

WG 3: Sector Opportunities

Lessons from 1st research phase

Offshore Wind

- Macro issues related to:
 - **Returns under pressure**
 - **Supply chain challenges**
 - **Competition for capital**
 - **Competition for skills**
- Local issues related to:
 - **Planning process improvements and transparency**
 - **Coordination and communication between private and public sector**

Hydrogen

- **Appetite from ministers** to pursue hydrogen development
- **Distant investment opportunity** from the market point of view
- **Lack of demand certainty** for hydrogen
 - **Long term planning challenging without committed long term off-takers**
 - **Competing with electrification for heat in buildings**

Heat in Buildings

- **Diverse range of activity already underway at regional and national level**
- **Need for aggregation** across investment opportunities to match investor requirements;
- Addressing the **capability gap**
- **Coordination** across government and local authorities

Next steps for the 2nd research phase

- Engage with developers, ports, OEMs & service providers to identify levers
- Engage SNIB on current OSW fund concept
- Further research on floating offshore wind, building on the FLOW Taskforce Report
- Explore the skills gap issue

- Engage with Scotwind developers on current approach to hydrogen
- Engage with hydrogen experts, including James Hutton Institute, and market actors to evaluate the demand opportunity
- Engage with potential future consumers of export hydrogen

- Gather investors' prospective on the outputs of the Green Heat Finance Taskforce
- Engage with institutional investors looking into heat and energy efficiency
- Explore potential for aggregation, as well as on lending for households