

Renewable Energy - UK - October 2019

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“While deployment of onshore wind and solar PV has slowed following the removal of government subsidies, the UK offshore wind sector continues to go through a period of strong expansion. Growth in the sector is driven by rapid cost reductions, technological innovation together with continued government support.”
– **Claudia Preedy, B2B analyst**

This report looks at the following areas:

- Continued government support, increased competition and technological innovation help to drive down offshore wind prices ahead of expectations
- Investors are starting to see opportunities in subsidy-free projects, with solar PV at forefront of subsidy-free deployment

Renewables' share of total UK electricity generation reached 33% in 2018. Renewables are set to continue to play an increasingly important role in UK electricity supply, but the deployment of more mature technologies, such as onshore wind and solar PV has slowed amid reduced government support. However, the costs of these technologies are falling rapidly, while more affordable storage solutions and new finance models (eg PPAs) are being developed, suggesting more mature technologies could experience a new wave of growth in a subsidy-free world.

The development pipeline for offshore wind projects remains particularly healthy. Since 2008, the UK has been the world leader in offshore wind, with more installed capacity than any other country. The offshore wind industry has also been successful in significantly reducing costs in recent years, with costs set to continue to fall. This has been achieved through the adoption of larger turbines, increased competition and the lower cost of capital.

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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