

REF

RENEWABLE ENERGY FOUNDATION

Press Release
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2010 RENEWABLES TARGET MISSED BY LARGE MARGIN

The Renewable Energy Foundation (REF) today published an Information Note on the performance of the UK renewables sector in 2010 based on analysis of new DECC and Ofgem data (see www.ref.org.uk). The work shows that the 2010 target for renewable electricity has been missed by a large margin, and confirms longstanding doubts as to the feasibility of this target, and the still more ambitious target for 2020.

The key findings are:

- The UK failed to reach its 10% renewable electricity target for 2010, producing only 6.5% of electricity from renewable sources, in spite of a subsidy to renewable generators amounting to approximately £5 billion in the period 2002 to 2010, and £1.1 billion in 2010.
- Onshore wind Load Factor in 2010 fell to 21%, as opposed to 27% in 2009, while offshore fared better declining from 30% in 2009 to 29% in 2010.
- Although low wind in 2010 accounts for some part of the target shortfall, it is clear that the target would have been missed by a large margin even if wind speeds had exceeded the highest annual average in the last 10 years.
- The substantial variation in annual on-shore wind farm load factors is significant for project economics, particularly Internal Rate of Return (IRR), and future cost of capital.
- Planning delays do not appear to have been responsible for the missed target, with large capacities of wind farms, both on and offshore, consented but unbuilt.*
- The failure to meet the 2010 target confirms doubts as to the UK's ability to reach the 2020 EU Renewable Energy Directive target for 15% of Final Energy Consumption, a level requiring at least 30% of UK electricity to be generated from renewable sources.

Dr John Constable, Director of Policy and Research for REF, said: "The EU's renewable targets have long been known to lack credibility and clarity of purpose. The UK results we are publishing today show that in spite of very high costs to consumers, the 2010 target has been missed by a large margin, and that consequently the EU 2020 target is plainly beyond reach. The counterproductive target-led renewable policy agenda to 2020 has now reached the end of the road, and should be replaced with a more feasible and reasoned strategy."

*See <http://www.bwea.com/ukwed/consented.asp>

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Notes for Editors:

1. The Renewable Energy Foundation is a registered charity promoting sustainable development for the benefit of the public by means of energy conservation and the use of renewable energy.
2. REF is supported by private donation and has no political affiliation or corporate membership. In pursuit of its principal goals REF highlights the need for an overall energy policy that is balanced, ecologically sensitive, and effective. REF makes freely available the most comprehensive database of renewable energy generator performance in the United Kingdom: <http://www.ref.org.uk/roc-generators/>