

# RECHARGE

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## 'Thanks to ScotWind, 17 January was one of offshore wind's most momentous days'

Gunnar Herzig, managing director of World Forum Offshore Wind (WFO). Photo: WFO



*OPINION | The scale of floating capacity awarded and the rock-solid international array of winners means this week's Scottish leasing round joins the first subsidy-free deals as an industry milestone, writes Gunnar Herzig*

By **Gunnar Herzig**

What a day Monday was for the global offshore wind industry. The sheer numbers of the ScotWind tender results are mind-boggling, with 25GW of potential offshore wind capacity awarded. For context, that amounts to more than twice the operational offshore wind in UK waters to date and more than half the total globally of about 42GW.

Even more impressive is the fact that **more than half of the total was awarded** to floating wind projects, which account for about 15GW.

What this means for the future of this technology can hardly be overstated. The ScotWind tender results clearly mark the commercial breakthrough of floating wind. The successful allocation of capacity to multiple bidders from around the world leaves no doubt that the industry is ready to fully embrace floating's build-out.

While demonstration projects and smaller-sized floating wind farms have already been successfully up and running for several years, all projects currently in operation are well below 100MW. The world's largest operational floating offshore wind farm to date is the 50MW **Kincardine project off the Scottish coast**. The fact that on Monday, projects with capacities of several hundred – even thousands – of megawatts were awarded is an enormous success for floating wind as a serious technology for electricity generation.

### **Solid, international bidders**

Given the massive increase in projects' size, two elements make the ScotWind auction results truly remarkable.

First, there is the extremely solid nature of the successful bidders. All companies are well-known and highly credible major developers, suppliers or technology providers from the energy sector. This makes successful development, construction, and operation of projects highly likely, which is essential as non-realisation of awarded projects can have disastrous consequences for a relatively new technology.

In the case of ScotWind, the rock-solid set of auction winners reduces the risk of project non-realisation immensely.

Second, the international diversity reflected by the winning companies makes the ScotWind results not just significant for Scotland, the UK or Europe, but for floating wind worldwide. Winners include companies not only from European countries ranging from Norway to Spain, but also players from Japan and North America, thus underlining the global significance of ScotWind for the industry.

All of this makes this Monday 17 January 2022 one of the offshore wind industry's most momentous days, just like the day the first offshore wind auction **yielded previously unthinkable zero-bids** in Germany on 13 April 2017.

Developments like these would have been unimaginable only a few years ago. This week, a new reality has been set that takes the entire industry to a whole new level.

World Forum Offshore Wind (WFO) is thrilled to be part of the phenomenal journey ahead for floating offshore wind. We will continue the work of our highly dynamic Floating Offshore Wind Committee, which includes many of the winners.

*Gunnar Herzig is managing director of industry organisation World Forum Offshore Wind*