

NOW IRELAND 4TH ANNUAL CONFERENCE ON TUESDAY, 15TH NOVEMBER 2011

WELCOME ADDRESS BY NOW IRELAND CHAIRMAN, MICHAEL MCBENNETT

Ladies & Gentlemen,

I would like to welcome you to the fourth NOW Ireland Conference. For some of you, this will be the fourth time you have come to this event. If it is, you will know the commitment that we have to this industry. You will know the belief that we have in this industry. You will know the potential that we see in Ireland's green resources. We have said it many times before and we will repeat it again today, offshore wind can be a significant driver of Ireland's economic growth.

From the five projects in active planning and development in Irish waters there is 2800 MW of offshore wind energy available. This alone will involve an investment of over €8bn euro and will support thousands of jobs during the construction and operation and maintenance phases.

Beyond these first projects, we also know that from our territorial waters there is a far larger opportunity to develop up to 10,000 MW of offshore wind, as technology develops. This store of green energy could establish Ireland as a major exporter of green energy to our European neighbours.

It is important to restate this opportunity and that we talk about the scale of what can be achieved. It is important because, while we see offshore wind take off in countries around Europe, there is a real fear that Ireland is missing out. There is a concern that despite having some of the best resources in Europe, that we are not capitalising on them.

We have a relatively new Government and a relatively new Minister in situ. I think it is fair to say that previous Ministers have failed to deliver for this industry. In 2002, Dermot Ahern, the then Minister for Energy, spoke of the Government's determination to deliver on the potential of Ireland's offshore wind

resources. More recently in 2008, Eamon Ryan indicated that the Irish Government would implement a REFIT scheme. Since that announcement in 2002, successive Governments and opposition have all been united in support. Despite these announcements, we have not seen the follow through.

The impact of this is plain to see. We have watched developments in Holland, Denmark, Germany, the UK, Belgium, America, China, Finland, Norway, Canada and countries all over the world. Offshore is taking off in these countries because it works and because Government and industry are working in partnership, for the good of the environment and for the good of their economies. And it can work here. The GE project at Arklow proved what we all know, that offshore works in an Irish context.

The rewards that this industry can bring Ireland are substantial. We can achieve greater energy security. We can achieve our renewable energy targets. We can develop an export market for our renewable energy. The state can generate revenues through inward investment, through lease fees, through direct and indirect taxation and we can create jobs in the construction phase, in the supply chain and in operation and maintenance.

But this opportunity will not just happen. It will not fall in our laps. We are blessed with some of the best wind resources in the world, but that is not enough to clinch the deal. We are in competition for investment with other countries in the EU. And those countries, the UK, Denmark and Germany, have so far stolen a march on us. There is a tremendous amount of investment ongoing in these countries in offshore wind. If we are to capture that investment, we need a level playing field in terms of policy. And, we need to show investors that we are serious. There is a perception in the market that Ireland is not open for business. This, I believe is based on the perception of the policies of Governments to date. Industry and our new Government need to work together to overcome this perception, wherever it exists.

We appreciate the challenges being faced by the state. We also appreciate that we live in difficult times. Ireland is not unique in this regard. But we do not accept, as some economists seem to, that this is an excuse for short term thinking. We do not accept that you get out of a recession by failing to invest in the future. Indeed we believe that through a front loaded investment, funded predominantly by private enterprise, that we can build for the future.

If the Government were to green light this industry today, I am confident we would see jobs being created within twelve months. I am confident that we would see announcements in the very short term bringing Foreign Direct Investment, both from utilities and from manufacturers in the offshore wind supply chain. I am confident that we would achieve our EU climate change targets, something that will be impossible without offshore wind. And I am certain that we would see Ireland harness one of its greatest free resources as an engine of economic growth at a time when we need it most.

We need a partnership between Government and Industry. We will bring the projects, the investment, the expertise and the hard work necessary to make this happen. Government must create the conditions in which it can happen. They must create an opportunity for export and they must follow the example of so many other countries in implementing a support scheme for offshore wind. Previous administrations have promised but failed to deliver an offshore refit. We look to this administration to deliver on that promise. We do not want anything more than our EU partners have done. We want the chance to achieve our potential.

This morning you will hear presentations which will show why we believe in the potential of this industry.

Sean O'Driscoll will tell you how investment in renewables is already paying off in Ireland. Joe O'Neill and David McVeigh will outline how Northern Ireland are already taking advantage of the offshore revolution in the Irish waters. George Burke of the Department of Environment will outline the progress

being made by his Department in untangling the foreshore licensing process. Closing the first session, Paddy Teahon of Codling Wind Park will outline what he sees as the current status of Ireland's offshore wind and how he sees it developing.

In our second session we will learn from the experience of those operating internationally. We are delighted to welcome Rob Leonard of Centrica and Andy Kinsella of Mainstream Renewable Power. These two companies are at the forefront of the development of renewable energy projects in Europe and the world. Barbara Nolan, the Director of the European Commission Offices in Ireland, will outline the direction of EU energy and climate change policy. This presentation will give an important insight into the thinking which will drive many of the changes to future Irish energy policy.

Finally we will be joined by the Minister for Communications Energy and Natural Resources, Pat Rabbitte TD and the Minister of State at the Department of Energy and Climate Change, Charles Hendry MP. These two men will make decisions in the coming months which will shape the future of our industry. I hope that in their presentations they will strengthen our belief that Irish Offshore Wind can play an important role in the future of Irish and indeed international energy policy. We look forward to hearing more about their input and their plans.

Over the years we have all seen a lot of greenwashing. We have had press releases and we have had false dawns. We are concerned that Ireland is missing out on a huge opportunity. We must now act together to make the announcements real and to make the potential happen. The time to do this is now and although the steps may seem bold, we believe that the prize for vision will be great.