Cabinet Office

Report on the potential of offshore wind energy for Jersey

November 2025

Government of Jersey

Ministers' Introductions

Minister for the Environment

This Report marks the culmination of three years of detailed work to understand whether offshore wind could bring long-term benefits for Jersey. Initiated by the previous Government, I was pleased to continue this important project, which reflects our shared ambition to strengthen energy security, diversify our economy, and play our part in the global transition to net zero.

The findings are encouraging. The evidence shows that offshore wind is technically feasible and that, under the right conditions, it could deliver significant economic benefits for the Island. However, before any decision to progress can be made, we must first secure fair and practical access to neighbouring energy markets. That is why I have prioritised discussions with counterparts in both the UK and France to understand the conditions under which Jersey could export energy and to ensure that any arrangement delivers a clear net benefit for Islanders.

An offshore wind project would be the largest infrastructure endeavor in Jersey's modern history, offering great potential, but also requiring careful consideration. In an uncertain global environment, with fluctuating markets and changing political priorities, it is right that we take the time to assess all factors fully before proceeding. This period provides valuable space to plan strategically and to build strong foundations for future decisions.

I am grateful to all who have contributed to this work - from industry experts and environmental groups to the Offshore Wind Scrutiny Panel and members of the public. Their insight and engagement have helped create a comprehensive evidence base and ensure transparency in this process.

Jersey now stands in a strong position to make informed choices about its energy future. This is about shaping opportunity for the next generation - acting wisely, based on evidence, and keeping the interests of Islanders at the heart of every decision.

Deputy Steve Luce
Minister for the Environment

Minister for Sustainable Economic Development

Offshore wind presents a potentially transformative opportunity for Jersey—economically, environmentally, and strategically. From the outset, the economic potential of this sector has been integral to our approach. We have sought to understand how offshore wind could contribute to a more sustainable and resilient economy, create employment, and attract international investment and innovation. These considerations will continue to guide our thinking as we move forward.

At the same time, we are committed to ensuring that any future decisions are grounded in robust evidence and a clear understanding of market viability. The development of offshore wind is complex and requires careful consideration of our location, alongside geopolitical, environmental, technical, financial and social factors.

Jersey's long-term economic strategy, as set out in the Future Economy Programme, calls for bold thinking and a willingness to explore new opportunities. Offshore wind is one such opportunity - one that could help us meet our climate commitments while also supporting sustainable economic growth. But it is essential that we proceed with care, ensuring that any future development is in the best interests of Islanders and aligned with our broader strategic goals.

I am proud of the work undertaken so far and grateful to all those who have contributed to this important process. This report is a reflection of our commitment to transparency, evidence-based decision making, and long-term planning. It is not a conclusion, but a milestone in our journey to explore what offshore wind power could mean for Jersey.

We remain open-minded about the future of offshore wind, and we will continue to assess its potential with rigour and ambition. Whatever the outcome, the economic opportunity will remain central to our approach, as we work to secure a sustainable and prosperous future for our Island.

Deputy Kirsten Morel
Minister for Sustainable Economic Development

Executive Summary

Introduction

In April 2024, the States Assembly mandated the Council of Ministers to investigate the potential for an offshore wind farm in Jersey's south-west waters, following approval of Proposition P.82/2023 [1]. The Minister for the Environment led this work alongside the Minister for Sustainable Economic Development. Work in this phase has focused on understanding the conditions necessary for a developer to safely and effectively construct, operate and decommission an offshore wind farm. The ultimate purpose is to enable the States Assembly to make an evidence-based decision on progress of the project that secures the best outcomes for Islanders.

By supporting Proposition P.82/2023 the States Assembly set certain parameters for analysis. These included that:

- Jersey should prioritise work on offshore wind (as the then most viable large scale offshore renewable energy source);
- A potential wind farm should have capacity to produce up to around 1,000 MW (1 GW) of electrical power (more than the Island can consume);
- It should be situated in the south-west of Jersey's territorial waters; and
- It should be focused on meeting the needs of Islanders, to power the Island's future economy and to create energy for export.

Summary

This Report presents a comprehensive policy appraisal of enabling the development of an offshore wind farm in Jersey's territorial waters. It draws on over three years of detailed technical, commercial, economic, and regulatory work. It is underpinned by a robust evidence base that includes economic analysis, technical assessment, stakeholder engagement, and diplomatic discussions. The work has centred on determining what would be required to advance offshore renewable energy being developed in Jersey's waters but only if doing so delivers a clear, measurable benefit for Islanders.

Key Findings

The key findings of the policy appraisal are summarised here:

Feasibility

Jersey's unique characteristics constrain the potential for exploiting offshore wind.

The sizeable challenges of visual, environmental and other marine user impacts of wind turbines are currently believed to present unattractive development opportunities in all but a single site in the south-west of Jersey's territorial waters. This site has been identified previously and its extent has been refined in this phase of work.

Based on the currently available evidence, a purely technical assessment, the area of interest appears to represent a good opportunity for developers.

[1] States Assembly | P.82/2023 'Offshore Wind'

The area of interest can accommodate a maximum capacity of around 1 GW of power.

Feedback from industry has confirmed advice that only a wind farm with 1 GW capacity or more is economically attractive. Jersey is highly unlikely to have capacity for more than one utility-sized offshore wind farm in our waters.

Jersey cannot consume all the power generated from a 1 GW offshore wind farm. In all scenarios energy must be exported. Technical assessments show that both the UK and French are viable markets. Additionally, there might be a case to land power on Jersey, but this adds cost and complexity and so mandating on-Island power delivery should be avoided at this early stage.

Finding 1 - Feasibility
Only one viable site, located in Jersey's south-west territorial waters, has been identified as suitable for development. It has an estimated maximum capacity of around 1 GW. Jersey cannot consume all the power generated from a commercially viable project; all viable options require energy export arrangements with another jurisdiction.

Timing

It typically takes 7-11 years to consent a wind farm in Europe. A reasonable planning assumption is that, if approved, a potential wind farm in Jersey could be operational around 2040 and would reach the end of its life around 2065. After this, the site could be repowered (i.e. new turbines installed on existing or new towers) or decommissioned (at the operator's expense) and the site made available for other marine uses.

Finding 2 - Timing
If Jersey proceeds, development could begin in the late 2030s with operations commencing around 2040: this aligns with the earliest opportunities to connect to networks in the UK and France.

The Role of Government

A wind farm would cost billions of pounds for a developer to construct and operate. There is no scenario in which Government could build a wind farm independently or as a senior part of a consortium. Jersey Electricity currently has no plans to participate in a developer consortium, although it continues to play a key role, particularly should some of the power be landed on the Island.

The role for Government would be to create conditions to allow a capable developer to construct and operate a wind farm (through activities such as legislation, regulation and consenting) whilst securing benefits for the Island. This initiative requires Government funding and resources with the inherent risk that the anticipated benefits for Islanders may not be realised.

To secure an export market, the Government must undertake detailed technical and legal arrangements with the government of an importing jurisdiction. These negotiations can only progress at the pace agreed by all parties.

There would be significant costs to Government should wind farm development be progressed. Specialist skills would be needed to negotiate, manage and regulate Market Access; undertake a site leasing auction; consent and regulate a wind farm and oversee its operation and decommissioning. These are currently not available within Government and will (regardless of the preferred solution) cost tens of millions of pounds over the course of the lifetime of the project (up to five decades from initiation to decommissioning).

Finding 3 – The role of Government
The Government's role would not be to invest directly in a wind farm. Instead, it must focus on putting in place legislation and regulations for the consenting, construction, operation and decommissioning of a wind farm; securing beneficial Market Access terms; and managing the environmental, planning and community outcomes whilst regulating development, construction and operation of the wind farm. There would be a cost to Government for these activities of tens of millions of pounds over the lifetime of the project. To support a case for Jersey progressing, the return from the potential wind farm (which may not materialise for many years after the start of operations) should more than offset these costs to Government at a tolerable level of risk.

Conditions for Success

A decision to commit further Government resources and funds relies on an understanding of the potential net return for Islanders and the probability of it materialising (acknowledging that attitudes to risk and certainty will vary).

The benefits available to Islanders are dependent on:

- The attractiveness of a Jersey project to developers and hence the intensity of competition and the likelihood of attracting a high-quality and proven developer.
- The price or conditions exacted by export markets upon Jersey for the right to access markets.

Developers assess potential risk and reward when deciding where to invest. In a market of many opportunities, Jersey must offer a competitive opportunity to attract high quality bids.

Based on current estimates of the costs to developers and assuming developers are able to access state aids in an export market, financial analysis suggests offshore wind has good potential for a developer in Jersey.

Additionally, a project's attractiveness depends on Jersey securing favourable access to UK or French energy markets. Until those terms are agreed, including anything the export market jurisdiction requires in return, it isn't possible to fully quantify the potential the net benefit to Islanders. This means it is difficult for decision makers to decide to proceed and, even if they did, a leasing process would carry significant uncertainty until Market Access conditions are known.

Finding 4 - Dependencies
In order to be successful, Jersey must both compete with other jurisdictions to attract a competent developer and export power into well-connected international energy markets on terms with which decision-makers are satisfied. Without certainty of favourable Market Access, it is highly unlikely that a competent developer would commit to a revenue generating lease. Uncertainty around Market Access would also mean that all early Government expenditure (up to 50% of the total over the life of the wind farm) would be at risk

Finding 5 - Making the case for progressing a wind farm
For decision makers to commit Jersey to progressing with an offshore wind farm, they must have greater certainty of the benefits for Islanders, which can only be achieved through securing favourable terms of Market Access from an export market jurisdiction. The terms imposed by other jurisdictions to access their energy markets may be challenging and not necessarily benign. Understanding the basis for Market Access is therefore the priority in the next phase of the project.

Market Access

There are two necessary steps to understand Market Access and each have resource implications:

1. The first step is for export market jurisdictions to lay out their expectations in terms of the volume of legislative, regulatory and commercial documentation they foresee as necessary to enact Market Access. With this information, Government can size the effort (and hence the cost) of work. This first step can be performed within existing budget and resources.

   Despite regular engagement with counterparts in the UK, France and other Crown Dependencies, government-to-government discussions with both the UK and France are advancing but are not yet concluded at the level of detail required.

2. The second step is to embark on negotiations to agree the terms of Market Access. This includes the technical practicalities of transmitting power, commercial and regulatory conditions for supplying energy and rights to apply for state supported financial mechanisms in the receiving jurisdiction. These discussions are the responsibility of Government and require specialist legal and technical resources to conclude. Costs are estimated at around £2 million and to take around one year to complete, once the partner governments are ready to embark upon the engagement process.

Offshore wind remains the most mature large scale offshore renewable energy source available to Jersey at this time. Other renewable energy sources may become viable in the future, should be investigated on their own merits, and could be additional to any offshore wind farm. Any project where excess energy requires export to another jurisdiction requires an understanding of Market Access. Therefore, this work in relation to wind is a ‘test case’, its outcomes will shape all future renewable energy projects, including tidal power, so it has merit even if the Island does not progress a wind farm in the near future.

Finding 6 – Negotiating Market Access
Market Access discussions are already under way, but despite regular and persistent engagement, the potential importing jurisdictions have not yet been able to progress discussions to the required detailed technical and legal level. Therefore, the resources required to support these negotiations cannot yet be estimated and requested.

Finding 7 – Market Access as a test case
This work is also a 'test case' that will inform the approach to future renewable energy projects, including tidal power, regardless of whether Jersey ultimately proceeds with offshore wind development.

Economic Potential - The case to progress

To continue to assess the economic potential of offshore wind to Jersey we have made an assumption that the terms of access to UK or French energy markets is neutral to Government and, that developers can access the UK or French energy markets on the same terms as currently offered to offshore wind projects operating in a single jurisdiction.

We can make an estimation based on current estimates of the costs to Government but must recognise the important caveat that the benefits are dependent on securing the above assumed favourable access to UK or French energy markets which cannot currently be guaranteed.

In this scenario, economic modelling suggests offshore wind could deliver potential benefit to Jersey in the range of at least £4 for every £1 invested by Government[2]. This return would be through tax or leasing revenues but not through significant numbers of local jobs or supply chains.

Finding 8 - Economic potential
Any economic return is entirely dependent on securing favourable access to UK or French energy markets on terms acceptable to Jersey. If favourable Market Access were to be secured, initial modelling indicates offshore wind could deliver a potential benefit of at least £4 for every £1 of public expenditure on this project. This would be gained primarily (but not solely) through fiscal and leasing revenues.

Finding 9 – Producing a full economic assessment
Only after the two steps to determine Market Access are completed can a fully detailed economic assessment be produced for decision makers to choose whether to progress the project and set up the conditions for opening a leasing process. The subsequent phase of the project is estimated to cost around £2 million per year over a further three years.

[2] The economic modelling, developed in line with HM Treasury's Green Book and peer reviewed, assumes developers can access UK or French energy markets and benefit from existing contract-for-difference arrangements. It also assumes stable development and operating costs in real terms. Based on these assumptions and current information, offshore wind could deliver returns of at least four times the Government's investment. However, these outcomes depend on securing favourable market access, and the modelling will need to be updated once those terms are confirmed.

Geopolitical Risk

Since the beginning of the project, market conditions have changed. Global conflict and trade restrictions have increased volatility in both traditional energy sources and renewables with fragile supply chains and unstable pricing. This is often exacerbated by polarising domestic politics and the urgent need for growth to offset escalating national debt.

Furthermore, the wind industry, whilst still growing, is going through some corrections mostly because of increased supply costs and the cost of financing. In this climate Jersey is reliant on export market jurisdictions to free up time and resources to address its requests. Early indications are that this may take time, potentially years.

Finding 10 – Geopolitical risk
Current global market and industry conditions remain unsettled, with higher financing costs and competing pressures on supply chains. Given these dynamics, and the timing of available grid connections to the UK and France, it is advantageous for Jersey to take stock and prepare, positioning itself to act when conditions stabilise and opportunities are stronger.

Selection of a developer

Recognising that there is a current 'bottleneck' around the terms of Market Access, it is possible to proceed in two ways. A developer partner could be selected:

- **After the terms of Market Access are negotiated and agreed by Government** – In this scenario, Government retains the full ownership of the negotiating position and can decide at any point to exit discussions, if the conditions of Market Access are unfavourable or there is no consensus to progress a wind farm for Jersey.
- **Before the terms of Market Access are negotiated and agreed** – In this scenario it is implicit that there is agreement to progress the project if favorable terms are negotiated. A lease process is opened quickly and the preferred developer is selected quickly. The developer works alongside and in parallel with both governments (for example how the Isle of Man has done with Ørsted). Whilst working closely with a developer may expedite inter-jurisdictional discussions, it is not anticipated that this approach would reduce necessary Governmental effort or cost.

Finding 11: Selection of a Developer
It is possible for a developer to be appointed early and for them to work in parallel with Government to negotiate the terms of Market Access. However, securing Market Access terms that are in the Island's overall best interest is more likely to be achieved if a developer is not part of this process. Furthermore, it gives latitude for decision makers to make an evaluation of the net benefit, or otherwise, of a project without having entered a commercial arrangement with a developer.

Finding 12: The costs of running a leasing process
Concluding a leasing process requires significant funds. Estimated at c. £2 million per year over seven years, in phases to i) negotiate detailed Market Access terms, ii) enact necessary legislative changes iii) prepare and run a leasing process, and iv) establish regulatory capability so that detailed site exploration and consenting could commence.

Conclusions

Despite uncertainty in the industry and challenging issues for Jersey to overcome, there remains a potential economic opportunity for Jersey in allowing the development of an offshore wind farm in Jersey's waters and developers are curious about the potential of a Jersey site.

However, significant uncertainty remains without understanding the conditions and implications of Market Access from an importing jurisdiction. Therefore, it is not possible for decision-makers to assess the full benefits and determine whether to proceed. Legislation, regulation and a leasing process will be influenced by Market Access arrangements. Finalising these before Market Access is understood may at best waste resources and at worst undermine the benefits for Islanders.

Deciding to lodge legislation and open a lease process must only follow a clear, evidence-based decision to progress a wind farm in Jersey's waters because it would bring net-benefit for Islanders. This cannot be determined without consideration of the terms of Market Access and therefore it is premature to open a leasing process.

Consideration must also be given to timing in respect of global trends and geopolitical risk which are not currently as favourable as they were in 2022 when this project began.

Conclusion: It is premature to open a lease process
Although offshore wind could offer Jersey real economic potential, current market uncertainty, geopolitical risk and unclear access to export markets make this an unfavourable time to proceed with a leasing process. A decision should only follow once market conditions and access terms are clearly understood and shown to deliver a net benefit for Islanders.

Key Recommendation

Securing Market Access is essential for any renewable energy project and this work stream should be our next focus. Given the current limited clarity from UK and French governments, we plan to continue until the scope of discussions becomes clear. The pace of work is entirely dependent on the responsiveness of the UK and French governments. This internal work currently comes with no additional budgetary or resource requirements and no request for resources is captured in the 2026 Budget.

Fully developed negotiations will require specialist legal and technical assistance, but currently this cannot be scoped.

When there is sufficient engagement from other jurisdictions to define the next phase of work it will be possible to assess the level of additional support needed.

When the scope of Market Access negotiations becomes clear a business case for additional resources can be developed, subject to Ministerial and Council of Ministers' agreement.

In the meantime, proportional engagement alongside the Isle of Man and Guernsey will continue, paced by external interest.

Moving to a lease process will be postponed until agreement is reached on Market Access to a satisfactory position for Jersey followed by an agreement by decision makers to progress.

Recommendation
Work to clarify the basis upon which the UK and France would allow Jersey access to their energy markets will continue within existing budgets. Once the scope is understood, a business case for the legal and technical resources needed to complete the negotiations will be developed for consideration by the Council of Ministers.

Policy Appraisal

Contents

Section 1 Introduction 15

Section 2 Context 16

Section 3 Energy Demand 22

Section 4 Visual Impacts 24

Section 5 Timelines 30

Section 6 The Role for Government 32

Section 7 Securing Market Access 35

Section 8 Commercial Attractiveness to a Developer 40

Section 9 Economic Analysis 49

Section 10 Geopolitical Risk 51

Section 11 Concluding Remarks 56

Appendix 1 - Background 60

Appendix 2 - Key Themes 63

Appendix 3 - Legislative and regulatory work ahead 67

Appendix 4 - Stages in the lifecycle of a wind farm 72

Appendix 5 - List of Figures 76

Glossary 77

Section 1 Introduction

In April 2024, following a public consultation[3] in which over 70% of respondents were positive about the potential to develop an offshore wind farm, the States Assembly, having approved Proposition P.82/2023 on Offshore Wind, mandated the Council of Ministers to investigate the potential opportunities arising from the development of an offshore wind farm in the south-west of Jersey's territorial waters (for further background information see Appendix 1).

By supporting the Proposition, the States Assembly agreed that a development with capacity of up to around 1,000 MW (1 GW) should be explored in order to meet the needs of Islanders, to power the Island's future economy and to create energy for export. Work in this phase has focused on understanding the conditions necessary for a developer to construct, operate and decommission an offshore wind farm in Jersey's territorial waters, and to ensure such development will be safe and effective. This Policy Appraisal has collected broad and deep evidence including economic analysis, technical appraisal, stakeholder discussions and diplomatic engagement.

The focus of this work is to enable informed decision-making by the States Assembly; ensuring any future development would be safe, economically viable, environmentally responsible; politically and administratively sustainable and if the evidence supports it, laying the groundwork for a future leasing process that secures the best outcomes for Islanders.

Recognising that Jersey hasn't built an offshore wind farm, or any other industrial facility of this scale in its past, deep technical support and market expertise is essential. Officers have been supported in this assessment, by ERM (Environmental Resources Management), a global sustainability consultancy specialising in renewable energy, who won an open competitive process in January 2025 in line with Government procurement rules/policies. ERM has provided expert advice, overseen by an internal multi-disciplinary team, to underpin robust policy recommendations to Ministers. Work undertaken by ERM is available and referenced where applicable in support of this Policy Appraisal.

In developing this Policy Appraisal, the views of stakeholders have been carefully considered including the views of the States Assembly, the Offshore Wind Review Panel, the offshore renewable energy industry, local interest groups and the public. Particular attention has been paid to the issues that were raised by the public in the initial public consultation. These issues included the potential impact on energy security, potential environmental impact, potential benefit to Islanders, potential impact on the fishing industry, possible future renewable energy needs and future generations (for more information see Appendix 2).

The Government has, on an ongoing basis, published background and contextual information to help with understanding this complex and technical issue. This information can be found here. In addition to detailed appendices at the end of this Policy Appraisal, links to specific information that may assist with understanding are provided throughout this Policy Appraisal.

This Policy Appraisal walks the reader through contextual information on the technical characteristics of a potential wind farm before examining the role of governments. The Appraisal goes on to explore current market conditions, the consequences for developers, Islanders and Government. In its concluding sections, the Appraisal sets out what would be required to advance offshore renewable energy in Jersey's waters whilst balancing risk and the measurable net benefits for Islanders.

[3] Offshore Wind consultation

Section 2 Context

Proposition P.82/2023 set certain parameters for analysis. These included that:

- Jersey should prioritise work on offshore wind (as the then most viable large scale offshore renewable energy source);
- A potential wind farm should have capacity to produce up to around 1,000 MW (1 GW) of electrical power;
- it should be situated in the south-west of Jersey's territorial waters; and
- it should be focused on meeting the needs of Islanders, to power the Island's future economy and to create energy for export.

Earlier feasibility assessments suggested that wind power might present a potential opportunity for Jersey. This work has been reassessed and reaffirmed in the current phase.

Based on the total area of interest identified in the Bridging Island Plan, technical advisers have confirmed that:

- The sizeable challenges of visual, environmental and other marine user impacts of wind turbines are currently believed to present unattractive development opportunities in all but a single site in the south-west of Jersey's territorial waters.
- The identified area can accommodate a maximum capacity of around 1 GW of power.
- Jersey is highly unlikely to have capacity for more than one utility sized offshore wind farm in its territorial waters.

Feedback from industry has confirmed advice that a wind farm with less than 1GW capacity is economically unattractive.

Market scanning highlights that offshore wind remains the most technically and commercially mature large scale offshore renewable energy source available to Jersey at this time. Other energy sources may become viable in the future and should be investigated on their own merits; they could be additional or alternative to any offshore wind farm.

A wind farm would cost billions of pounds for a developer to construct and operate. There is no scenario in which Government could build a wind farm independently or as a senior part of a consortium.

Jersey Electricity has advised that it has no ambition at the current time to take the lead or participate in a consortium to build a wind farm, albeit they would have a critical role should a wind farm be progressed and power landed on Island.

In order to assure firm foundations for work in the current phase, the evidence behind the assumptions and decisions in Proposition P.82/2023 have been reviewed. Market scanning[4] highlights that offshore wind remains the most mature large scale offshore renewable energy source available to Jersey currently. Other energy sources may become viable in the future and should be investigated on their own merits[5]; they could be additional or alternative to any offshore wind farm. It is important that work on offshore wind development can be used to progress the development of other sources of energy in the future.

Earlier feasibility assessments suggested that wind power might present a potential opportunity for Jersey[6]. Such feasibility assessments evaluated a maximum energy generation capacity of 3.3 GW, should all of Jersey's waters be utilised. This however has been assessed as impractical, since this would impinge on other uses of Jersey's marine resources including environmental protected areas, shipping channels and fishing grounds[7]. Initial feasibility assessments continued to identify the most likely development zones that can generate in total around 1,000 MW of installed capacity in the south-west of the island's territorial waters[8]. The Bridging Island Plan 2022-25 [9] (BIP) identified an area of interest for offshore wind which was further recognised in the Marine Spatial Plan[10] (MSP).

Figure 1: The Area of Interest set out in the Bridging Island Plan

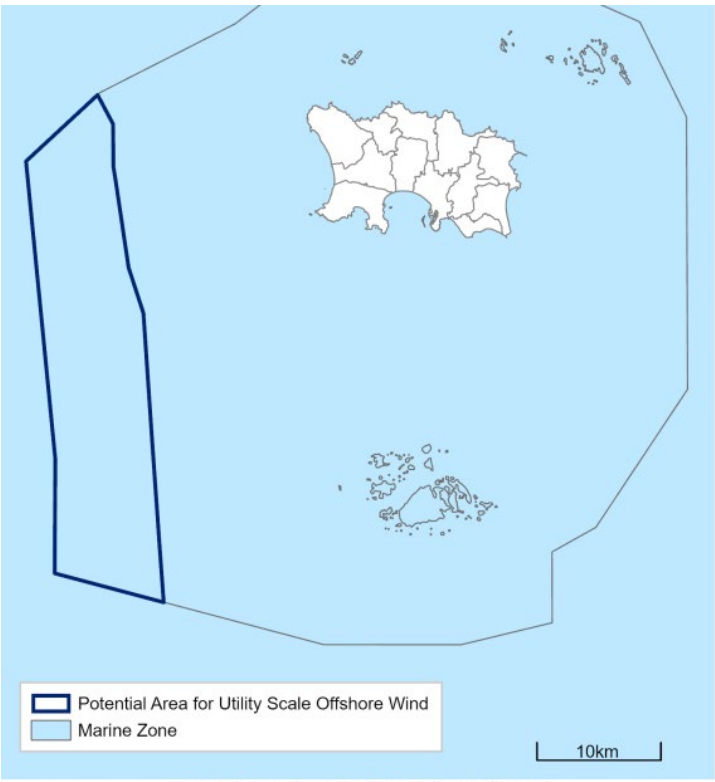


Figure ME3: Jersey Offshore Wind Pre-Feasibility Study 2018

[4] Top 10: Wave and Tidal Projects | Energy Magazine
[5] PowerPoint Presentation slide 4
[6] Offshore Wind Feasibility Study
[7] Offshore Wind Feasibility Study page 66
[8] Offshore Wind Feasibility Study section 7
[9] Policy ME5 Bridging Island Plan.pdf – *"Development proposals for exploratory, appraisal or prototype offshore utility-scale renewable energy schemes will be supported, where their environmental impact is considered to be acceptable"*
[10] Marine Spatial Plan Priority IT4 Utility scale offshore wind generation – "*To support the principle of utility scale offshore wind generation in the south-western part of the Bailiwick*"

Proposition P.82/2023 identified the combined Zones A and B (based on preliminary investigations) as a potential location which fall within the BIP and MSP footprint.

Figure 2: Zones identified in Proposition P.82/2023 [11]

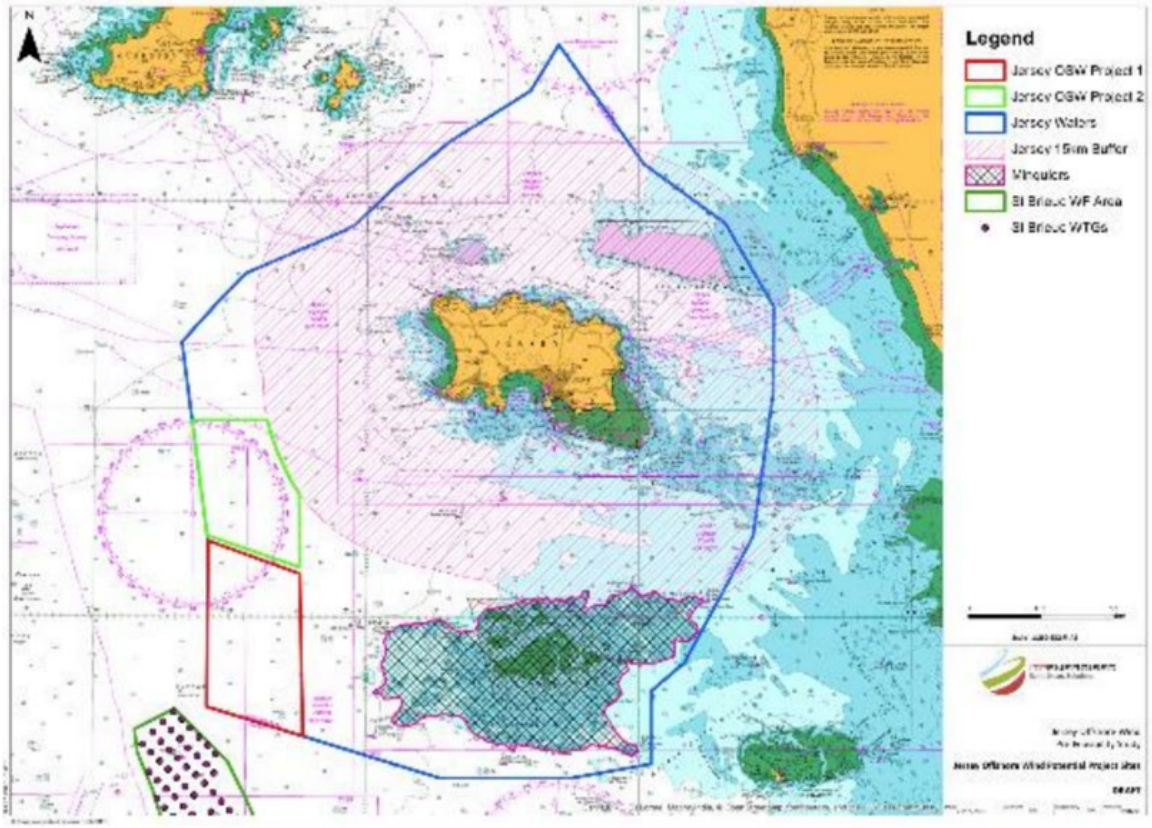


Figure 7-6, Two possible sites for commercial scale development - Offshore A [Red] & Offshore B [Green]

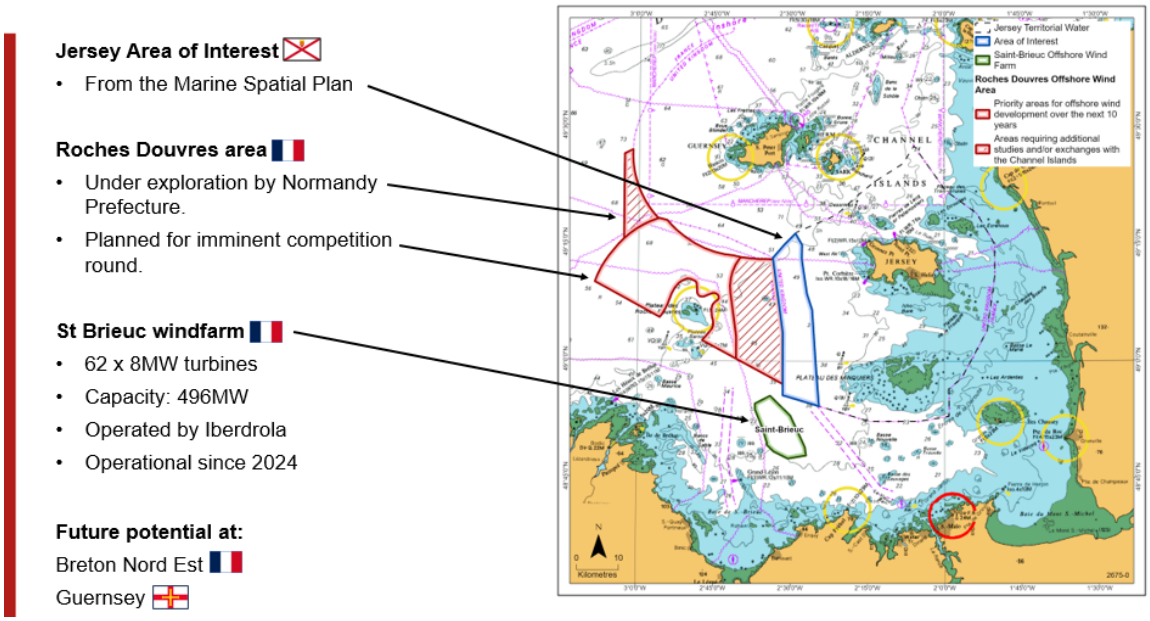
Recent analysis has explored more deeply the provisional capacity assessments for the whole of Jersey's territorial waters; and identified where within/around the currently identified area of interest a developer would most likely seek consent to site a wind farm. A full report is available here. The key observations are set out below.

Sea depths are optimal for fixed bottom generation and the seabed characteristics allow for the deployment of mature, cost-effective and proven technology, at low technical risk.

Although mean wind speed does not provide the full picture of expected energy yields, averages such as those seen in Jersey waters suggest a strong resource is present throughout. Some wake losses are expected due to the recently commissioned St Brieuc wind farm and a potential future wind farm in the Roches Douvres zone identified just west of the identified area, over the French boundary (see Section 10 for more information). It is advised that a developer would likely choose to leave space between wind farms in order for wind energy to recover. For more information on wake losses and their impact see Guidance on Wind Turbine Efficiency.pdf.

[11] States Assembly | P.82/2023 'Offshore Wind' page 15

Figure 3: Regional Context



The construction of the St Brieuc offshore wind farm has constrained shipping in the region. Recent data highlights the concentration of vessels passing through the southern corner of Jersey's territorial waters into and out of St Malo and a busy ferry route runs along the eastern boundary of the area of interest. Safety exclusions zones would be mandated to keep vessels and turbines separated. Further development in the region would need to accommodate free movement of vessels. However, it is anticipated that a wind farm developer would likely select a site that accommodates such free movement.

Automatic Identification System (AIS) fishing craft data suggests a baseline of activity within the area of interest, while Vessel Monitoring System (VMS) shipping data shows high levels of crustacean netting activity. Activity appears to be concentrated in the north of the area of interest. Because AIS data collection has only been mandated since April 2025, limited data is available, although it is supported by feedback from the local fishing industry. Further work is necessary to determine the potential impact of a wind farm in the north of the area of interest. Notwithstanding this, it is advised likely that a developer would select a site that has the lowest practicable impact on the fishing industry.

While there are no environmentally designated areas within the area of interest, sensitive habitats, marine mammals and seabirds and other transient and migratory biodiversity within the vicinity makes the consideration of environmental impacts highly important during project development. The cumulative impact of development in the Bay of Granville could have a significant impact on renewables development, shipping and the fishing industry, including the development of a wind farm in Jersey. It is recommended that working closely with neighbouring jurisdictions is critical to ensuring that impacts are appropriately managed across territorial boundaries[12]. This is true regardless of whether Jersey decides to progress a wind farm within its own waters, as the Island must remain cognisant of the cumulative impacts of the expected

[12] Offshore Wind Overview of cumulative impacts

neighboring wind farm developments on the Island's biodiversity and economic uses of our waters.

Overall, the analysis suggests that the south-western area of Jersey's exclusive economic zone, demarcated in the BIP continues to present the most likely area for a commercial scale offshore wind development. Based on the available data and industry standard assumptions, the area is estimated to be able to produce around 1 GW of power, even after taking account of wake effects from existing and potential neighbouring developments. A smaller wind farm which only delivers power to Jersey was discounted prior to the previous debate. This finding has been re-examined and expert and industry advice confirms that it is not feasible to secure a developer to develop a smaller installation[13]. More than 70% of responses to a survey of developers concluded that a 1 GW site was appropriately sized, however several developers qualified their responses noting this is the minimum feasible size (see Appendix 2).

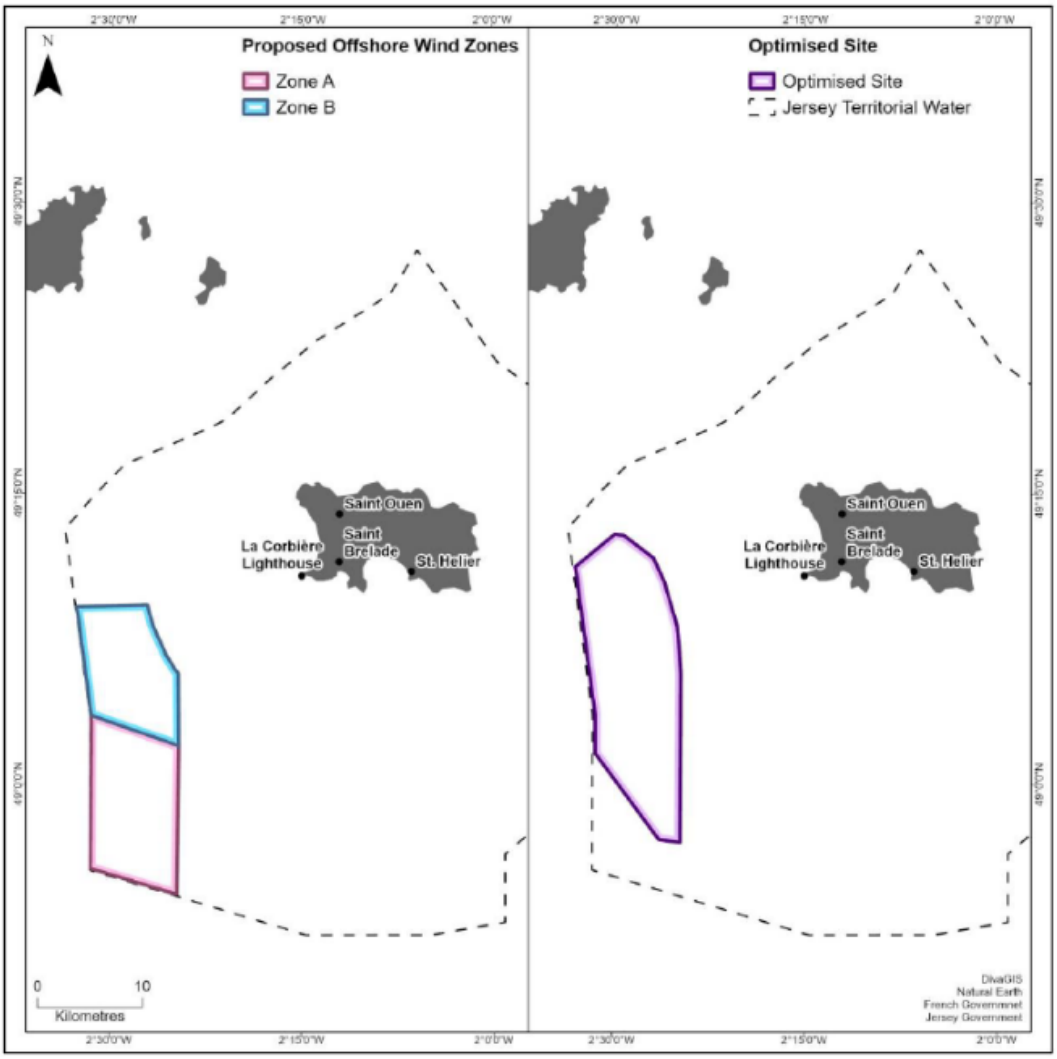
This more detailed investigation (set out in Offshore Wind Constraints Analysis) has highlighted additional constraints that will influence site selection for a potential developer. For example, subsea cables are found in the north of the area of interest, but any impact can typically be managed through layout mitigations and crossing agreements. The size and scale of offshore wind turbines mean that advisors do not see Jersey's harbour as a candidate construction port. Suitable infrastructure is available at several ports in France or further afield in the UK. These are not expected to materially impact a developer's site selection.

Jersey's constrained maritime territory likely limits Jersey to no more than one commercial offshore wind farm. This contrasts with other jurisdictions, including Isle of Man and, potentially, Guernsey who can accommodate more than one wind farm and so benefit from economies of scale. This also makes Jersey unusual and possibly less attractive to developers.

Based on a detailed assessment of site constraints, a new optimised zone has been identified as follows. Noting that final site selection would be proposed by a developer and subject to a comprehensive consenting process at a future time, this site has been used as the basis for data gathering in this Policy Appraisal.

[13] Offshore Wind Feasibility Study- chapter 7 and developer feedback set out in Appendix 2

Figure 4: Optimised Zone [14]



A 1 GW wind farm costs between £2bn-£4bn to build[15]. This is a considerable sum, far greater than the annual Governmental budget and there is no scenario in which Government could build a commercial scale wind farm independently or as a senior part of a consortium. Government is not capable, nor does it have the financial resources to attempt to construct a smaller wind farm which could serve Jersey only. Industry advice is that suppliers would be highly unlikely to commit to an order for a quantity of hardware smaller than a commercial gigawatt scale site. At this time Jersey Electricity advise they are unlikely to seek commercial interest in a developer consortium. Jersey Electricity would prefer to act as a strategic partner - providing grid integration expertise including cable specification and ownership, demand forecasting, and commercial input where appropriate.

More information on how an offshore wind farm works, along with a range of other explanatory documents is available at Offshore wind power.

[14] Offshore Wind Constraints Analysis
[15] Offshore Wind Absolute Levelised Cost of Energy Study Compiled Results and Offshore Wind Feasibility Study, chapter 5

Section 3 Energy Demand

Jersey cannot consume all the power generated from a commercial scale offshore wind farm. In all scenarios energy must be exported.

Electricity consumption in Jersey averages around 600 GWh annually[16]. (See Figure 5). Total energy consumption (covering electricity, liquid fuels and gas) is equivalent to approximately 1,500 GWh annually[17]. (See Figure 6)

Figure 5: Energy and electricity consumption, 2019 to 2024, *GWh*

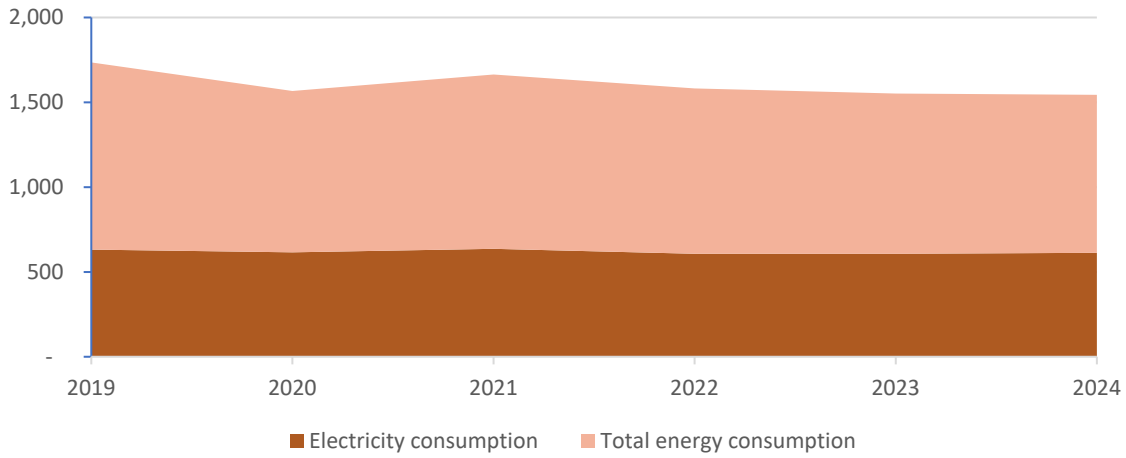
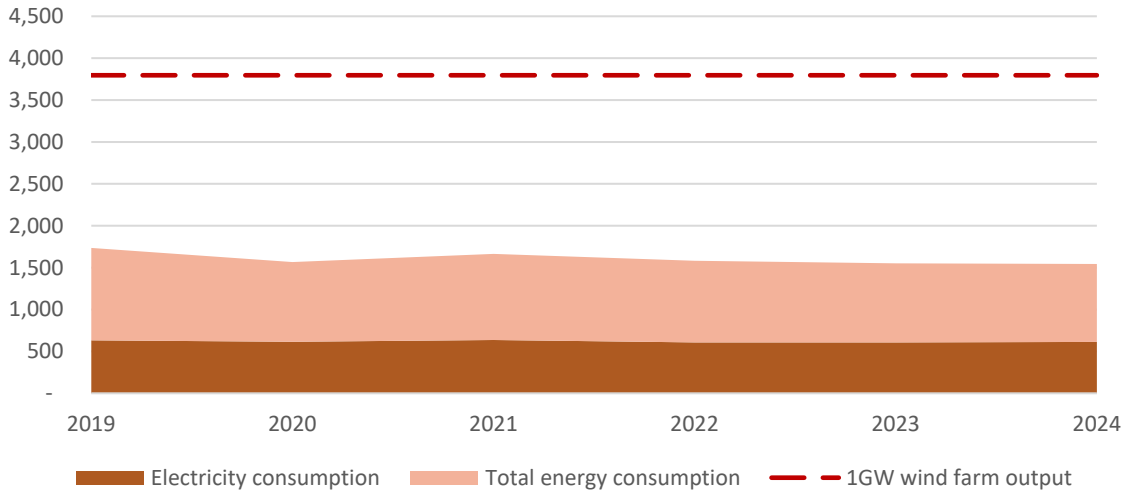


Figure 6: Annual energy consumption and 1 GW wind farm output, *GWh*



[16] Energy Trends 2024
[17] Calculated based on Energy Trends data

Peak electricity demand has remained fairly stable at around 160 MW peak in recent years, with a record peak demand of 178 MW seen in 2018.[18]

In line with policy SP2 of the Carbon Neutral Roadmap, Jersey already has an energy policy of increased electrification. The progress towards net zero means that electricity will represent an increasing share of total energy demand. Jersey Electricity forecasts a 25% increase in peak demand (from 160 MW to 200 MW) and 70% increase in consumption (from 609 GWh to around 1,000 GWh) to meet the island's net zero target.[19]

A 1 GW wind farm in Jersey's waters is estimated to produce around 3,500 GWh of energy per year.[20] Based on Jersey Electricity estimations of future demand, and assuming a wind farm would commence operations after 2035 (see Section 5 below), Jersey might theoretically consume around 25% to 30% of the electricity produced. The remaining 70% to 75% of power would necessarily be exported[21]. Because wind power is intermittent, there is no scenario under which an offshore wind farm could produce 100% of Jersey's energy needs without significant storage capacity (which is currently not commercially available) . Commercial considerations may also impact the amount of power that could be landed on Jersey at an affordable price. Consequently, there would be an ongoing requirement for power imports and agreements with EDF in France to enable this.

More detail on how power could be landed on Jersey is set out in a report here.

Further work on Jersey's future energy needs is being undertaken as part of work on an Energy Strategy for Jersey that the States Assembly supported by the adoption of P.11/2025 'Evidence-based energy strategy' in April 2025.

[18] Figures and Reports - Jersey Electricity and What causes Jersey's peaks in electricity demand? - Jersey Electricity
[19] je_annual_report_dec_2023.pdf
[20] Offshore Wind Absolute Levelised Cost of Energy Study - Compiled Results
[21] Offshore Wind Landing Power in Jersey

Section 4 Visual Impacts

Due to the small size and location of Jersey's maritime area including the nearness of the territorial boundary, the potential visual impacts of offshore wind turbines on Jersey, Guernsey and Brittany remain a consideration going forward.

Visualisations (set out in this section) are indicative only. The exact location of turbines would be proposed by a potential developer and subject to review as part of a consenting process.

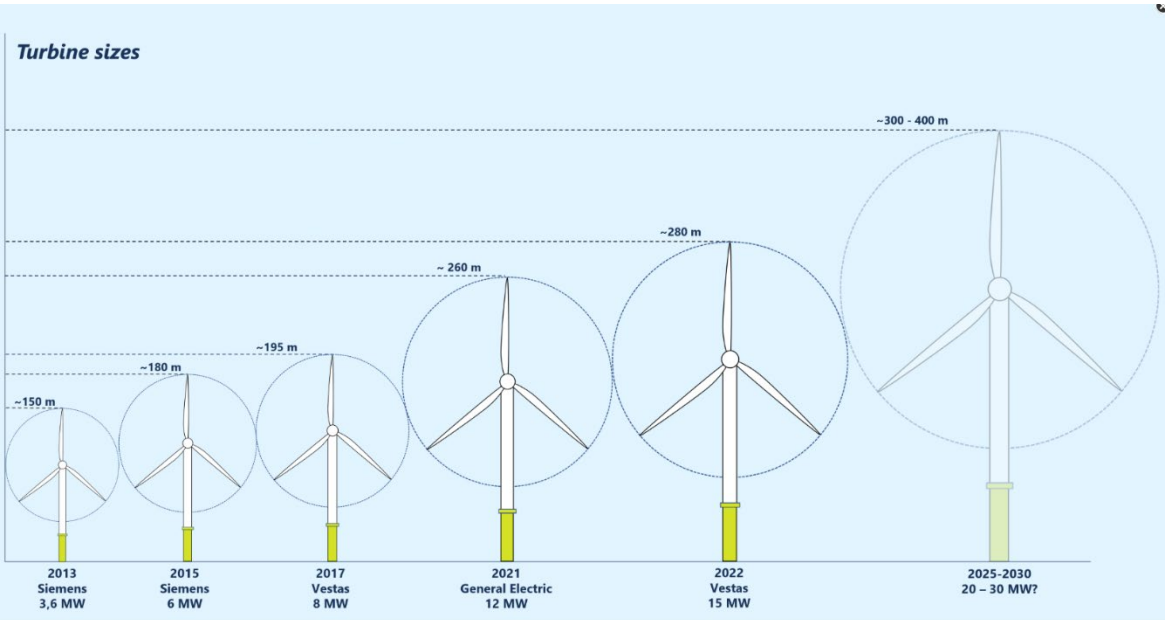
Due to the small size and location of Jersey's maritime area, the potential visual impacts of offshore wind turbines on Jersey, Guernsey and Brittany will remain a consideration going forward. This is especially the case given the presence of other wind farms in the area including those planned for the future, the potential for cumulative impacts and the growing size of wind turbines. As part of the Constraints Analysis (summarised in the section above and available here), consideration has been given to the type, size and quantity of turbines a developer would be most likely to seek to install. The depth and geology of the seabed indicate that Jersey is most suitable for jacket foundations (see here for further explanation).

In order to extract the same power using larger turbines, fewer turbines are required. It is anticipated that a developer would seek to install the largest, most powerful turbines available. However, assumptions on wind turbine size would need to be revisited if the project progresses.

Wind turbines have been growing in power and size as the industry matures. Supply chain bottlenecks and developer capital constraints (see Section 10) mean that there are narrowing choices of hardware available. Ultra large turbines in excess of 24 GW are being developed, however, industry experts increasingly believe that sizes in Europe will peak below this size for efficiency and visibility reasons[22] [23]. Ultimately, the size of turbines that would be available to install in Jersey will be determined by the market rather than determined by a Jersey-based leasing or consenting processes.

[22] Why giant turbines are pushing the limits of possibility - BBC News
[23] Offshore Wind Absolute Levelised Cost of Energy Study - Compiled Results report slide 29

Figure 7: The Growth in Wind Turbine Sizes over Time [24]



The wind turbines installed at the St Brieuc offshore wind farm have a capacity of 8 MW each. They are 209 metres high[25]. Each blade measures around 81.4 metres, giving the turbines a rotor diameter of 167 metres.[26] The St Brieuc turbines are however likely to be considerably smaller than the turbines a developer would be able to choose for a wind farm being constructed after 2035. Based on market expectations, assumptions on the turbines a developer is most likely to select in Jersey have been updated as follows:

Figure 8: Assumption on Turbine Size used for the Policy Appraisal [27]

Turbine size	20 MW WTGs with 272.5 m rotor diameter (RD) and 175.5 m hub height has been assumed for all sites.

The recommended distance from shore for wind turbines is 30km, however, many projects have been constructed closer to shore with 30km being the limit of Jersey's territorial waters[28], a wind farm would be closer to the Island than this range. The minimum distance to shore is likely to be 13-15km. Distances, based on the new optimised zone are set out in Figure 9.

[24] Technological Advancements | Sunnanvind
[25] Saint-Brieuc offshore wind farm - Iberdrola
[26] Wind turbine sg 8 0 167 dd
[27] Offshore Wind Absolute Levelised Cost of Energy Study - Compiled Results
[28] Global Trends

Figure 9: Distance of the Optimised Zone from the Jersey Shoreline [29]

Viewpoint	Distance from optimised site (km)
La Corbière Lighthouse	13
La Rocco Tower	14.7
Ouaisné Bay	17.3
Portelet Common	17.2
Noirmont Point	18.3
St Helier Harbour	23.1
Grosnez Castle	16.3
Green Island Beach	25
La Rocque Harbour	28.3
L'Étacq	16.1

A number of other issues will also influence the size and location of a potential offshore wind farm in Jersey. Currently, in order to assure air and shipping safety, it is necessary for wind turbines to be light coloured and lit at night[30]. Research is ongoing into whether additional markings on aerofoils may also benefit aerial wildlife[31]. More work would be required to explore ways to mitigate visual impacts. Whilst noise is a commonly identified nuisance of land-based wind farms, the continuous background ocean noise means that there would be minimal noise nuisance to humans reported for offshore wind farms during the operation stage. The potential impacts of noise must be explored as part of environmental assessments which would form part of the consenting process [32].

In addition to turbines, an offshore substation would be required to transform energy ready for long distance transmission. The size of an offshore substation is scaled to the wind farm and determined by the mode of transmission[33], consequently, there would be no opportunity to utilise the existing substation at St Brieuc to support a Jersey offshore wind farm. The size and location of an offshore substation to support a Jersey wind farm would be proposed by a developer and subject to a rigorous consenting process. However it is highly likely that a substation would be visible from Jersey, in the same way that the St Brieuc substation can be seen.

Given the updates to the potential location of a wind farm and the potential change in the size and quantity of turbines, further visualisations of a potential wind farm in the area of interest have been commissioned. The visualisations include views from several prominent locations on Jersey's west and south coasts. They also include other existing and proposed French wind farms in the region. Visualisations of the wind farm have been extracted below. Images and a fly-through visualisation can be found at Offshore wind power.

[29] Offshore Wind Constraints Analysis slide 17
[30] Why Are Wind Turbines Painted White?
[31] SAWEA BLSA Blade Patterning Guidelines 2024.pdf
[32] Acoustic Impacts of Offshore Wind Energy on Fishery Resources: An Evolving Source and Varied Effects Across a Wind Farm's Lifetime | Oceanography
[33] Offshore substations' role in wind energy | Business Norway

Figure 10: Indicative Visualisation of the Optimised Zone from La Corbière

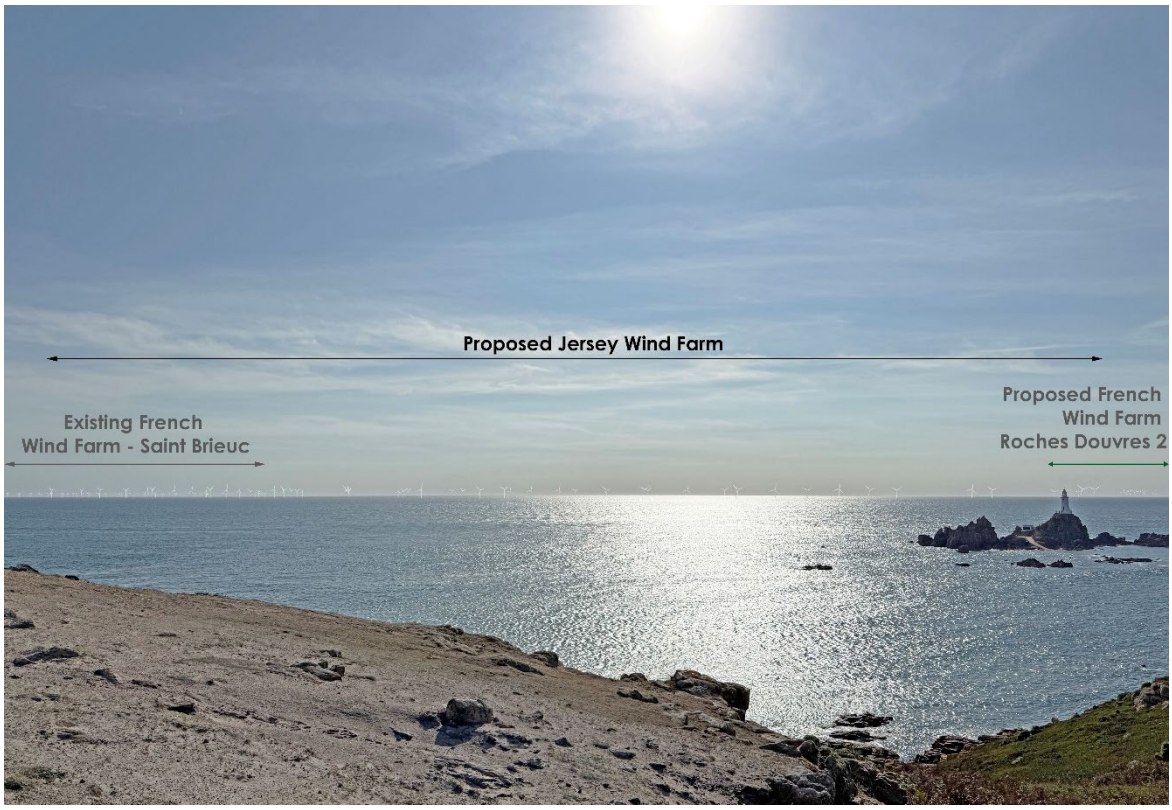


Figure 11: Indicative Visualisation of the Optimised Zone from Noirmont

Figure 12: Indicative Visualisation of the Optimised Zone from L'Étacq

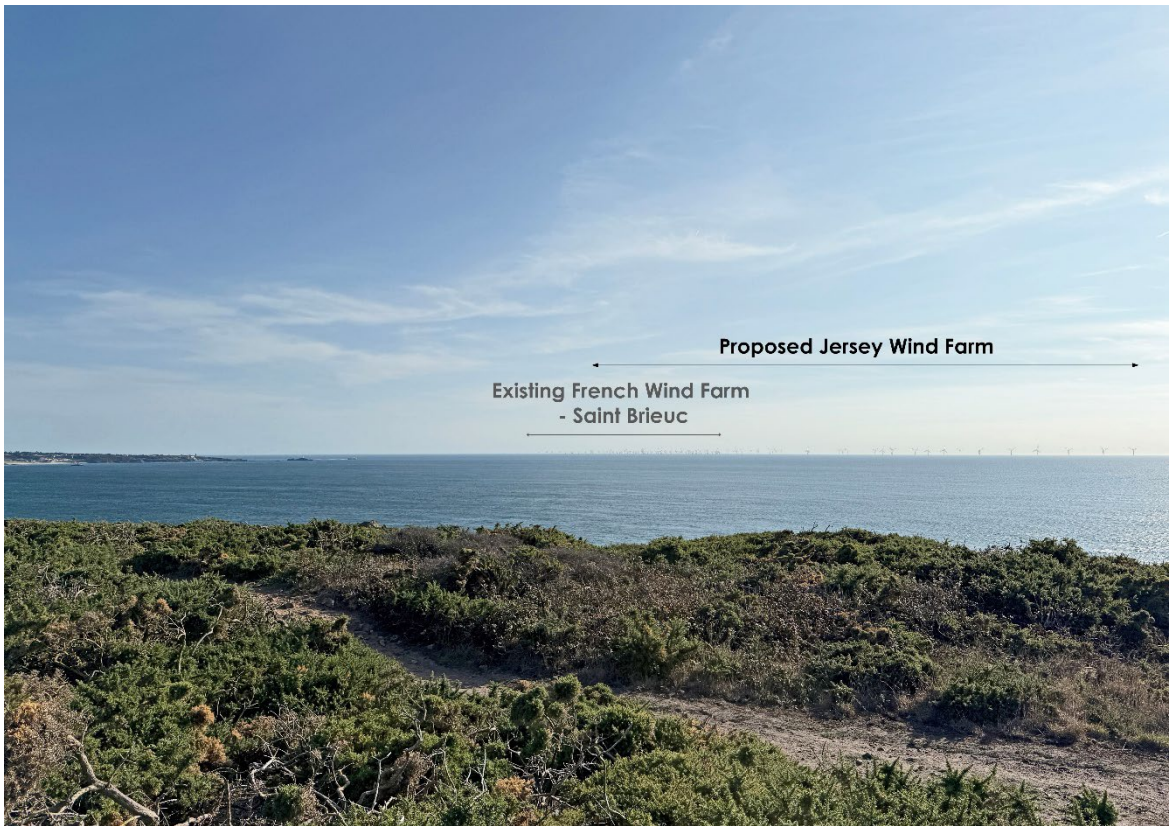


Figure 13: Indicative Visualisation of the Optimised Zone from Grève d'Azette

All visualisations are based on Geographical Information System ('GIS') mapping generated using industry standard models and are indicative only. The exact location of turbines would be proposed by a potential developer and subject to review as part of a consenting process. A consenting process would compel a developer to take into account visual impacts, other marine users (for example the fishing industry), environmental mitigations and other socio-economic factors as well as energy optimisation in designing their preferred turbine configuration.

A Jersey wind farm would also be visible from Guernsey and from France, both of which would be consulted as part of a consenting process. Further French and potentially Guernsey wind farms will be visible from Jersey.

Section 5 Timelines

The process for building a wind farm can be broken down into eight basic stages.

It typically takes 7-11 years to consent a wind farm in Europe.

A reasonable planning assumption is that a potential wind farm in Jersey could start operations around 2040.

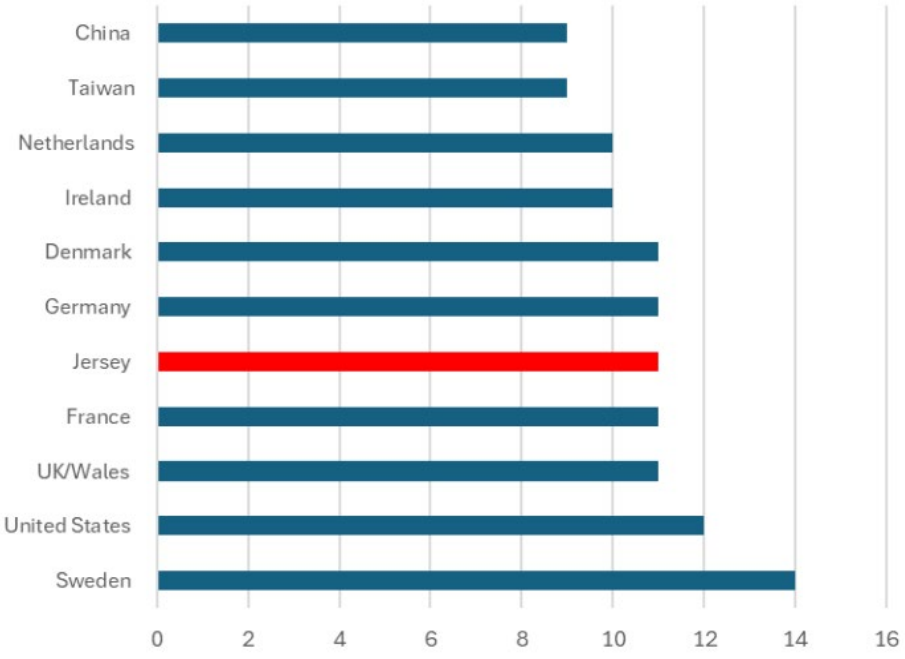
The timescales for building a wind farm have been examined to assess most likely timescales for realisation of a project in Jersey. There are eight basic stages in the construction of an offshore wind farm, set out in Figure 14 below. Sometimes stages overlap, which allows the timeline to shorten. Details of what each stage consists are set out in Appendix 4.

Figure 14: The Eight Basic Stages of Offshore Wind Farm Development

Preparation	Tendering	Exploration	Consenting	Financing	Construction	Operation	Decommissioning
5 years	2 years	4 years	4 years	2 years	2 years	35 years	2 years
Year 0-Year 5	Year 7	Year 11	Year 15	Year 17	Year 19	Year 54	Year 56

Based on Europewide data, in jurisdictions which have already developed the necessary legal and regulatory frameworks, it takes 7-11 years to construct a wind farm. Jersey has yet to agree the legal and regulatory framework, adding time to the front end of the process.

Figure 15: Average Time for Consenting in Jurisdictions with Existing Rules and Regulations, *years*



Details of many of the stages have not yet been decided for a potential Jersey offshore wind farm. However, key pacing items include:

- The processes and procedures it would be necessary to adopt as part of an agreement on Market Access. Whilst Jersey may be able to act with agility, it may be constrained by the procedures of the export market jurisdiction.
- The necessity to collect environmental data over a long enough period of time to understand and mitigate environmental impacts. A minimum of two years' data may be necessary.
- The physical availability of an "off-take"- the cable through which power will flow into the export market. Backlogs in the UK and France mean this is unlikely before 2035.

Taking these into account, regardless of the exact scenario Jersey might follow, a similar, lengthy timeline for delivery with construction unlikely to taking place until at least 2037 and operation in around 2040.

Below is a simplified timeline setting out the project stages for a utility scale wind farm in Jersey. Note, some stages (for example the development of legislation, regulation and tendering) may overlap.

Figure 16: Simplified Timeline of the Project Stages for Jersey

States Assembly (1 year)	Secondary Legislation & Systems (Up to 2 years)	Tendering (Up to 2 years)	Exploration (Up to 4 years)	Consenting (Up to 2 years)	Financing (Up to 2 years)	Construction (TBC 3 years)	Operation (>25 years)	Decommission (TBC 2 years)
2025	2026 - 2027	2028 - 2029	2030 - 2033	2034 - 2035	2035 - 2036	2037 - 2039	2045 - 2066	2067 - 2068

Based on this timetable and the availability of connections in the UK and France a start of operations date of circ. 2040 is considered realistic and has been used as a planning assumption in this Policy Appraisal. The timetable can be flexed depending on the state of the market, progress in the export market jurisdiction and Jersey's appetite to progress. Therefore, this assumption should be revisited and updated if the project progresses to take into account network developments in the potential export market.

The anticipated life of a wind farm constructed in 2035 is approximately 25 years. Whilst the lifespan of earlier wind farms vary considerably, lessons learned and technological improvements are extending turbine lives.

A wind farm in Jersey would therefore most likely reach the end of its life around 2065. At this point the operator would be compelled to either decommission the wind farm, in accordance with ecological, social and economic Governmental rules or, to seek consent to re-power the wind farm through the then current consenting process.

Section 6 The Role for Government

The role for Government would be to create the conditions for a capable developer to construct and operate a wind farm whilst securing benefits for the Island.

The industrial scale of an offshore wind farm would be significantly greater than any infrastructure project undertaken in Jersey in modern times. A project of this ambition would require Government to balance benign commercial conditions and protecting Islanders and the environment.

This effort requires Government funding and resources and needs to be weighed up against the risks and expected size of benefits to Islanders.

The industrial scale of an offshore wind farm would be significantly greater than any infrastructure project undertaken in Jersey in modern times. A project of this ambition would require novel approaches to protecting Islanders (as well as the Government that serves them), whilst also creating conditions attractive to potential developers:

a) Energy must be saleable in an export market jurisdiction. Agreements are needed with another government to facilitate the supply of energy; rights to access subsidies (for example Contracts for Difference ('CfDs'); and division of responsibilities. This includes the development of any necessary legislation, regulatory and operational matters. These requirements depend on agreement being reached between governments.

b) The structures must be designed, installed and operated safely and it must be safe for seafarers including commercial vessels, leisure craft and the fishing industry to interact with them appropriately during the construction and operational stages. This may require a proactive approach to permitting and overseeing construction, operation, maintenance and decommissioning as well as the sea area close to a wind farm, including new legislation and regulatory capacity.

c) The electricity generated and transmitted must be safe and of sufficient quality to meet the needs of Islanders and consumers. This may require legislation and regulation which meets the required standards and complexity of electricity regulation in the export market jurisdiction likely to consume the majority of the power.

d) The impact of the wind farm on social, environmental, health, economic and other aspects of Jersey life must be measured, mitigated and monitored. This may require new forms of Government oversight and capabilities which don't currently exist in Jersey, for example the ability to inspect offshore steel structures.

e) The resilience of the commercial business responsible for all of these aspects must be great enough to meet its obligations. This may require skilled examination of the financial sustainability of a developer/operator over the life of a wind farm either by existing regulatory capability or a new energy regulation agency.

Each of the above listed points require new forms of Government oversight to ensure and assure the interests of Islanders.

Jersey differs from many other jurisdictions in currently having an unregulated energy sector as well as regulations and processes which are not designed with large scale infrastructure within scope. This provides Jersey with a relatively "blank sheet" of paper upon which to craft its regime which would be both an opportunity to develop a proportionate system and a challenge of working from a standing start. Jersey's agility to "leapfrog" established markets would be critical to its success.

At this early stage, no decisions have been taken on how Government would meet its role (i.e. what organisational and regulatory structures would be put in place). Further work would be required to design a suitable regime and this would depend upon (without limitation):

a) The necessity to streamline procedures with those of the selected export market jurisdiction.

b) Jersey's appetite for risk, should things go wrong.

c) The availability of funds and resources to deliver against these new requirements.

d) The appetite of others to assume those roles on behalf of Government. For example, the other jurisdiction's regulatory agencies as subcontractors to Government, and the financial and constitutional impacts of any such arrangements.

An initial and high-level list of tasks is set out in Appendix 3. This list would need to be refined and developed as more information becomes available in each stage of a future project.

An initial estimate of costs for the project to Government has been undertaken and it considers how much would need to be spent and by what stage of the project. Specialist skills are needed which are currently not available in Government. For the purposes of this estimate, it is assumed that Jersey would need to pay for regulatory and leasing effort (even where the effort would be undertaken by an export market jurisdiction or by subcontracted resources outside of Jersey). Total spend figures are commercially confidential however, they run into tens of millions of pounds. More than 45% of that cost is anticipated to be spent prior to a wind farm generating any revenue. Costs will continue throughout the life of a wind farm (up to five decades from initiation to decommissioning).

A number of risks have been identified which could reduce (or eliminate) the benefit to Islanders. These can be grouped as follows:

Risk Group	Examples
Developer makes less revenue	• Developer secures poor Market Access (e.g. low CfD) • Weak demand for energy (e.g. low PPA price) • Higher development costs (e.g. supply chain costs rise)
Developer shares less revenue	• Developer minimises on-island business (e.g. tax management) • Developer faces higher financing costs than expected • Environmental factors are greater than anticipated (e.g. wake effects)
Costs to Government increase	• Government must put more effort into regulation than expected

Risk Group	Examples
	• Government must put more effort into consenting than expected • Government must guarantee development (for example transmission of last resort) • Government fails to meet its obligations and must pay damages
Government able to take less revenue	• Costs of working with the export market jurisdiction are greater than anticipated (e.g. network charges) • Changes to the market mean Jersey cannot seek so much from a developer and remain attractive (e.g. more competition for sites) • International regulation restricts Jersey's ability to extract value (e.g. anti-competitive behaviour regulation)
Unanticipated consequences	• Market Access arrangements undermine Island sovereignty (for example extra-territorial regulation by OFGEM) • Market Access arrangements affect Jersey's consumer market (for example regulation of JE)

These risks can be better quantified once the terms of Market Access have been established. Decision-makers will then need to determine if, when and how they wish to mitigate these risks, noting that the more risk is transferred to a developer and the sooner that risk is transferred, the lower the return available to Islanders would be.

Section 7 Securing Market Access

In all scenarios energy must be exported, the arrangements for this must be done with governments of other jurisdictions. Whilst there are many options for the division of administrative effort, procedures can only progress at the pace and in a way agreed by all the parties. Whilst discussions have commenced, this process will take time, funds and resources on both sides.

A strategic analysis has determined that both the UK and France represent viable markets for electricity exports from a potential Jersey wind farm. Progress on agreement with either will be influenced by international and domestic issues affecting each export market jurisdiction.

Decision makers in Jersey can only commit resources and funds with a clear understanding of the potential net return from a wind farm and the probability of it materialising (acknowledging that attitudes to risk and certainty will vary).

The benefits available to Islanders are dependent on:

1. The attractiveness of a Jersey project to developers and hence the intensity of competition and the likelihood of it attracting a high-quality, proven developer (see Section 8).
2. The price extracted by export markets upon Jersey for the right to access markets.

It is therefore prudent to focus on developing a greater understanding around the conditions for Market Access before deciding to proceed with other work, including a decision on opening a leasing process.

Concluding Market Access negotiations prior to awarding a developer lease allows decision makers to fully and independently assess whether a project can bring net benefit to Islanders without the costs of running a lease process.

With an estimated minimum of 70% of power for export, Jersey cannot progress independently and would be reliant on and must reach, and maintain, agreement with an export market jurisdiction. Both Jersey, and an export market jurisdiction, must be able to deliver the sustained political and administrative effort, funding and resources necessary to support an offshore wind farm both into the next phase and also across the lifetime of an offshore wind farm project (40+ years). Negotiations can only progress at the pace agreed by both parties. If no agreement can be reached with an export market jurisdiction, it would not be possible for the project to progress to operation. Trans-boundary inter-governmental agreements are necessary on:

- Access to market (the right to sell into that export market)
- Access to export market financial state aids (CfDs or other subsidies)
- Transmission and connection, including who owns, who operates and who pays
- Rules and regulations governing the energy production ecosystem

The division of administrative effort between Jersey and an export market jurisdiction can be split in a variety of ways which might for example include:

a) The export market jurisdiction assuming authority for leasing and regulating offshore power generation and transmission in Jersey's waters.

b) The export market jurisdiction's leasing and regulatory authorities being subcontracted to deliver leasing and regulation on behalf of the Government.

c) Jersey establishing its own leasing and regulatory capability (potentially supported by commercial technical advisory capability).

d) Reaching agreement that no additional regulation would be necessary, reducing effort to lease management alone.

More detailed analyses of the options available are set out here[34]. Clarity on the optimum division of effort (and the associated costs) are dependent on the outcome of Market Access discussions and will arise at a later stage of the project.

A strategic options analysis has been undertaken to understand the relative merits of different connection scenarios for Jersey. A detailed report is set out here, however the most attractive connection options are:

Figure 17: Summary of Strategic Options Appraisal Scenarios [35]

ERM compared a range of factors to assess the overall pros and cons of each connection scenario. All scoring was carried out on a 1-5 scale; a score of 3.0 is considered the "baseline".

Key takeaways

- Scores and ranks shown here reflect the assessment of the scenarios based on weights informed by a prioritisation survey carried out by ERM.
- Using current assumptions, in some cases scenarios scored the same due to perceived **trade-offs.**
- The weights of each category & criteria had a high impact on the results; weights should be **iteratively adjusted** to account for evolving priorities.

	1bi	1cii	2bi	2cii	3bii	3cii
Geography	France		UK		France & UK	
Jersey Connection?	No Jersey	Jersey	No Jersey	Jersey	No Jersey	Jersey
Rank based on LCOE	1	3	2	4	5	6
LCOE vs. lowest scenario	Baseline	+ 9%	+ 7%	+ 17%	+ up to 37%	+ up to 45%
Project Costs	4.2	3.4	4.2	3.2	1.7	1.3
Public Costs	3.0	1.0	3.0	1.0	3.0	1.0
Economic Benefits	3.1	3.6	2.5	3.5	2.3	3.3
Public Effects	3.6	3.3	3.9	3.6	3.8	3.4
Geopolitical Factors	3.2	3.4	3.0	2.7	2.0	2.0
Project Success Potential	4.0	3.7	4.0	3.8	3.2	3.0
Appraisal Score	3.53	3.41	3.41	3.28	2.65	2.67
Overall Rank*	1	3	2	4	5	6

ERM Government of JERSEY

Jersey Offshore Wind Project – Phase II Technical Services 9

Both France and the UK are assessed as representing viable markets. Options for landing power on Jersey have also been evaluated and are discussed in more detail in Section 11. It remains to Jersey's advantage to seek to progress conversations with both export market jurisdictions, until the terms for Market Access are better understood. However there would emerge an optimum time to select a single jurisdiction to work with. This requires short-term duplication of effort and additional costs. Regulatory complexity makes it highly unlikely that power can be exported to two jurisdictions. At this time, it is recommended that this option not be actively pursued.

[34] Offshore Wind Leasing option evaluation summary Redacted
[35] Offshore Wind Evaluation Framework Appraisal Redacted

It is not known precisely what work is necessary to formalise Market Access arrangements. Initial scoping exercises indicate that this could include:

- Primary legislation in Jersey and the export market jurisdiction.
- Additional secondary regulation.
- The establishment of regulatory functions, procedures and processes.
- Agreement on who will cover costs.

The size of this effort is challenging to estimate because:

- Large jurisdictions absorb a significant part of this activity into existing institutions.
- Small jurisdictions are unwilling to share their costs.
- Different divisions of administrative effort will result in differing costs.

However initial estimates are in the region of £1,000,000.

Engagement has commenced to explore the potential to access markets in both the UK and France. The status of discussions is:

- **UK** - Engagement including ministerial discussions has been positive in principle. However, next steps are dependent on the UK identifying suitable UK primary legislation to establish a basis for regulation but there is no certainty that this will happen in this term of the Westminster government.
- **France** - Engagement with regional government in Normandy and Brittany has been encouraging with close collaboration on technical aspects of integration and discussion around better integrated regional aspirations. The critical next step is for engagement with central government on a number of granular issues that were scoped in summer 2025. Follow up Officer to Officer conversations are being sought with the central government but are challenging due to the volatile political environment in France.

Additionally, UK-EU relations must be taken into account. Whilst Jersey is not obliged to participate in UK-EU agreements on the trade of energy (which is classified as a service), the outcomes of these negotiations could influence the basis upon which Jersey can participate in either the UK or French energy markets as a third party.

Whilst feedback has been encouraging in initial conversations with both the French and UK governments, changing global and domestic priorities will influence both country's appetites to undertake work and seek a price for supporting Jersey. These changing priorities can be seen through:

a) Domestic political issues resulting in changes to ministerial portfolios in both countries during 2025.

b) Fiscal challenges in both countries resulting in a focus on domestic economic growth and a squeeze on civil service resources.

c) French offshore wind projects being pushed back and resistance to renewables from the National Rally party[36].

d) Challenging relations between Jersey and France regarding fisheries.

e) Negotiations between the EU and UK regarding the post-Brexit TCA reset[37].

f) Ongoing challenges to the commencement of work on an Isle of Man offshore wind farm despite the award of a lease in 2015 [38].

The geopolitical environment is explored more in Section 10. In the current geopolitical climate it is recognised that it could take many years before such work could be completed. Government is currently awaiting confirmation from both the UK and French governments as to the timelines and requirements for the next steps of engagement which will allow Government to scope and cost the immediate next steps of work. Discussions beyond principles would require legal and industry expertise not currently available within Government. Until these discussions are complete, it is not possible for Jersey to be certain that the development of offshore wind will deliver any return at all.

There are two necessary steps to understand Market Access and each have resource implications:

1. In the first step export market jurisdictions lay out their expectations in terms of the volume of legislative, regulatory and commercial documentation they foresee as necessary to enact Market Access. With this information, Government can estimate the size of the effort (and hence the cost) of work. This first step can be performed within existing budget and resources.

   Despite regular engagement with counterparts in the UK, France and other Crown Dependencies, government-to-government discussions with both the UK and France are advancing but are not yet concluded at the level of detail required.

2. The second step is to embark on negotiations to agree the terms of Market Access. This includes the technical practicalities of transmitting power, commercial and regulatory conditions for supplying energy and rights to apply for state supported financial mechanisms in the receiving jurisdiction). These discussions are the responsibility of Government and require specialist legal and technical resources to conclude. Costs are estimated at around £2 million, and to take around one year to complete, once the partner governments embark upon the engagement process.

As set out in Appendix 4, there are a variety of options for securing support from a developer.

Option 1: A developer partner could be selected *before* the terms of Market Access are confirmed. In this scenario the preferred developer would be selected quickly and would work alongside Government in government-to-government discussions (for example how the Isle of Man has done with Ørsted). Because risk would be unmitigated at the point of selection, it is unlikely a developer would pay for this opportunity[39]. By entering into an arrangement with a developer, the Government would signal its intention to pursue offshore wind, despite not being able to assess the potential net benefits for Islanders. Whilst there would be the opportunity to

[36] Political crisis in France: energy roadmap threatened by new delay - energynews
[37] The UK–EU reset: Next steps after the May 2025 summit - House of Commons Library
[38] Isle of Man Government - Developments within IOM Territorial Sea
[39] Nine out of ten developers said they would not consider bidding in a competition before Market Access is secured.

stop the project at various future stage-gates, these would each be after significant expenditure by Government (estimated at several hundreds of thousands of pounds at a minimum) on what may be an unnecessary leasing process. To be clear, this model would not reduce the cost or effort required of Government but it may improve the chances of securing Market Access. With a developer already committed to the project, Government may find it had less flexibility to adapt discussions to optimise the best outcome for Islanders. Ultimately, the process could still result in no wind farm being constructed.

Option 2: A developer partner could be selected *after* the terms of Market Access have been confirmed. In this scenario developers would wait until there is certainty of Market Access and a higher probability of success before they bid for a project. This would increase the likelihood of Government securing an option payment from a developer to offset its costs. Government would retain the full ownership of the negotiating position and could decide at any point to exit negotiations, if the conditions of Market Access were unfavourable to Jersey. No commitment would be made to pursue an offshore wind farm until after Market Access was secured. Government expenditure would be minimised to focus only on the narrow task of government-to-government discussions.

It is recommended that Government should not select a developer prior to the Market Access negotiations because Government would need to decide to proceed to build a wind farm and commit substantial resources without understanding the impact on Jersey. Once a developer is under contract it would be more difficult for Government to act exclusively in the best interests of Islanders as they would have contractual obligations to the developer. It would be extremely difficult for Government to construct a leasing process that meets statutory thresholds for demonstrating value for money, because they can only be based on an assumed share of potential profits. Developers may demand more legal/contractual commitments from Government to mitigate their own risk or offer a smaller financial return to Jersey in exchange for taking on the early risk.

Section 8 Commercial Attractiveness to a Developer

Developers assess potential risk and reward when deciding where to invest. In a market of many opportunities, Jersey must offer a competitive opportunity to attract high quality bids.

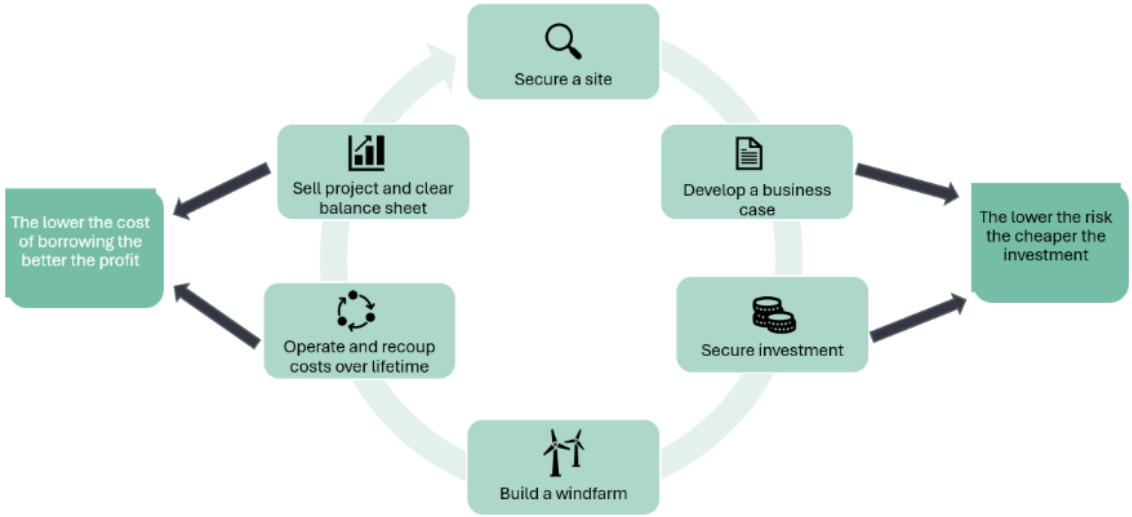
Based on current estimates of the costs to developers, and assuming developers are able to access state aids in an export market , financial analysis suggests offshore wind has good potential in Jersey.

That attractiveness is critically dependent on securing favourable access to UK or French energy markets. Potential return is caveated to the extent that quantification of the net return is not possible until the terms of this access have been negotiated.

Industry feedback suggests that without certainty around all aspects of Market Access, Jersey may struggle to attract good quality bids.

Offshore wind farms are delivered by developers who are typically responsible for the cost of designing, building, operating and decommissioning offshore wind farms. There is no scenario in which the Government constructs a wind farm. Offshore wind farm developers rely on raising capital from investment markets. In order to access reasonably-priced finance and achieve a manageable cost of borrowing developers must present projects with an attractive risk profile for investors.

Figure 18: Offshore Wind Farm Business Cycle



Despite changes in the market (see Section 7) there are many auctions in 2025:

Country	2025 Auctions	Notes
UK	AR7	
Denmark	1 auction (3 GW – cancelled)	Cancelled due to lack of interest (no Contract for Difference (CfD) offered), planned for 2026 with CfD offered
France	3 auctions (5 GW)	Named AO7, AO8, AO9
Ireland	1 auction (0.9 GW)	Named ORESS 2.1 (offtake[40] included)
The Netherlands	1 auction (1 GW)	No Bids, no CfD offered (named Nederwiek I-A site)
Estonia	2 auctions (1.45 GW)	Named Saare 1 (Avara), Saare 7
Poland	1 auction (4 GW)	Planned for December 2025
Germany	Lease – 2 auctions (2.5 GW), Lease & Offtake – 1 auction (1 GW)	Lease named - N-10.1, N-10.2 Lease and Offtake named- N-9.4
Malta	1 auction (280 – 320 MW)	Ongoing throughout 2025
Colombia	1 auction (1-3 GW)	Offering CfD
Philippines	1 auction (3.3 GW)	Launched in June
Lithuania	1 auction (0.7 GW)	No bids, no CfD offered
Norway	1 auction (1.5 GW)	Only two applications for three 0.5 GW sites, offtake auction is planned to take place after 2 year maturation phase
Portugal	1 auction (2 GW)	Expected to be launched by the end of 2025
Australia	1 auction (2 GW)	Postponed
South Korea	H1: 0.5 GW (public-led)	Offtake only
	0.75 GW (general)	
	H2: 0.75 – 1.25 GW (fixed)	
	0.5 – 1 GW (floating)	

A Jersey project would have to compete with other projects around the world which will be seeking to make their opportunities attractive by reducing risk and maximising the potential for developer returns. It is therefore essential that any wind farm opportunity in Jersey is relatively commercially attractive to developers; put simply, developers must be able to make a comparably sufficient profit at an acceptable level of risk.

[40] The term offtake refers to the agreement or arrangement for who will buy or take the electricity that the wind farm generates once it's built.

Cost

To assess whether Jersey represents a competitive opportunity for a developer the "levelised cost of energy" (LCoE) is calculated. LCoE is a way to measure how much it costs to produce electricity from a power source, like wind, solar or gas, over its entire lifetime. i.e. the developer's costs.

Figure 19: Levelised Cost of Energy

It includes the cost to build the power plant or wind farm; the cost to operate and maintain it; the cost of fuel, if needed (not for wind or solar). It does not, however, cover all the costs associated with consumption of such power. The costs of transformation, transmission and distribution could be paid for by the developer, a separate commercial enterprise or government. Who would be responsible, and hence whether the costs are captured in LCoE calculations, would need to be developed further in future phases of this project.

LCoEs produced using the same methodology can be compared. The following LCoEs have been produced for four of the scenarios rated in Section 7. These revised LCoE costs differ from those initial LCoE costs published previously. This is partly because an updated methodology has been applied and partly because the assumptions behind the calculation have been revised to more accurately reflect the latest geo-political and economic changes.

Figure 20: Connection Scenarios [41]

French connection only	1bi	**France without Jersey connection** • OWF with an offshore substation (1GW power) that steps up and exports to France in 3 HVDC cables (each ~450MW) • No energy delivered into Jersey • Onshore substation in FR
	1cii	**France with Jersey Connection** • OWF with an offshore substation (1GW power) that steps up and exports to France in 3 HVDC cables (each ~450MW) • 1 HVAC cable delivering 100MW to Jersey • Onshore substation in FR and Jersey
English South Coast connection only	2bi	**UK without Jersey connection** • OWF with an offshore substation (1GW power) that steps up and exports to UK in 1 HVDC cable • No energy delivered into Jersey • Onshore substation in UK
	2cii	**UK with Jersey Connection** • OWF with an offshore substation (1GW power) that steps up and exports to UK in 1 HVDC cable • 1 HVAC cable delivering 100MW to Jersey • Onshore substation in UK and Jersey

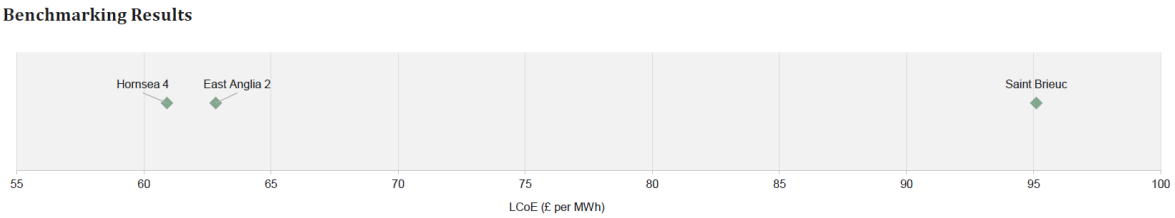
[41] From Offshore Wind Evaluation Framework Appraisal Redacted

Figure 21: LCoE Results [42] [43]

Scenario	France without Jersey connection	UK without Jersey connection	France with Jersey connection	UK with Jersey connection
Connection Point	France 1 GW	UK 1 GW	Jersey 340 MW France 1 GW	Jersey 340 MW UK 1 GW
LCoE (£/MWh)	77.9	83.5	81.9	91.6
DevEx (£k/MW)	147	191	172	223
CapEx (£k/MW)	3,414	3,735	3,594	4,071
Lifetime Average CapEx (£k/Mw)	29	21	30	25

Comparisons of LCoEs using assumptions about a Jersey opportunity with LCoEs for other similar, viable projects suggest that Jersey represents a competitive cost for a developer:

Figure 22: Benchmarking Results [44]



As can be seen in Figure 22 above, Hornsea 4 and East Anglia 2 have been assessed with LCoEs below that of the modelled Jersey scenarios. St Brieuc has been modelled with an LCoE higher than that of the modelled Jersey scenarios, however this comparison should be considered in the light of changes to the industry since design. With all of the Jersey scenarios sitting in the middle of the range, it can be concluded that Jersey represents a competitive cost.

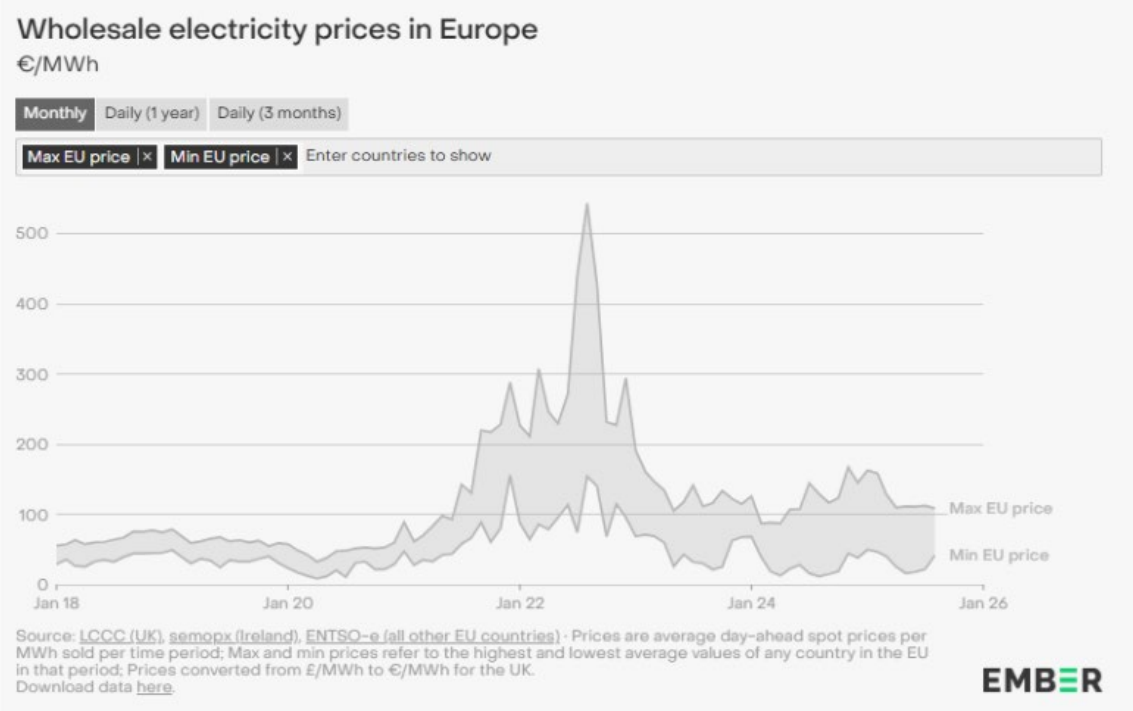
LCoE calculations are based on an extensive list of assumptions. These assumptions will change over time and it will be necessary to reperform LCoE calculations should Jersey progress to the next phase of an offshore wind project.

Price

A generator realises a return for its investment by receiving a price for the power which is typically measured in £/MWh (for ease). There are many ways a generator can secure a price. Energy can be traded on wholesale markets however, here, price is proportionate to demand. When the wind is blowing and many wind farms are producing, prices are lower. Without mitigation this level of volatility makes investment risky for developers and investors.

[42] From Offshore Wind Absolute Levelised Cost of Energy Study - Compiled Results
[43] Offshore Wind Landing Power in Jersey
[44] From Offshore Wind Absolute Levelised Cost of Energy Study - Compiled Results

Figure 23: Wholesale Energy Prices [45]



To mitigate this risk, developers seek price certainty from commercial Power Purchase Agreements or state guaranteed market stabilisation mechanisms such as "Contracts for Difference" ('CfDs'). Further explanation of these mechanisms can be found here. Whilst PPA prices are commercially confidential, CfD "strike prices" are published. By comparing the CfD strike prices agreed for projects with similar LCoEs to Jersey, a measure of attractiveness can be assessed. This provides an indication of how likely a Jersey project would be in order to be attractive to developers.

Figure 24: LCoE Comparison [46]

Project	Strike Price £ per MWh, real 2025	Year Awarded	Detail
Saint Brieuc	145.46	2019	Saint Brieuc received a fixed feed-in-tariff in France's first tender round in 2012 which was later renegotiated in 2018-2019 to be EUR 155/MWh from around EUR 200/MWh.
Hornsea 4	84.97	2024	Hornsea 4 was awarded a 15-year CfD in the UK's Allocation Round 6 (AR6). However, Ørsted discontinued the development of the project earlier in 2025, reportedly due to rising supply chain costs, higher interest rates and increased construction and delivery risks. ERM's LCoE results assume that development of Hornsea 4 went ahead as planned and commercial constraints have not been incorporated.
East Anglia 2	84.97	2024	East Anglia 2 was awarded a 15-year CfD in AR6.

[45] European electricity prices and costs | Ember
[46] From Offshore Wind Absolute Levelised Cost of Energy Study - Compiled Results

Whilst a PPA with a buyer other than a large-scale utility company would be possible, industry advice is that trans-jurisdictional issues will make Jersey less attractive than generators in the same jurisdiction for a large-scale energy consumer.

Access to a CfD scheme significantly de-risks a Jersey project for a developer. 70% of developers questioned advised that they would not consider bidding for a Jersey opportunity without a market stabilisation mechanism being available (see Appendix 2).

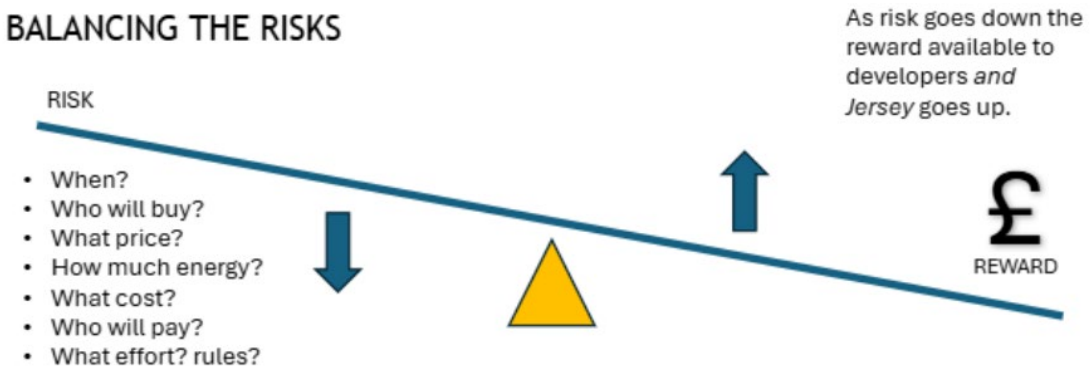
CfD strike price ranges are set for each bidding round. It is therefore impossible to know at this point whether the strike price offered at the time that a developer in Jersey would wish to bid would be attractive. It would however be in the best interest of the export market jurisdiction to offer a competitive price to attract bidders within their own territorial waters and (assuming that a developer in Jersey would participate in an open auction round) this is regarded as a low risk.

If power were to be landed in Jersey, power would be supplied to Jersey utilising a long term PPA. The price of power would be determined through negotiations between Jersey Electricity and the operator. Initial analysis by technical experts suggests that the price of power would be greater than comparable power purchased via the existing arrangements with EDF. Jersey Electricity advises that they believe this price increase could be mitigated and further work would be required to understand the impact on consumer pricing of landing power on Jersey. Jersey Electricity notes that connecting to an offshore wind facility in Jersey's waters could provide a cost avoidance mechanism over time, particularly in relation to costs for maintaining security of supply which should be explored further.

Net Profit and Return on Investment

A developer will determine their appetite to invest based on the estimated net profitability of a project. Where the net profit meets their investment thresholds, then a project would be of commercial interest. Such thresholds are commercially sensitive, however, work has been commissioned from industry experts to ascertain if the potential returns of a Jersey project fall within a typical range. An attractive return may need to be greater where project risk is higher. Assumptions made by developers about project risk require Government to deliver certain derisking administrative and political changes (for example economic and regulatory stability). If these cannot be delivered, the opportunity may be less attractive because the residual risk is greater. Conversely, a smaller return may be attractive where the associated project risk is lower. By expending effort in reducing project risk, Government can either/both: make a Jersey opportunity more attractive for developers and/or boost the pot of revenue available to be utilised for the benefit of Islanders.

Figure 25: Balancing the Risks



As a simple rule of thumb: the greater the complexity of the project, the less attractive it would be to a developer.

A report assessing Jersey's relative attractiveness has been commissioned and has concluded that *currently* Jersey is less attractive than neighbouring markets for an offshore wind developer.

Figure 26: Relative Attractiveness [47]

Benchmark of Jersey's position relative to other European markets.

	Legal Robustness	Market Readiness	Market Attractiveness	Geographical advantages	Resource advantages
The UK	Very High	Medium	High	High	Very High
France	Very High	High	High	High	Very High
The Netherlands	Very High	High	High	Very High	High
Denmark	Very High	High	Medium	High	High
Jersey (Scenario 1)	High	Low	Low	High	Medium
Jersey (Scenario 2)	High	High	High	High	Medium

In addition to comparing Jersey with other jurisdictions, a high-level analysis has also been undertaken to determine how Jersey would compare if realistic actions were undertaken to enhance Jersey's current position.

- Jersey Scenario 1 – Current position (e.g. no market access agreement in place)
- Jersey Scenario 2 – Future position with realistic actions implemented to increase market readiness and attractiveness with favourable terms agreed

This logic and its outcomes have been tested with local and global developers more than half of whom concluded that on balance Jersey represented no better opportunity than others on offer. Developers cited market readiness, the risk of site undercapacity and the difficulties of inter-jurisdictional working as key challenges (see Appendix 2).

The commercial attractiveness of a Jersey site will be traded against the reduction of risk and the optimisation of benefits for Islanders. Some of these trade-offs include:

- Should Jersey identify non-price criteria which are too extensive, a Jersey opportunity would be less attractive for a developer than an opportunity in less restrictive markets.
- Should Jersey seek to realise revenues earlier in the project lifecycle (for example to offset its costs), this will increase the risk and reduce the profitability of a business case to a developer, making it less attractive than other opportunities.
- Should Jersey mandate landing power in Jersey it could reduce the pool of potential developers and the price that they are willing to pay.
- Should Jersey seek to control risk through bureaucratisation of procedures, a developer may find a Jersey opportunity less profitable and less appealing than other markets.

[47] Offshore Wind Commercial and Legal Risks Redacted

- Should Jersey pursue independent and unique forms of governance, it may reduce the attractiveness for developers who are obliged to work with at least two jurisdictions. Whilst Jersey would continue to develop its own legislation which protects its own best interests, it is not realistic to anticipate that other jurisdictions will substantially change their energy policy to accommodate a single wind farm.

Ultimately, the attractiveness of a Jersey opportunity for developers and hence Jersey's ability to attract high quality, proven developers depends upon the terms of Market Access. Developers are curious to learn more about the potential for a wind farm in Jersey, however they have been clear in their feedback that without greater certainty, their appetite for investment would be constrained.

Section 9 Economic Analysis

On the basis of current estimates of the costs to Government and assuming access to UK or French energy markets on the same terms as currently offered to offshore wind operators, economic modelling suggests offshore wind could deliver potential benefit to Jersey in the range of at least £4 for every £1. This return would be through tax or leasing revenues, not through significant numbers of local jobs or supply chains. However, it should be clearly understood that the benefits are dependent on securing favourable access to UK or French energy markets. As such that potential return is caveated to the extent that quantification of the net benefits is not possible until the terms of this access have been negotiated.

Economic analysis has been undertaken to assess whether the development of an offshore wind farm in Jersey's water could deliver a potential economic benefit to Jersey. This analysis is not concerned with whether developing or operating an offshore wind farm would be profitable, but focuses on the economic costs and benefits that might arise for Islanders. The analysis follows the UK's His Majesty's Treasury ('HMT') Green Book methodology, itself considered best practice for quantifying the economic contribution of a proposed policy, or capital programme, and has been peer reviewed.

Methodological approach

The analysis quantifies all the economic benefits that might flow from the development of an offshore wind farm and compares these against the expected economic costs. The latter are those that would be incurred by the Government in order to enable an offshore wind farm to be developed. Costs start immediately and there will be costs every year until the offshore wind farm has stopped operating and has been decommissioned; in contrast the earliest that the benefits could start would be when the leasing process has concluded. Future costs and benefits are discounted using HMT Green Book discount rates (3.5% for years 0-30 and 3.0% for future years) and presented as Net Present Values ('NPVs'). The discount rate reflects that benefits of eg £1 million in ten years is worth less than £1 million today because of inflation. Finally, optimism bias has been applied to costs and to benefits that are less than certain. This is in line with the Green Book and is based on evidence that shows that the most objective assessments typically under-estimate costs and over-estimate benefits.

Economic Costs

Whilst the Government would not be investing in, or building a wind farm, it would need to develop policy and legislation, develop and run leasing and consenting processes and develop and run a regulatory function. The costs of this work have been estimated, detailed figures are commercially confidential but will total tens of millions of pounds.

As explored in Section 8 (above) 90% of developers who provided feedback stated that the right to participate in market stabilisation measures (most likely a CfD) is a prerequisite to bidding for a Jersey seabed lease. It is not possible to know how much a CfD scheme would cost because it is based on the difference between the strike price and the wholesale market price, which varies daily. Indicative estimates suggest that the cost of a CfD for the total output from a Jersey wind farm (when Jersey could at most only consume a minority of the power) would exceed the

economic benefits available to Jersey. Since it would not be economically viable for Jersey to offer its own CfD scheme, it would therefore be necessary to secure access to market stabilisation measures in an export market jurisdiction. The costs of a CfD scheme have been excluded from the economic analysis.

Economic benefits

Offshore wind farms typically generate economic benefits

i. directly via employment and economic output in construction and operation stages
ii. indirectly from additional employment and output generated via supply chains of both construction and operation firms
iii. via the spend by employees in the local economy (induced demand)
iv. via revenues to Government from taxes on employees and profits from leasing and/or licencing fees.

In the context of Jersey, an offshore wind farm would be unlikely to generate significant employment effects. Jersey's labour market is considered tight – there are more jobs than workers – and it is unlikely that there are significant numbers of workers with the requisite skills. Furthermore, construction and operational activity are both highly specialised and likely to be carried out by international operators based off-Island (eg in France or the UK) where centres of expertise have been developed and economies of scale exist. In the main, workers are likely to be transported from France or the UK directly to a potential wind farm. This is not to say that there won't be some employment opportunities for Islanders, but that in aggregate these are unlikely to be significant.

That said, some workers may travel via Jersey, perhaps flying in (or out) via the airport and to/from the wind farm via St Helier harbour. Further, Jersey ports might be used for refuelling/restocking by wind farm vessels. Benefits from this sort of activity have been included and optimism bias has been applied.

The main source of economic benefits would be from revenue equivalent to licencing fees, leasing fees and profit taxes. These have been estimated by assuming that the maximum revenues that could be charged by the Government are capped by the tax and fee revenues that would be paid in France or the UK by a 1 GW wind farm in their waters. This doesn't mean, or imply, that the Government would necessarily replicate the tax regimes or fees operated in either jurisdiction, but simply provides a framework within which to estimate potential benefits. Finally, it is assumed that Market Access on equal terms applies.

The economic benefits have deliberately been estimated conservatively. The assumption of no significant employment (or supply chain) effects is reasonable and so no benefits from either have been included. To provide some idea of scale, to generate £1 million per annum in new, or additional personal income tax revenue would require around 125 new workers to be employed full-time in the construction or operational stage of the wind farm. This seems unlikely. That said, some individuals and some local businesses may benefit from employment and supply chain effects, but for the purposes of the economic impact assessment these are considered insignificant.

On the basis of the methodology set out above and aggregating the costs (NPV), and separately the benefits (NPV) suggests that for every £1 cost to Government a return of at least £4 is expected.

Section 10 Geopolitical Risk

Since the beginning of the project, market conditions have changed.

As a relatively young industry, offshore wind is experiencing a period of disruption as supply chains, developers and markets refine the 'rules of the game'. Disruption is being magnified by recent geo-political volatility in energy markets and energy producing nations.

Most jurisdictions remain committed to supporting renewable sources of energy. The global number of auctions being opened and the quantity of offshore wind power being produced continues to grow year on year.

Despite the current volatility, industry forecasts that 'growing pains' will be mitigated prior the earliest possible construction date for a potential offshore wind farm in Jersey's waters (after 2035).

Equipment manufacturers and developers are consolidating their businesses and standardizing. In a buyer's market, they are choosing lower risk, more standard sites in mature markets to develop, resulting in failed auctions.

Both the UK and France have stated their intent to continue to pursue renewables to fulfil energy policy goals and have outlined their own development sites.

A review of market conditions has been commissioned and is published here. The report, alongside industry media screening, highlights some important industry trends which have a bearing on a Jersey project.

The key findings are summarised as follows:

Demand for renewables

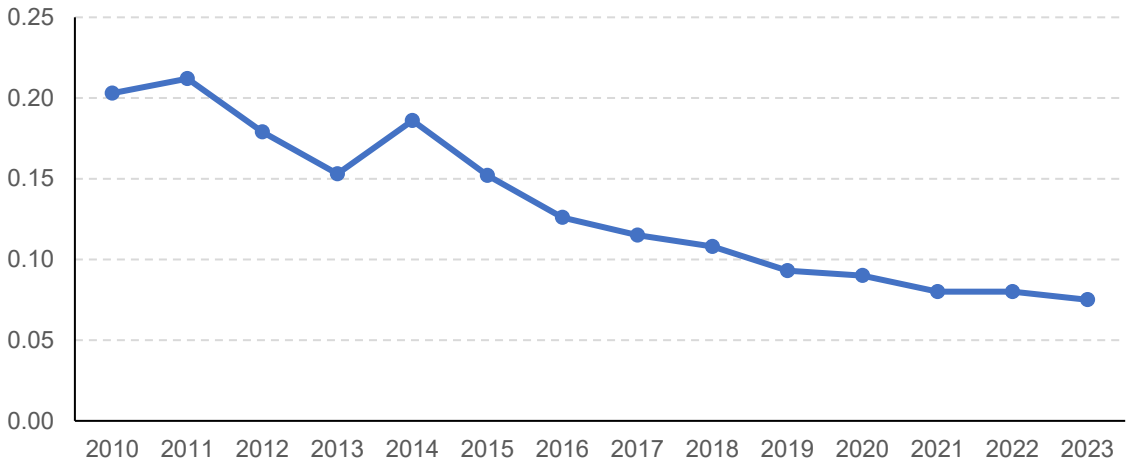
- There is growing demand for electricity as countries move away from fossil fuels[48].
- There is increased importance of renewable power to contribute to energy security for states who wish to reduce their reliance on imported energy including exposure to hostile actors (when combined with multiple modes of generation and across a large geographical area).
- 2024 was a record year for offshore wind auctions and in 2025 there are ongoing rounds of auctions for offshore wind farms in key markets. Despite headwinds, wind power is expected to grow year on year for the foreseeable future.
- This creates potential for Jersey to export offshore wind power or other sources of renewable power.
- The forecasted growth in demand for power up to 2050 means that there is no demand-side imperative for Jersey to act immediately.

[48] Global electricity demand to keep growing robustly through 2026 despite economic headwinds - News - IEA; Global Electricity Demand Is Rising Faster Than Expected, I.E.A. Says - The New York Times

Headwinds

- The cost and availability of finance continues to be a challenge, reflected in greater prudency from developers in choosing projects.
- There are increasingly negative attitudes to offshore wind in the US, which would appear to free up capacity for projects elsewhere in the short term[49].
- Conversely, trade tariffs, local content requirements and other protective behaviours are contributing to a levelling off in wind turbine costs:

Figure 27: Change in Total Installed Costs of Offshore Wind Turbines Over Time, *USD/KWh* [50]



Supply Chain

- Recent trade tariffs particularly on steel and rare earth elements (required to manufacture turbine magnets) make construction costs more volatile.
- With a significant proportion of wind turbine manufacturing continuing to be based in China, a deterioration in trade relations between China and the EU or limits on supply for national security reasons could introduce new shortages.
- Local manufacturing requirements are designed to encourage a strong manufacturing and assembly network in Europe but will increase prices in the short term.
- Wind turbine manufacture is currently a supply led market with low tolerance for bespoke solutions. Conversely the industry is still too young to have standardised, increasing the risk of obsolescence and reducing cross-project economies of scale.
- Questions remain regarding supply chain capacity to meet the surge in demand for wind turbines. Short term supply chain challenges are expected to be resolved before 2035.

[49] BREAKING: Trump Administration Stops Construction on 80-Pct-Complete Offshore Wind Farm | Offshore Wind
[50] Global Trends

Pricing

- Energy pricing in Europe has gone through a period of volatility which is damaging to all actors. States are beginning to evolve their energy policies to bring stability.
- A number of failed auctions in Europe highlight the need for Governments to tailor their support policies to better mitigate market risks, for example policy evolution in Denmark:

Figure 28: Case Study of Danish Policy Evolution [51]

Denmark has cancelled its ongoing 3 GW offshore wind auction, which included the Hesselø (0.8-1.2 GW), Kattegat II (1 GW), and Kriegers Flak II (1 GW) projects. This decision follows the unsuccessful auction of the three Nordsøen I sites (3x1 GW) in December 2023, where no bids were submitted.

The previous auction failed due to the absence of state subsidies, policy uncertainty, and a lack of demand for the generated power. In response, the Danish government initiated consultations with industry stakeholders. Just a month later, officials have pledged to provide state aid and re-launch the tender, potentially as early as late 2025, with a submission deadline in Spring 2026.

- Government support is shifting away from negative price auctions and one-sided feed in tariffs towards long term CfD price management and the introduction of non-price criteria to broaden the wider economic impact of potential developers.
- More information on market support measures is available here.

Network

- There is an urgent necessity for Europe-wide grid improvements and greater inter-connectedness to allow for greater use of intermittent renewables sources (which dilute intermittency and curtailment risks).
- The application of digital technology and the expansion of the interconnector networks between nations will allow for more flexible energy networks and increasing the potential to rely on renewables for baseload power.
- “First come first served” consenting procedures which are blocking consenting and connecting systems in several European countries need reform. However, enactment of “overriding national interest” should not undermine the need to minimise impacts.
- Increased competition for sites is resulting in emerging challenges of wake effects, wind theft and habitats impact.

Social Attitudes

- Whilst the overriding imperative to decarbonise is still strong, issues such as quality and social impacts are of growing importance to consumers and voters.
- There is growing dominance of “cost of living” concerns over concern about climate change.
- Domestic political and economic uncertainty across Europe results in a lower appetite to exploit the opportunity for economies for scale through regional collaboration.

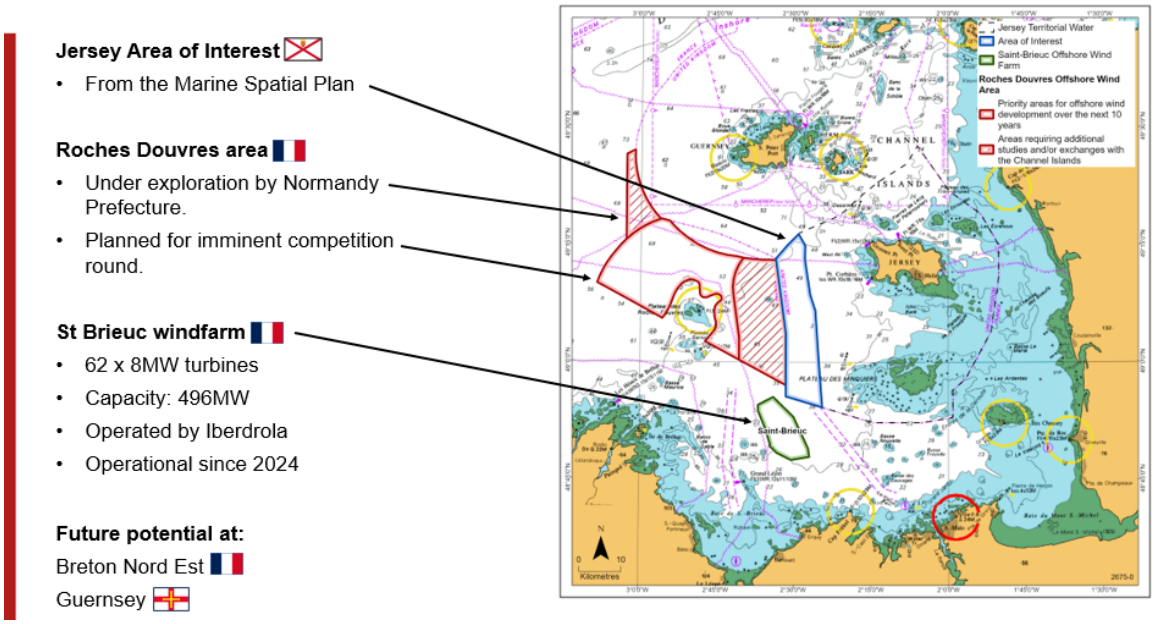
[51] Denmark cancels 3 GW offshore wind auction | 4C Offshore News

- Increasingly busy oceans mean more conflict about the interests of sea users.

Regional developments

- The UK continues to pursue 43 MW of offshore wind power by 2030 and recently opened its Round 7 CfD auction.
- France has a target of 45 GW of offshore wind by 2050 and is working towards its AO10 auction round in early 2026.

Figure 29: Regional Context



- The St Brieuc offshore wind farm, with a capacity of 496 MW[52], became fully operational in autumn 2024.
- French offshore wind plans have been published and are currently under public consultation. France currently anticipates that a large-scale offshore wind farm in the Roches Douvres area, to the west of Jersey's territorial waters would be operational from around 2040 [53].
- The initial Roches Douvres area of interest has been refined with a central part of the area (unhatched on figure 29 above) undergoing exploration ahead of a tendering process.
- Brittany continues to explore the potential of offshore wind further to the west of Jersey.
- The Guernsey Assembly endorsed plans in May 2025 for further work into the facilitation of the development of offshore wind in Guernsey's territorial waters[54]. Whilst Guernsey continues to hold significant offshore wind energy generation ambitions, no site has been publicly identified at this time. The prevailing west/ south-westerly winds mean that a

[52] https://www.iberdrola.com/about-us/what-we-do/offshore-wind-energy/saint-brieuc-offshore-wind-farm
[53] Expertises Territoires see: Strategic environmental assessment Summary - Eastern Channel North Sea (S'ouvre dans un nouvel onglet)
[54] Offshore wind - States of Guernsey

Guernsey offshore wind farm is not expected to have a significant impact on a wind farm in the Jersey zone.

Horizon scanning

- Domestic political challenges in both the UK and France may influence energy policy and distract governments from novel energy projects.
- The long-term financial outlook, including the weakening of the dollar, inflationary pressures and the cost of borrowing, continues to look challenging.
- Growing global political instability might impact local priorities.
- Approaches to end of life and how wind farms might be refitted or repurposed remain immature.

Implications for Jersey

Industry maturation, combined with significant global political and economic volatility means that the current offshore wind industry is very different to the market assessed in the 2019 feasibility report. This level of volatility may become the “new normal”. Increasing costs, volatility and uncertainty in the market and it means that developers are looking for lower risk opportunities (see Appendix 2).

Whilst supply chain capacity issues are expected to be overcome in the next 10 years, supply chain cost efficiencies have likely bottomed out, meaning that developers have less headroom to share with Islanders. Costs will be minimised through standardisation and a diminishing tolerance for bespoke solutions, for example landing power locally.

Governments elsewhere are under significant pressure to reduce the headwinds faced by energy developers and to manage the cost of power needed to drive economic growth. State aid continues to be critical for the development of new sources of power. CfDs are growing in popularity as a solution. Jersey’s ability to facilitate access to state aids in an export market is critical to success.

The market continues to evolve and ongoing market analysis would be a necessary part of a future project in order to ensure that Jersey would be able to quickly adapt to changes in market conditions.

Section 11 Concluding Remarks

Despite uncertainty in the industry and challenging issues for Jersey to overcome, there remains a potential economic opportunity for Jersey in supporting the development of an offshore wind farm in Jersey's waters.

However, significant uncertainty remains without an understanding of the conditions and implications of Market Access from an importing jurisdiction. Therefore, it is not possible for decision-makers to assess the full benefits case and determine whether to proceed.

Negotiating the terms of Market Access to the Island's benefit must be completed before it is possible to confirm the project's economic viability and ahead of expending significant money and resources on progressing towards a leasing process (in the order of £2m/yr for up to 7 years for an uncertain return thereafter).

Deciding to open a lease process must only follow a clear, evidence-based decision to progress a wind farm in Jersey's waters because it would bring net-benefit for Islanders. This cannot be determined without consideration of the terms of Market Access and therefore it is premature to open a leasing process.

Consideration must also be given to timing in respect of global trends and geopolitical risk which are not as favourable as they were in 2022 when this project began.

Conclusion: It is premature to open a lease process: Although offshore wind could offer Jersey real economic potential, current market uncertainty, geopolitical risk, and unclear access to export markets make this an unfavourable time to proceed with a leasing process. A decision should only follow once market conditions and access terms are clearly understood and shown to deliver a net benefit for Islanders.

Key outstanding issues

Legislation

Primary legislation for Jersey has been re-scheduled to early 2026, due to other Assembly priorities taking precedence. This is not believed to materially impact the progress of the project. Until Market Access is more fully understood, it is currently not recommended to enact such legislation albeit work on the current draft could be completed in the election period (see Appendix 3).

It is known that a significant amount of secondary legislation would likely to be necessary. An initial scoping exercise is captured in Appendix 3, however, this addresses the consenting process only. Additional legislative changes are anticipated associated with regulation and the impact of offshore wind on other socio-economic issues. The scope of effort will only become apparent through detailed discussions on Market Access.

Leasing Process

Preliminary work has been undertaken to explore potential leasing processes and can be found here. Detailed design of a leasing and consenting process is dependent on the arrangements with an export market jurisdiction. Therefore, no additional work is recommended at this time.

Landing Power on Jersey

Landing power on Jersey introduces additional complexity and uncertainty to assessing benefits, disadvantages and risks. A full report on the pros and cons of landing power on Jersey is available here. Key findings include:

- There is no scenario under which a Jersey offshore wind farm can supply 100% of the Island's electricity needs due to the intermittent nature of wind power – a secondary power source will always be required.
- Whilst it is theoretically possible to provide over 90% of the island's energy from an offshore wind farm; Jersey Electricity estimates that practically, they could support around 30%-50% of the island's energy needs being met from offshore wind. The remaining energy would continue to come from France.
- Landing power in Jersey and in an export jurisdiction adds cost and complexity to a project, which may reduce the appetite of developers.
- In the majority of scenarios, landing power on Jersey increases the unit cost of power. Whilst Jersey Electricity may be able to mitigate these costs through commercial arrangements, the impact on consumers must be better understood before a decision to proceed could be taken.

At this time, it is therefore not recommended to mandate landing power in Jersey.

Key Recommendations:

This Policy Appraisal has determined that, despite uncertainty in the industry, there remains a potential economic opportunity for Jersey in developing a wind farm. However, without an understanding of the conditions and implications of Market Access the full benefits case to the Island cannot be assessed.

Any project where excess energy is exported to another jurisdiction requires an understanding of Market Access. Therefore, this work in relation to wind is a 'test case', its outcomes will shape all future renewable energy projects, including tidal power so it has merit even if the Island does not progress a wind farm in the near future. Forwarding this work stream should be the next focus.

Government-to-government discussions with both the UK and France are advancing but are not concluded. It is not recommended to move to a lease process ahead of settling the Market Access point. Given limited clarity from UK and French governments, we plan to continue engaging whilst the scope of the discussions becomes clear enough to build a robust understanding and business case. The pace of this work is entirely dependent on the responsiveness of the UK and French governments.

This internal work currently comes with no additional budgetary or resource requirements and no request for resources is captured in the 2026 Budget.

When there is sufficient engagement from other jurisdictions to define the next phase of work, it will be possible to assess the level of additional support needed within the civil service. Fully developed negotiations will require specialist legal and technical assistance, but currently this cannot be scoped. When the scope of Market Access negotiations become clear, a business case for additional resources and a negotiation plan can be developed, subject to Ministerial and Council of Ministers' agreement.

In the meantime, proportional engagement alongside the Isle of Man and Guernsey will continue, paced by external interest. This can be supported within existing resources.

Moving to a lease process will be postponed until agreement is reached on Market Access to a satisfactory position for Jersey followed by an agreement by decision makers to progress.

Recommendation
Work to clarify the basis upon which the UK and France would allow Jersey access to their energy markets will continue within existing budgets. Once the scope is understood, a business case for the legal and technical resources needed to complete the negotiations and a negotiation plan will be developed for consideration by the Council of Ministers.

Appendices

Appendix 1 - Background

Introduction

In response to community concerns about the impact of climate change to the Island, in May 2019, the States Assembly voted to declare, 'that there exists a climate emergency likely to have profound effects in Jersey'[55].

Carbon Neutral Roadmap

In February 2020 the Carbon Neutral Strategy[56] was agreed. This provided the preparatory work to enable the development of the Carbon Neutral Roadmap (CNR) in April 2022[57], setting out Jersey's commitment to reducing greenhouse gas emissions to achieve net-zero by 2050. Within the CNR, the Strategic Policy 2: Island Energy Market references Jersey's need to accommodate changes to its current energy systems and to explore new and emerging energy solutions, including that the Government will:

a) examine the options for utility scale renewable energy generation; and

b) ensure a diverse, safe and resilient supply of energy that will meet the island's future needs.

Since the declaration of the Climate Emergency and the adoption of the CNR, there have been some significant strategic movements that have set a policy direction to consider offshore renewables for Jersey:

a) **The Bridging Island Plan (March 2022)[58]:** Policy ME5 – Offshore utility-scale renewable energy proposals provide broad policy support for the development of utility scale offshore renewable energy proposals, where proposals provide a viable commercial case for a project of an environmentally and socially acceptable scale. It provides a framework for considering such proposals.

b) **The Future Economy Programme[59]:** identified renewable energy as a potential growth enabler to address long term challenges of demographic shifts and low productivity. In addition to economic growth, other identified benefits include enhanced energy independence and potential long-term price stabilisation. Different types of renewable energy sources were analysed, and offshore wind was identified as having the best strategic fit, at present.

Jersey's offshore wind proposals

The then Minister for the Environment, Deputy Jonathan Renouf (and the then Assistant Minister, Deputy Hilary Jeune) prioritised investigating offshore wind energy in their term and set an ambitious timescale. Both Ministers served from June 2022 to January 2024. During their time in office, early plans for the investigating the potential for building a wind farm in Jersey's waters were undertaken. This is referred to as "Phase 1" and continued into April 2024.

[55] States Assembly | P-27-2019
[56] States Assembly | P-127-2019(Rpt)
[57] States Assembly | P-74-2022
[58] Bridging Island Plan 2022 to 2025
[59] Future Economy Programme (FEP)

In October 2023, the Council of Ministers announced an intention to fully investigate the potential for an offshore wind farm that could be built in the southwest of Jersey's territorial waters.

The project could offer significant environmental social and economic benefits for the Island. The proposed wind farm, with a capacity of up to around 1,000 MW, would produce enough electricity to meet Jersey's needs with any extra power being exported. A wind farm in Jersey could significantly contribute to its net-zero goals by providing a low-carbon energy source, reducing reliance on fossil fuels.

Building from this, the Government established the Offshore Wind Project in June 2024 to:

a) design and agree a new law to consent and regulate development of offshore energy,

b) set out the strategic options and develop the economic case for development, and

c) develop the process and procedure necessary to find and work with the right development partner

The project was envisaged as having three stages:

Figure 30: Three Project Phases [60]

April 2024 Phase 1 In principle support	**May 2024 to December 2025** Phase 2 Legal and policy framework	**2026 onwards** Phase 3 Leasing and consents
Establishing in principle support for the project and to move to the next stage of policy development. This includes feasibility work to identify a suitable location for offshore wind in the southwest of Jersey's waters, and a major public engagement process, industry engagement and the States debate on the Proposition.	Focussing on policy and legislation needed to support any decision to develop offshore wind, ensuring any such development will be economically viable, safe and effective, and developing a leasing process which ensures that the best value outcomes ar secured for Islanders	Following States Assembly agreement, a leasing process will commence to select a developer to access and study the potential site , including recording environmental monitoring and other data. Should the developer's application for consent under the new law be granted, development would then begin

A major public engagement process began in November 2023 and ran for 16 weeks, including public meetings, the opportunity to view visual 'mock ups', and a formal consultation survey[61].

The consultation engaged a diverse range of participants, including survey respondents, children and young people. The purpose of the consultation was to help States Members understand the current views of Islanders. The consultation assessed community perspectives on the potential benefits and concerns associated with the project.

Over 70% of respondents were positive about exploring further the potential of offshore wind energy. While there was significant support for renewable energy initiatives like offshore wind, concerns about environmental impacts, economic viability, and the consenting process persist.

[60] Proposition States Assembly | P.82/2023 'Offshore Wind'
[61] Offshore Wind consultation

There is strong local political support for these investigations, in principle. In April 2024, States Members approved Proposition P.82/2023 'Offshore Wind' (40 Pour; 1 Contre; 9 Absent). which:

a) Agreed that Jersey should pursue the opportunities arising from the development of an offshore wind farm in the south-west of its territorial waters;

b) Agreed that development of up to around 1,000 MW in provision should be encouraged in order to meet the needs of Islanders, to power the Island's future economy and to create energy for export; and

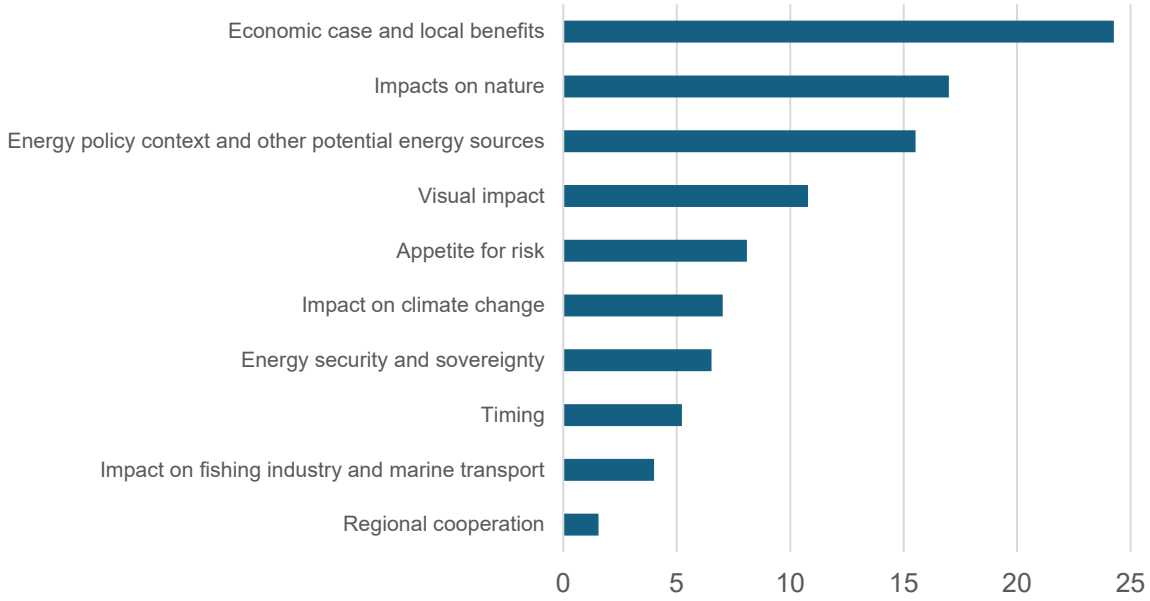
c) Requested the Council of Ministers to bring forward appropriate policy and legislation before the end of 2024 to set in place a process to lease, provide consent for, regulate and safely decommission a wind farm.

Appendix 2 - Key Themes

Consultations on Offshore Wind and responses.

The Offshore Wind Consultation ran for 16 weeks from 10 November 2023 to 29 February 2024 in parallel with the public consultation into the MSP for Jersey. The consultation was a way to engage with a diverse range of Islanders, including children and young people and for them to raise their views of the opportunities and challenges that an offshore wind farm might offer with decision makers . Figure 31 shows the key themes raised by members of the public which were made available to States Members ahead of the debate on P.82/2023:

Figure 31: Key Themes from the Public Consultation, *% of key themes*

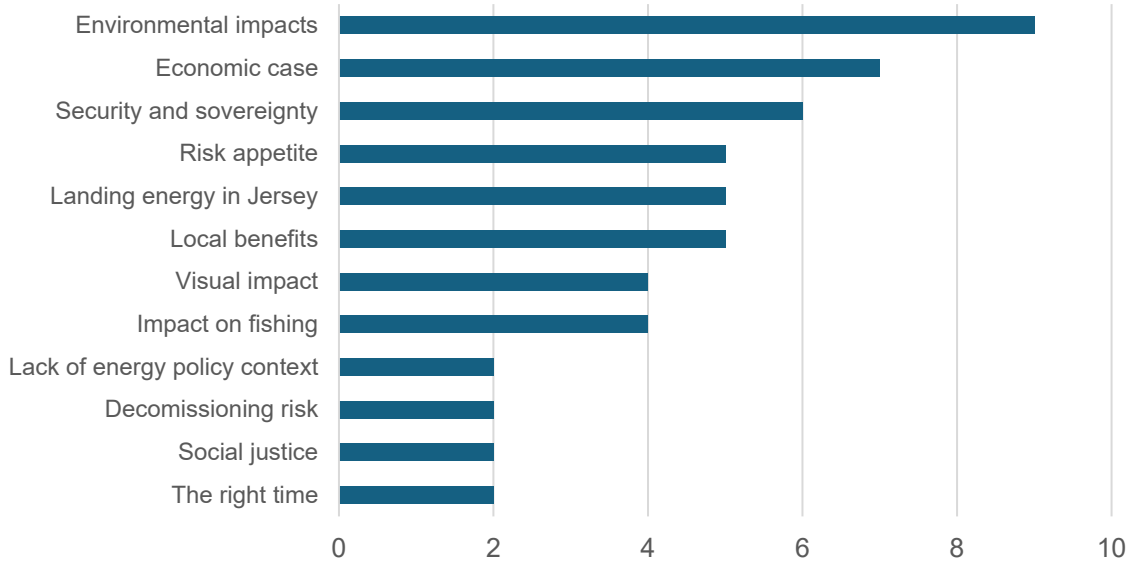


The full consultation report can be found here.

Proposition P.82/2023 debate

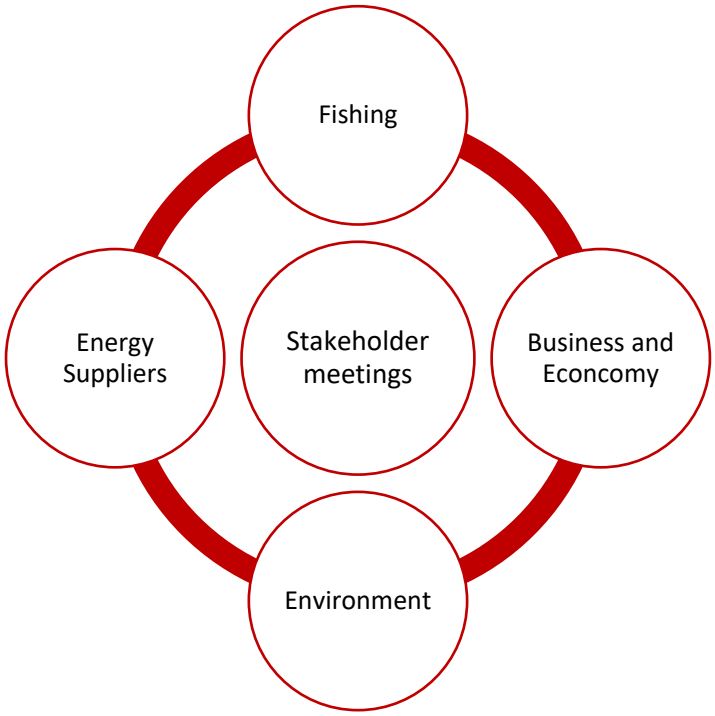
Figure 32 highlights the key themes raised in the States Assembly during the offshore wind debate in 2023. The highest concern raised amongst those that spoke was the environmental impact to the Island:

Figure 32: Key Themes from Assembly Debate, *Number of members who raised the theme*



Stakeholder feedback

In July 2025 a series of stakeholder engagement sessions were held with key interest groups including the fishing industry, business and economy representatives, environmental groups, and energy suppliers. The purpose of the sessions was to provide an update on the project and the key areas of focus and to give stakeholders the opportunity to feedback. Separate briefings were also provided to States Members and the Offshore Wind Review Panel. Each session delivered consistent core content, tailored to the specific interests of the group in attendance.



Several common themes emerged across the sessions. Stakeholders raised concerns about the cumulative impact of offshore wind developments, particularly in relation to existing and future projects in the region. The economic case for offshore wind was a recurring topic, alongside issues of energy security and sovereignty. Visual impact was another shared concern and also the need for Government to provide clear, factual information to the public when final proposals are published.

Feedback varied by stakeholder group. The fishing industry expressed strong concerns about being increasingly restricted by developments such as marine protected areas and offshore wind farms. Environmental groups raised concerns about effects on marine and bird life and other transient and migratory biodiversity, though some acknowledged potential marine biodiversity benefits from turbine infrastructure. The discussion among business and energy stakeholders recognised that the main driver for the project is economic, rather than energy security. These groups also emphasised the importance of clear and factual information as a basis for decision making.

Industry feedback

A presentation was delivered to offshore wind developers in October 2025. Representatives from both local developers and large multi-national developers attended. The presentation covered the background to the project, site characteristics and feasibility, options under consideration (landing power in Jersey, leasing design) and challenges (technical, market and regulatory).

A survey was sent to developers after the session inviting them to share their views on Jersey's offshore wind project as set out in the (supplied) presentation. The detailed responses are commercially confidential however, key feedback is summarised here.

Technical

Developers considered that the 1 GW size of the project was appropriately sized. Several highlighted that it would be difficult to secure supply chain or investment for a smaller site.

"Given the global demand for wind turbines and associated infrastructure, it would be difficult to gain access to the supply chain for a smaller scale wind farm as it is not attractive to manufacturers."

In terms of the destination of power, exclusive export to the UK was the highest scoring option, with UK and Jersey the second highest option (although no option was significantly more attractive than any other). Reasons for preferring the UK were the relative ease of working with the UK government. Developers were evenly split between viewing landing power on Jersey as an attractive option and feeling that it was not material. Most responses highlighted that landing power on Jersey would add additional cost and that this would need to be balanced against other benefits such as energy security/ reduced reliance on France.

Market Access

The most conclusive set of responses were on Market Access. 90% of developers strongly agreed that certainty of Market Access to the UK or France was essential before they would consider bidding for a project in Jersey. Similarly, 70% strongly agreed that access to a state-backed market stabilisation mechanism was essential.

Comments received included:

"Without certainty of market access, it is not possible to raise debt against the project which is critical to enable the project to proceed. It is also extremely difficult to raise equity against a project that has no clear future revenue generation."

"Investment decisions by developers require an underlying business case which will only work if underpinned by a clear route to market for the power. Knowing which market this is an essential pre-requisite."

Attractiveness

Developers were cautious about navigating regulatory regimes in two different jurisdictions with the majority identifying this as having an impact on their risk appetite. A related question about pursuing leases and consents in two different jurisdictions saw an equally cautious response, with over half of respondents expressing concern about this.

In summary, based on the information provided, half of developers perceived that currently (without a clear position on issues such as securing market access, market stabilisation mechanisms or an offtake scenario) Jersey is of interest as an opportunity when compared to other markets, however, 40% concluded that Jersey is currently of less interest than other markets currently seeking to develop.

Appendix 3 - Legislative and regulatory work ahead

This Appendix sets out initial findings on the future scope of a project, following agreement on Market Access.

Primary Legislation

Work has been progressing to draft primary legislation that will establish the process by which consents to develop offshore renewable energy infrastructure in Jersey can be obtained by developers. This legislation would take the place of the consenting process set out in the Planning and Building (Jersey) Law 2002 and create a bespoke regime in respect of offshore renewable energy infrastructure.

As the project has progressed it has become clear that until Market Access is understood and subsequent decision on moving to a lease is made, there is no requirement for the primary legislation to be enacted. This being the case, work on the primary legislation was deprioritised in the summer of 2025 allowing law drafting resources to be re-allocated to other work that was required in this term of government.

The intention is to complete work on the next stage of the primary legislation in the election period. The draft legislation will then be ready for the next Government to consider once a settled position on the Market Access workstream is reached.

We advise that even when completed, the primary legislation should not be debated until a decision to progress to a lease is made. If there was a wish to bring it in sooner the following would need to be considered:

- That the enacted legislation would not be responsive to matters that come to light in the development of a leasing process or the requirements of Market Access, depending on the agreement reached with an export market jurisdiction.
- The primary legislation will need to be supported by a significant volume of secondary legislation to be capable of enactment. We advise that expending resources on developing this secondary legislation would be premature until a wider decision is made to progress either a wind project or another renewable technology.
- The risk of a speculative application by a developer under the primary legislation that the Government does not have the resources, infrastructure or operational capacity to determine.

Secondary Laws and Guidance

Initial research suggests that up to fifty laws require drafting or revising to create an opportunity to develop offshore wind (see Figure 33 below). The exact legislative requirements are dependent on the requirements of the export market and cannot be determined until Market Access is secured.

In an average year the States Assembly delivers approximately fifty pieces of new legislation. Choosing to progress such legislation would potentially divert resources from other important issues of States Assembly business.

Whilst much of the legislation identified is not required until the consenting stage, or even the operation stage of an offshore wind farm, knowing the content of legislation reduces risk for developers. It is possible to delay the development of legislation until after a lease is granted (and potentially fees have been paid), however, this could:

a) increase the risk for a developer beyond their commercial interest (resulting in fewer bids for a lease) and/or

b) reduce the revenues a developer would be prepared to share with Islanders.

The deeply technical nature of the legislation and regulation required means it will likely be optimal to use external (including off-island) resources to complete this work. Factoring in the costs of this has an impact on the financial benefits of the project available to Islanders.

Consenting and Regulatory oversight

Initial advice suggests that even considering the lightest touch scenarios, considerable regulatory effort would be required to support a consenting process.

Because this represents a peak in workload and typically requires specialist skills it is most likely that regulatory agencies would outsource work to third parties, based outside of Jersey. Regardless of how these costs are recouped, these costs reduce the economic benefits available to Islanders.

Initial research suggests that considerable regulatory effort would be required to monitor and regulate power generation on an ongoing basis. This would likely require the establishment/ appointment of a permanent energy regulator. Because this typically requires specialist skills, it is most likely that regulatory agencies would outsource work to third parties, based outside of Jersey. These costs reduce the economic benefits available to Islanders.

Leasing and Property Management

Initial research suggests that specialist effort is necessary to undertake a leasing process and manage the lease of the seabed to a developer throughout the life of a potential offshore wind farm.

These skills do not currently exist in the Government. Whilst such skills could be obtained through hiring or subcontracting capability, these costs reduce the economic benefits available to Islanders.

Figure 33: List of Potential Legislative Changes

Note: The below is not an exhaustive list and is an overview of the types of Secondary Legislation that may be implemented, as delegated by the corresponding Primary Legislation. Secondary Legislation provides the detailed rules/provisions and is underpinned by the framework within the relevant Primary Legislation.

Category	Description of Secondary Legislation	When needed?	Further Detail
Amendments	To amend Primary Legislation	Future Amendment - ad hoc when required	Secondary Legislation can be written to amend parts of Primary Legislation
	To amend relevant project types	Future Amendment - ad hoc when required	Should new project types become relevant, Secondary Legislation could be enacted to increase the scope of Primary Legislation to include additional project types / exempt project types
	To amend consenting requirements	Future Amendment - ad hoc when required	Should new legislation be introduced, Secondary Legislation would enable amendments to be made to the type of consents required under Primary Legislation
	To amend the type of consents that the Primary Legislation overrides	Future Amendment - ad hoc when required	Should new legislation be introduced, this Secondary Legislation would allow amendments to be made to the types of consents that the Primary Legislation exempts/overrides
	To amend what matters should be considered	Future Amendment - ad hoc when required	To allow amendments to the scope of topics that should be considered, either to increase or to disregard topics
	To disapply elements of Primary Legislation	Future Amendment - ad hoc when required	Secondary Legislation which disapplies/revokes certain elements/requirements of the Primary Legislation
Administrative / Procedural	Directions to whether projects fall under Primary Legislation	For implementation	To implement a process for which a developer can seek direction as to whether a project is relevant under Primary Legislation
	Definitions relating to developments and consents	For implementation	To set out definitions relating to developments or consents, such as the commencement of works

Category	Description of Secondary Legislation	When needed?	Further Detail
	Powers to make supplementary provisions	Future Amendment - ad hoc when required	To grant powers relating to supplementary provisions i.e. amendments which have been made to Primary Legislation
	Appointment of Examining Authority	For implementation	Details the process and requirements for appointing members, replacing members etc
	Examination procedure	For implementation	Sets out the Examination procedure, including the process for hearings, written procedures, decision making, timeframes etc
	Disclosure	For implementation	Sets out the process to be followed regarding sensitive information
	Disclosure of advice	Consenting	Provisions to set out requirement(s) relating to the applicant seeking advice (e.g. what sought advice must be disclosed and to who)
Powers	Powers to make provisions	For implementation	Grants powers to make Secondary Legislation under Primary Legislation
Applications	Requirements of an Application	For implementation	Sets out the requirements of an application, i.e. what needs to be included, how to submit an application
	Acceptance of Applications	For implementation	Sets out how the Regulator will notify the Applicant of the application acceptance
Consenting	Granting development consents	For implementation	Secondary Legislation to set out the details of what a Development Consent Order must include
	Development Consent Orders	At consent	Secondary Legislation specific to a consented development, which sets out the requirements in connection with the development for which consent has been granted.
	Notification of decision	For implementation	Sets out how the Regulator will notify the Applicant of the decision
	To vary or revoke consent orders	For implementation	Sets out the procedure to be followed, should a granted consent need to be corrected, varied or revoked
	Amendments to what is included in a consent	Future Amendment - ad hoc when required	Should the scope of what is included within a consent need to change, Secondary Legislation can be implemented to amend what a consent must include
Compensation / Appeals	Compensation	For implementation	Details the circumstances in which claims for compensation can be made

Category	Description of Secondary Legislation	When needed?	Further Detail
	Appeals	For implementation	Details the procedure for submitting an appeal
Consultation / Public Notice	Pre-application consultation process	For implementation	Sets out the process and requirements for pre-application engagement with regulators and stakeholders
	Stakeholder notifications	For implementation	Sets out requirements for notifying stakeholders of application
	Public Notices	For implementation	Sets out the requirements for how an application must be publicised
	Consultation Requirements	For implementation	Sets out the consultation requirements to be carried out as part of the application process
	Notice of land acquisition	For implementation	Sets out the requirements of notices to be issued where land is acquired
	Local Impact Report requirements	For implementation	Details what must be included by local authorities within a Local Impact Report as part of their response to consultation
Public Register	Public Register	For implementation	To set the requirements for making applications and decisions publicly available
Fees	Fee requirements	For implementation	Sets the requirements for fees, including details of when fees are required (application, post consent etc), when fees are payable, who is liable, how fees are paid etc.
	Operational fees	For implementation	Set out details about what fees may be required for performance of any major infrastructure (e.g. when required, amount, who is liable, waivers or reductions)
	Service fees	For implementation	To set provisions regarding the fees to be charge by public authorities for services. May include details of when fees may be required, fee amounts, who may be liable, when waivers may apply, etc.
	Appeals fees	For implementation	Set out the details about what fees may be required when appeals are made
	Levies	For implementation	To make provisions relating to levies and how costs should be funded by owners or developers
Legal matters	Legal challenges	For implementation	Sets provisions relating to challenging a consent decision
	Unauthorised developments	For implementation	Sets provisions relating to unauthorised / unconsented developments

Appendix 4 - Stages in the lifecycle of a wind farm

Preparation: The time it takes a jurisdiction to prepare for offshore wind energy generation development varies. Timeframes will be affected by the existence of existing regulatory frameworks, commercial interest, policy incentives and prioritisation, however, examination of case studies suggests that it typically takes in the range of 5 years:

- Taiwan- set clear goals for wind energy in 2005. The first commercial turbine site was tendered in 2015 [62].
- Australia- Work on legislation began in 2020; a first tender was awarded in 2025 and consenting is still to take place[63].
- Malta- Published its plans for offshore wind development in 2018 with a tender awarded in 2025 and consenting still to take place[64].
- Columbia- Initial feasibility studies were completed in 2020 and first tenders were awarded in 2025 [65].
- Iceland - feasibility studies started in 2015; consent was granted in 2021 (there was no tendering process); and plans to have the first offshore turbines operating by the end of 2025 [66].
- Portugal feasibility studies commence and national targets set around 2020, with the first auction planned for the end of 2025 [67].
- Jersey- First feasibility studies published in 2023.

Jersey has not yet developed the necessary legal and regulatory frameworks to support an application for consent to construct an offshore wind farm. It is estimated that it will take a minimum of an additional three years for Jersey to develop the necessary legal and regulatory frameworks.

Tendering: There are a variety of tendering approaches that can be utilised to secure an appropriate development partner[68]. A tender can include price and non-price criteria, for example:

- Timing: how quickly a developer can act
- Scope: the responsibilities a developer is expected and/or might wish to take on (for example constructing a connection to Jersey, paying for a sub-station etc.)
- Mitigations: how a developer will mitigate the impact on those affected by development
- Socio-economic benefits: how a developer will support the community for example through funds, public participation, training etc.

[62] Wind power in Taiwan: Policy and development challenges - ScienceDirect; Taiwan set to install offshore pilot in 2015 | Windpower Monthly
[63] Preliminary Licences Granted for 3 Offshore Wind Projects in Western Australia | Offshore Wind Legislation and regulations - DCCEEW
[64] MLT_LTS_Nov2021.pdf Three Applications Submitted in Malta's First Offshore Wind Tender | Offshore Wind
[65] Colombia Offers 15-Year Contracts in Country's First Offshore Wind Round - Energi Coast Assessment of the Offshore Wind Potential of the Colombian Caribbean Sea in Scenarios of Climate Variability and Climate Change. - Astrophysics Data System
[66] UK Energy Company Announces Planned Windmill Farm in Icelandic Waters Mapping_Offshore_Winds_1.pdf
[67] Offshore em Portugal
[68] Offshore Wind Leasing option evaluation summary Redacted

- Environmental consideration: how a developer will seek to minimise their impact
- Sustainability: evidence of the long term sustainability of a developer's business and their long-term commitment to our Island.
- Payment structures: option fees, application fees, rents, taxes, profit or revenue shares could be proposed.

As well as other considerations developed through the preparation stage.

The resultant agreement with a potential developer might include:

- The activities a developer may conduct in the area.
- The responsibilities a developer has to protect the area.
- The rights a developer may exercise in the area (for example limiting access by others).
- The length of time for which a lease is granted.
- Rent and payment rules.
- What happens if things don't go according to plan?

Tendering can only commence once enough preparation has been done to ensure the appropriate evaluation and apportionment of tolerable risk and reward.

The design of a tendering process for Jersey would be conditional upon (without limitation):

- the approach taken by the markets into which Jersey's energy could be exported
- the investment Jersey wishes to make into an offshore wind farm (for example pre-consent feasibility)
- the reward Jersey wishes to receive from offshore wind (most particularly the timing of licence fees, lease fees and revenue from taxation)
- the commercial conditions Jersey wishes to apply to a development
- the global market at the time of launching a tender

Consequently it is not possible to determine the nature of a leasing process at this time. Based on market experience and the Government's own experience of running complex and high profile tendering exercises, two years is a reasonable assumption for tendering time.

Exploration: In order to have a thorough understanding of the potential commercial, economic, social and environmental impacts of a wind farm a significant programme of exploration is undertaken. As part of the preparation stage a government would determine who will be responsible for differing aspects of exploration. It is necessary for a developer to understand the exploration regime prior to bidding in a tendering exercise.

Developers may chose to shorten the timeline by beginning exploratory activities at their own risk. Typically, this opportunity is controlled by granting an exclusive right to explore to the successful party in a leasing process.

Whilst preliminary assessments have not identified any major issues with development within the planned area[69], detailed exploration work has not commenced.

Consenting: The consenting process provides the opportunity for governments, interest groups, experts and citizens to scrutinise the proposals made by a developer. In most jurisdictions, the process is the same as or similar to the planning process. The standards that an application has to achieve are defined through legislation and a scoping opinion and may include (amongst other things):

- The standards of environmental assessments to be carried out;
- The construction standards that would apply;
- The health and social assessments that need to be completed;
- The nature of public consultation that must be undertaken;
- The impact on other social and economic activities including marine, airborne, commercial and leisure activities;
- Health, safety and disaster planning;
- Any other considerations developed through the preparation process.

The consenting stage provides the first opportunity for stakeholders to understand in detail and with certainty what is being proposed.

Financing: Wind farm developers rarely hold adequate working capital to construct wind farms "in house". Typically, they will borrow funds either as a loan or from active investors. The appetite of lenders and the returns that lenders seek will be determined by the outcome of the previous steps. It can take up to two years for developers to secure funds.

Construction: Because the lead times for hardware are long, developers order equipment ahead on the probability of consents being granted. On site construction may take up to two years.

The construction stage is typically closely supervised by authorities and expert observers. Planning for this supervision is undertaken in the preparation stage.

Operation: Whilst early offshore wind farms were expected to have operational lives of around 15-20 years, 25 years is a typical planning assumption for the operation of modern wind turbines. Whilst few wind farms have yet come to the end of their lives, there appear to be opportunities to re-fit sites to extend their lives. This has the potential for second generation power with lower capital outlay than the first generation[70].

Operation includes dispatching power to the grid. The protocols governing transmission and the systems necessary to ensure transmission is safe are established in the preparation stage.

Decommissioning: Whilst few wind farms have yet been decommissioned, it is conventional for decommissioning plans to form a part of the leasing and consenting processes. Developers work with authorities to update decommissioning plans, based on the latest expertise, to ensure that

[69] Offshore Wind Overview of cumulative impacts
[70] Repowered wind farms show huge potential of replacing old turbines - WindEurope

ecosystems are left in the most appropriate state at the end of an offshore wind farm's life. This process is expected to take around two years.

Whilst the decommissioning process can be codified during the preparation stage, what decommissioning actually consists of will not be known until many years into the life of a wind farm.

Appendix 5 - List of Figures

Figure	Title
1	The Area of Interest set out in the Bridging Island Plan
2	Zones identified in Proposition P.82/2023
3	Regional Context
4	Optimised Zone
5	Energy and electricity consumption, 2019 to 2024, *GWh*
6	Annual energy consumption and 1 GW wind farm output, *GWh*
7	The Growth in Wind Turbine Sizes over Time
8	Assumption on Turbine Size used for Policy Appraisal
9	Distance of the Optimised Zone from the Jersey Shoreline
10	Indicative Visualisation of the Optimised Zone from La Corbière
11	Indicative Visualisation of the Optimised Zone from Noirmont
12	Indicative Visualisation of the Optimised Zone from L'Étacq
13	Indicative Visualisation of the Optimised Zone from Grève d'Azette
14	The Eight Basic Stages of Offshore Wind Farm Development
15	Average Time for Consenting in Jurisdictions with Existing Rules and Regulations
16	Simplified Timeline of the Project Stages for Jersey
17	Summary of Strategic Options Appraisal Scenarios
18	Offshore Wind Farm Business Cycle
19	Levelised Cost of Energy
20	Connection Scenarios
21	LCoE Results
22	Benchmarking Results
23	Wholesale Energy Prices
24	LCoE Comparison
25	Balancing the Risks
26	Relative Attractiveness
27	Change in Total Installed Costs of Offshore Wind Turbines Over Time
28	Case Study of Danish Policy Evolution
29	Regional Context
30	Three Project Phases
31	Key Themes from the Public Consultation
32	Key Themes from Assembly Debate
33	List of Potential Legislative Changes

Glossary

Abbreviation	Description	Further information
AIS	Automatic Identification System	An automatic vessel tracking system, governed by the International Maritime Organisation.
BIP	Bridging Island Plan	
Cumulative Impact Assessment	An assessment of cumulative environmental, social and economic impacts across a regions (as opposed to being site specific)	See here for more information
CIEG	Channel Islands Energy Group	
CfD	Contract for difference, state aid mechanism.	See here for further information
Curtailment	Curtailment is when a source of energy production is shut off or the amount of power that it is producing is reduced	See here for further information
EIA	Environmental Impact Assessment	See here for more information
GIS	Geographical Information System	A GIS file format or geospatial file format is a standard for encoding geographical information into a computer file. It is a specialised type of file format for use in geographic information systems (GIS), remote sensing image processing tools, and other geospatial applications.
GW	Giga watt consisting 1,000 MW	
GWh	Giga Watt hour- unit of electrical power volume.	
Jersey Electricity plc / Jersey Electricity	Jersey's electricity provider.	
LCoE	Levelised Cost of Energy	

Abbreviation	Description	Further information
Market Access	This refers to the ability for electricity generated in Jersey's territorial waters to be exported and sold into another jurisdiction's energy market. This includes securing both the *physical* and *regulatory* conditions required for export: access to transmission infrastructure and grid connections; participation in the destination market's pricing, balancing, and stabilisation mechanisms (such as Contracts for Difference or equivalent schemes); and compliance with the host jurisdiction's technical, legal, and regulatory frameworks. In practical terms, market access defines whether and how Jersey can connect to, trade within, and benefit economically from external energy markets.	In order to achieve market access, there will need to be a sustained political and administrative effort. It will need to be supported by sufficient funding and resources first to negotiate market access on agreeable terms and if successful then across the lifetime of an offshore wind farm project (40+ years).
MSP	Marine Spatial Plan	
MW	Megawatt	
Offtake	The taking by the consumer of the electricity from a generator.	
PPA	Power Purchase Agreement	
Strike price	The fixed price in GWh that the generator receives for power.	Further information is available here.
VMS	Vessel Monitoring System	An automatic vessel tracking system similar to AIS and governed by individual jurisdictions.