service.

Stage 8: Corporate briefings and cabinet sign off.



TROSOLWG O'R RHAGLEN / PROGRAMME OVERVIEW

STAKEHOLDER ENGAGEMENTS

The LAEP process included 30 stakeholder engagements. This page and the next details the stakeholder engagements conducted at each LAEP project stage.

Page 25

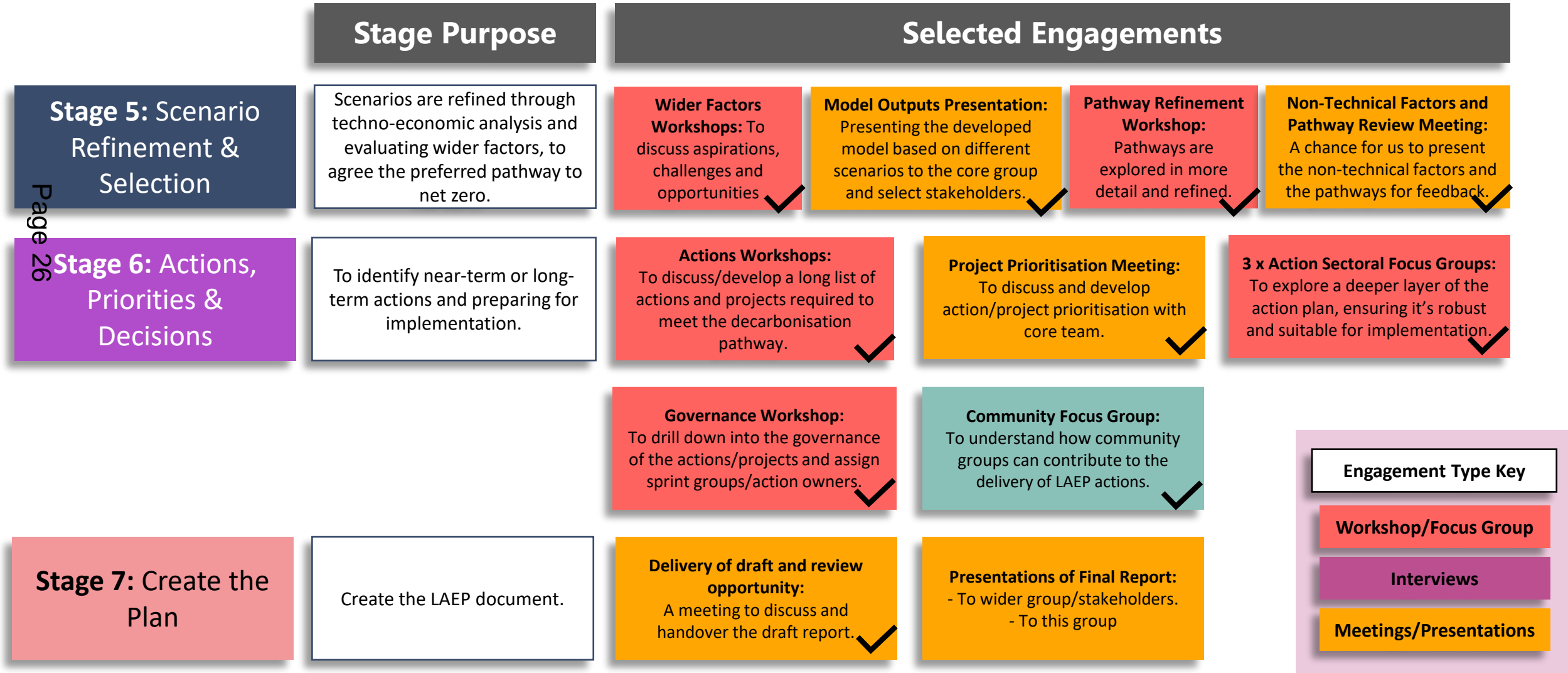
	Stage Purpose	Selected Engagements	
Stage 2: Stakeholder Engagement	Mapping of stakeholders and defining engagement activities.	Stakeholder Planning Workshop: A workshop to conduct stakeholder mapping and develop the Stakeholder Engagement Plan. ✓	
Stage 3: Representing the Local Area	Consolidate relevant data sources to develop a robust baseline model of the local energy system, validating outputs with stakeholders.	10 x 1:1 interviews with priority external stakeholders: To provide baseline information on available datasets and policy gaps. ✓	Stakeholder Baseline Review: A workshop to share the developed baseline with the core project team and key stakeholders. ✓
Stage 4: Modelling Options for the Future	Pull together data models for different scenarios that decarbonise the local areas.	Scenarios Workshop: To explore different potential futures scenarios and agree on the chosen scenarios. ✓	Modelling Approach Meeting: To refine and agree the modelling approach. ✓

Engagement Type Key

- Workshop/Focus Group
- Interviews
- Meetings/Presentations

TROSOLWG O'R RHAGLEN / PROGRAMME OVERVIEW

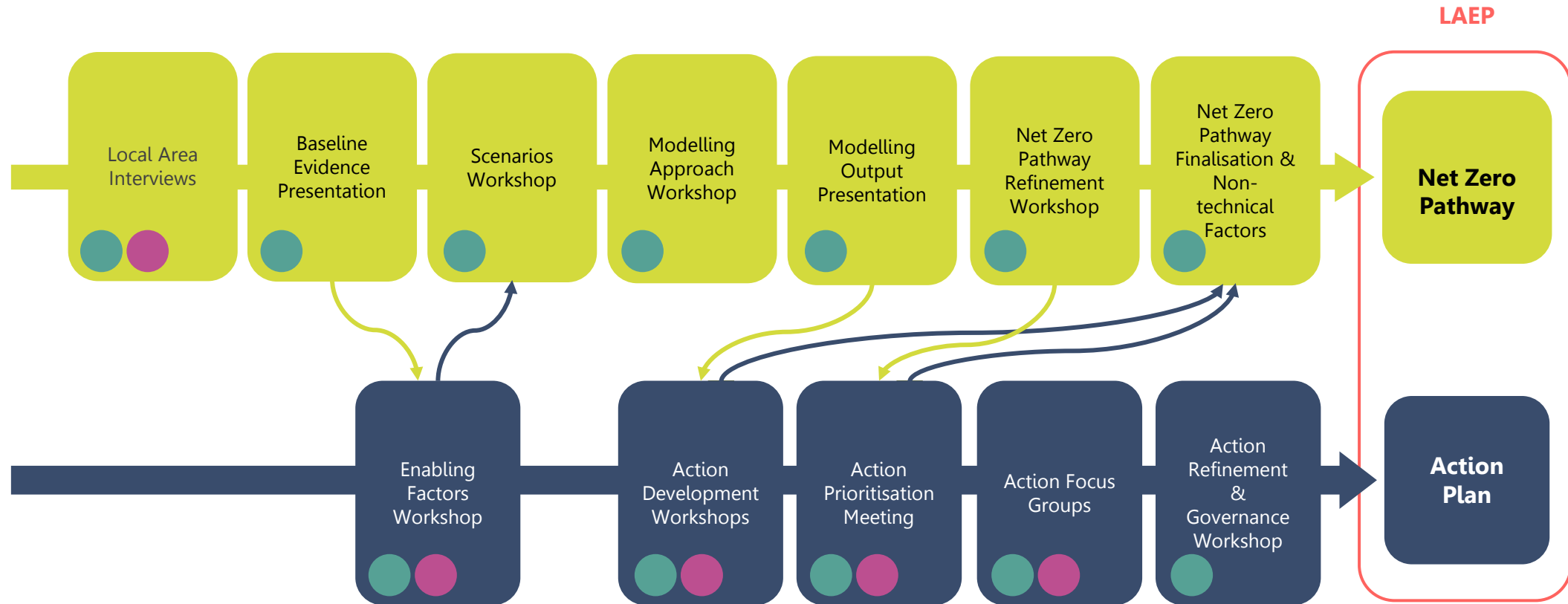
STAKEHOLDER ENGAGEMENTS



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HOW ENGAGEMENTS FED INTO THE FINAL LAEPS

Page 27



Key

- Key Project Stakeholders
- Wider Stakeholders
- Net Zero Pathway Development
- Action Plan Development

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INTRODUCTION TO THE DOCUMENT

Each Local Area Energy Plan consists of two documents:

Main LAEP Report

Technical Annex



(The front covers are placeholders)

Refer to the corresponding chapter in the Technical Annex if you require a more detailed insight into the methodology, assumptions data modelling and results of the LAEP.

3. LOCAL CONTEXT & ENERGY SYSTEM	➔	<p>3.1. Introduction</p> <p>3.2. Local Context & Energy System</p> <p>3.3. Energy System</p> <p>3.4. Energy Demand</p> <p>3.5. Energy Supply</p> <p>3.6. Energy Efficiency</p> <p>3.7. Energy Storage</p> <p>3.8. Energy Security</p> <p>3.9. Energy Resilience</p> <p>3.10. Energy Sustainability</p>
4. THE VISION	➔	<p>4.1. Introduction</p> <p>4.2. The Vision</p> <p>4.3. Net Zero Pathway</p> <p>4.4. Energy System</p> <p>4.5. Energy Demand</p> <p>4.6. Energy Supply</p> <p>4.7. Energy Efficiency</p> <p>4.8. Energy Storage</p> <p>4.9. Energy Security</p> <p>4.10. Energy Resilience</p> <p>4.11. Energy Sustainability</p>
5. INTERVENTIONS	➔	<p>5.1. Introduction</p> <p>5.2. Interventions</p> <p>5.3. Energy System</p> <p>5.4. Energy Demand</p> <p>5.5. Energy Supply</p> <p>5.6. Energy Efficiency</p> <p>5.7. Energy Storage</p> <p>5.8. Energy Security</p> <p>5.9. Energy Resilience</p> <p>5.10. Energy Sustainability</p>
6. ACTION PLAN	➔	<p>6.1. Introduction</p> <p>6.2. Action Plan</p> <p>6.3. Energy System</p> <p>6.4. Energy Demand</p> <p>6.5. Energy Supply</p> <p>6.6. Energy Efficiency</p> <p>6.7. Energy Storage</p> <p>6.8. Energy Security</p> <p>6.9. Energy Resilience</p> <p>6.10. Energy Sustainability</p>

Local Context & Energy System: Provides an overview of the local context from which this LAEP is being delivered. This includes geographic, demographic and socio-economic factors, and a robust understanding of the current energy system. This overview can be used as a benchmark against which progress towards net zero can be measured.

The Vision: Presents a comprehensive vision for Swansea's future energy system, outlining a Net Zero Pathway, which was used to inform and support the detailed action plan.

Interventions: Provides the potential interventions that can be applied across the energy system to reach net zero. It also identifies Focus Zones which are areas where an intervention is suitable on a large scale or could be prioritised.

Action Plan: Provides clear direction, channelling the broader focus on decarbonisation into a set of collective actions to guide Swansea toward the Net Zero Pathway targets.

Both reports follow the same narrative flow. Earlier chapters summarise the findings from the LAEP process, providing a comprehensive overview of the current energy system.

Later chapters consider multiple prospective future energy scenarios and the nature of the potential energy system changes required, ultimately providing potential actionable steps, with the primary goal of achieving net zero by 2050.

The intention of the main report is to serve as a dynamic resource, delivering technical insight in a format that is easily digestible. The Technical Annex provides more technical detail and context.

TROSOLWG O'R RHAGLEN / PROGRAMME OVERVIEW

INTRODUCTION TO THE DOCUMENT

Contents

Page 29

1. Executive Summary	III
2. Introduction	1
What is Local Area Energy Planning	2
The Energy Transition Across Wales	3
Scope	4
Stakeholders	5
3. Local Context & Energy System	7
Local Context & Characteristics	8
Policy Ambitions	9
Existing Programmes	10
Greenhouse Gas Emissions	11
Energy Demand by Sector	12
4. The Vision	17
The Vision	18
Scenarios	19
Net Zero Pathways	21
5. Interventions	29
Interventions & Focus Zones	30
Plan on a Page	31
Interventions by Sector	32
6. Action Plan	49
Action Plan Overview	50
Action Roadmap	52
Actions by Category	53
Next Steps	62
7. References.....	63



CHAMAU NESAF / NEXT STEPS

Page 30

All

05/03/2024:
Councils Provide
Feedback

25/03/2024:
Final LAEP
Delivery

Camarthenshire

14/03/2024:
Corporate
Briefing

25/03/2024:
Pre-cabinet
Meeting

29/04/2024:
Cabinet sign off

**Neath Port
Talbot**

13/03/2024:
Corporate
Briefing

18/03/2024:
Cabinet members
briefing

19/04/2024:
Cabinet sign off

Swansea

02/05/2024:
Corporate
Briefing

16/05/2024:
Cabinet sign off

DIOLCH
THANK YOU



CITY SCIENCE
delivering decarbonisation

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SOUTH WEST WALES CORPORATE JOINT COMMITTEE ENERGY SUB COMMITTEE

27th February 2024

Report of Rachel Moxey, Head of Economic Development and Regeneration, Pembrokeshire County Council

Report Title: South West Wales Regional Energy Policy and Scene Setting

Purpose of Report	To set the scene on factors and governance structures influencing regional energy policy and to outline known developments in regional energy and outline some additional financial resource required for next steps.
Recommendation(s)	That the request for the draw down of £120,500 be passed to the Corporate Joint Committee for decision.
Report Author	Rachel Moxey, Head of Economic Development and Regeneration, Pembrokeshire County Council
Finance Officer	Chris Moore
Legal Officer	Craig Griffiths

Introduction / Background:

The Corporate Joint Committee (CJC) for South West Wales has been mandated to implement a Regional Energy Strategy for the region by Welsh Government and will also soon have the benefit of an extensive evidence base from the production of the Local Area Energy Plans.

This update based upon Appendix 1 “NZIW – Inward Investment Brief_Draft_v4” is intended to ensure CJC Members are aware of the regional landscape, drivers and activities already underway and sets the scene for the future activity in this space.

This report also seeks to secure some initial funding to support the development of an investment pack, along with associated activities and feasibility studies on prioritised projects.

Financial Impacts:

The report requests the draw down of funding from Corporate Joint Committee reserves as detailed below.

Activity	Funding	Delivery partners
Sprint 1 – development of investment pack	£20,500	Regional Energy Leads NZIW

		WGES WG
Sprint 1 – investment campaign	£25,000	Regional Energy Leads, SWIC, NZIW, SBCD, WGES
Sprint 2 – further development of pathways to Net Zero (GIS Mapping, Renewables Projects, Retrofit, GIS mapping of projects)	3x £15,000 - £25,000 (£75,000) initial phases to work on 3 prioritised projects.	WGES and externally appointed consultants Internal local authority resources.
Total	£120,500	

Integrated Impact Assessment:

The CJC is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

In recognition of the above duties, the CJC has adopted an Integrated Impact Assessment (IIA) Tool which allows for a 2 stage approach to be undertaken to measure any potential impact of its decisions. It is not considered that an Integrated Impact Assessment (IIA) is required for this report as it does not seek a substantive policy decision from Members.

Notwithstanding this the CJC Energy Sub-Committee is actively engaged in the development of the South West Wales Regional Energy Strategy – looking at developing the best way of harnessing the region’s low carbon energy potential across its on and offshore locations. This will deliver a prosperous and equitable net zero carbon economy which enhances the well-being of future generations and the region’s ecosystems, at a pace which delivers against regional and national emissions reduction targets by 2035 and 2050.

Workforce Impacts:

This report and Appendix 1 “NZIW – Inward Investment Brief_Draft_v4” has been produced using existing capacity within the regional local authorities and NZIW and there is no workforce impact beyond allocating time to this specific task.

Legal Impacts:

None.

Risk Management Impacts:

In developing this investment pack and the associated works in following sprints the region will be mitigating the risk of failure to meet the WG Net Zero 2050 targets.

Consultation:

No formal consultation required for the purpose of this report. Full consultation included as part of Sprint 1 with key stakeholders.

Reasons for Proposed Decision:

To request the funding decision be referred to the Corporate Joint Committee.

Implementation of Decision:

If agreed this report will need to be added to the Corporate Joint Committee agenda.

Appendices:

Appendix 1 “NZIW – Inward Investment Brief_Draft_v4.

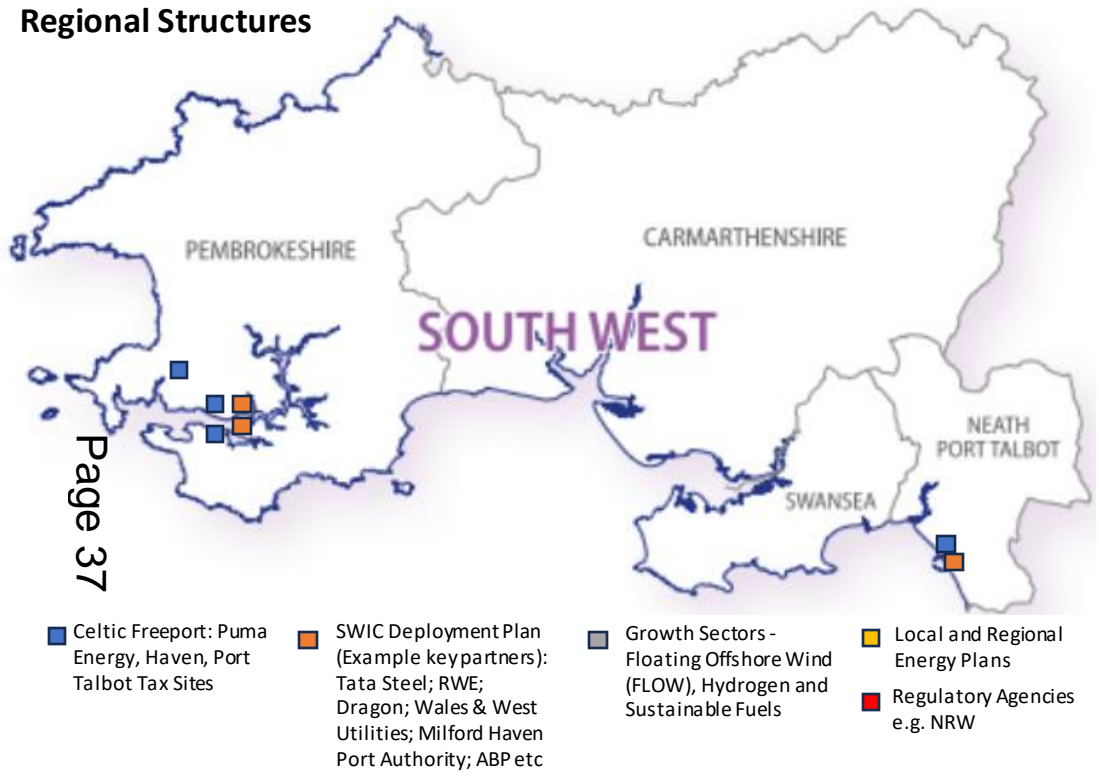
List of Background Papers:

None.

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Sprint 1 – Creating an initial, structured, list of projects (MVP) in support of a number of potential future pathways

Regional Structures



Page 37

Project attributes to be collected

1. Definition, purpose, target market	2. Location, Timeframe: Online, Decommission	3. Project Developer and partners	4. Stage e.g. Concept, Feasibility, FEED, FID
5. Theme (Generation, Decarb, Infra etc)	6. Capacity Measure e.g. GWh, CO2/yr	7. Project Value and investment requirement	8. Features - Standalone or enabling

Key Input Requirements: Stakeholder access/participation; data input

Context and Requirements:

- NZIW is playing a **convening role across several Welsh Regional Structures**, with the purpose of accelerating delivery of decarbonisation and renewable energy projects
- Example organisations NZIW is engaged with:** SWIC Deployment Plan, Dolphyn - FLOW & Hydrogen Demonstrator; IUK Launchpad – South West Wales; MUST Project (Dragon/RWE); NRW
- South West Wales CJC is looking to drive a **campaign to secure inbound investment** to drive projects within its region, building on planning work undertaken by the listed Regional Structures. It is looking to create a structured list of in-flight projects as a pre-cursor to creating an investment prospectus and marketing for external investment
- NZIW is well placed to support this, building on existing work e.g. SWIC Exploitation plan

Sprint 1: Build the network and creating an initial list of projects

- Working with CJC, NZIW will initiate the foundations of investment prospectus across the following:
 - Focus on SW CJC region
 - Identify and engage with a contact point within each Regional Structure - this network will support Sprint 1 and be further utilised in future sprints
 - Generate a structured list of regional projects contained within Regional Structures (use of online forms to collect basic data, interview follow up)
 - Overlaying an initial narrative that integrates elements, advocates regional vision, culture, policy and regulation and timeframe and serves as an input to i) formal investment prospectus and ii) supports building the investment marketing campaign (NB - i) and ii) the focus of future sprints)
- SW Wales CJC can support development of this work through its connections to Local and Regional Energy Plan initiatives as well as the Celtic Freeport
- A similar method to build a project pipeline was followed by Net Zero North West in building the overall cluster investment case [investment case](#)
- Sprint 1 will provide a data set to support a number of potential future pathways for Sprint 2 and beyond e.g. to support GIS mapping of projects, focus for skills investment, an investment campaign

Activities, Timeframes, Costs

1. Preparatory Desktop Research (3 days Snr Consultant)	Total Days: 14 6 – 8 weeks elapsed executed alongside other NZIW in-flight initiatives Start: for discussion
2. Identify, document, communicate stakeholder (1-2 per structure) (1 day)	
3. Design form to collect Project Attributes (2 day)	
4. Stakeholder introductory meetings & issue form (3 days)	
5. Receive/analyse data, as req'd, follow up stakeholder discussions (3 days)	
6. Create overlay narrative (2 days)	
Total Cost: £20,500	

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