



UK Trade & Investment

Major Energy Business Opportunities in the United Kingdom

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UK Trade & Investment
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- UKTI is the Government organisation that helps UK based companies succeed in international markets **and supports overseas companies to bring high-quality investment to the UK.**
- UKTI has staff in over 100 markets across the world working locally to support overseas investors enter the UK market.
- 84 Indian companies placed a direct investment in the UK last year. India is the third largest investor in the UK (ahead of China)
- Here today are Sushil Rana and Shruti Sharma, who are based at the UK High Commission in Delhi



THE UK: A SPRINGBOARD FOR GLOBAL GROWTH

The UK offers an exceptionally attractive environment for business growth:

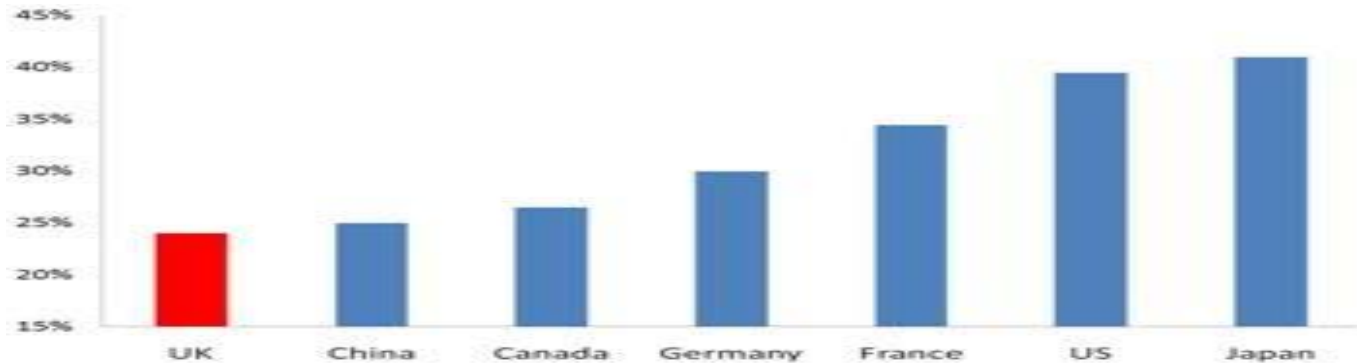
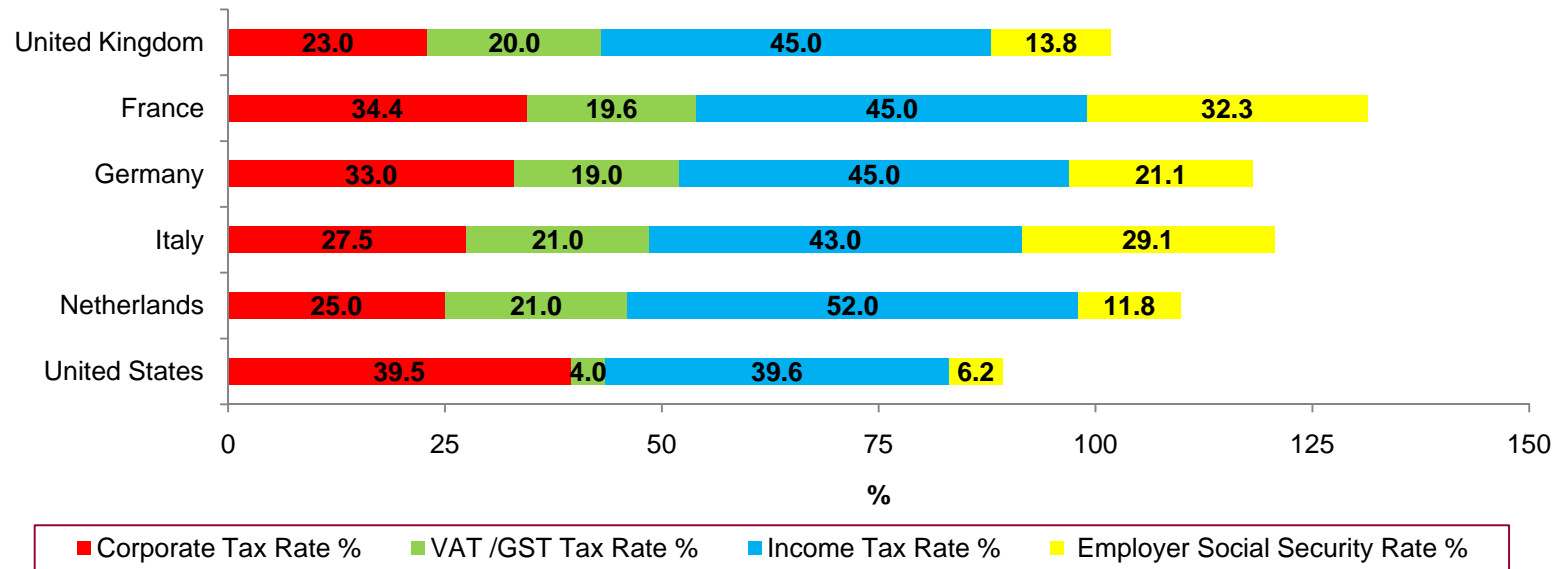
Business environment: appropriate levels of regulation, strong IP protection and a flexible labour force

Creativity and innovation: world-class talent and R&D excellence



United Kingdom: A Low Tax Environment

International Tax Comparison



Ease of Doing Business

Annually the World Bank ranks the ease of doing business globally based on 10 areas:

- Starting a business
- Dealing with construction permits
- Getting Electricity
- Registering Property
- Getting Credit
- Protecting investors
- Paying taxes
- Trading across borders
- Enforcing contracts
- Resolving insolvency

Country	Ease of Doing Business Rank, 2013
UK	7
Ireland	15
Germany	20
Netherlands	31
France	34
Spain	44
Italy	73

Source: Doing Business 2013, The World Bank, International Finance Corporation



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The UK Market for Energy



Drivers of Business Opportunities in Energy in the UK



Keep the lights on



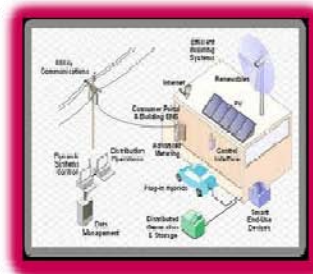
Reduce greenhouse gas emissions and meet obligations



Keep the cost low



Ensure diversity and security of supply



Renew the Grid in a 'Smarter' way



UK Electricity Market Reform

Ensuring Capacity

- UK could run out of power
 - Standby provision
 - Storage solutions
- Contracts to be let from 2014 for 2018



Subsidising Delivery of low carbon power

- From uncertainty to certainty



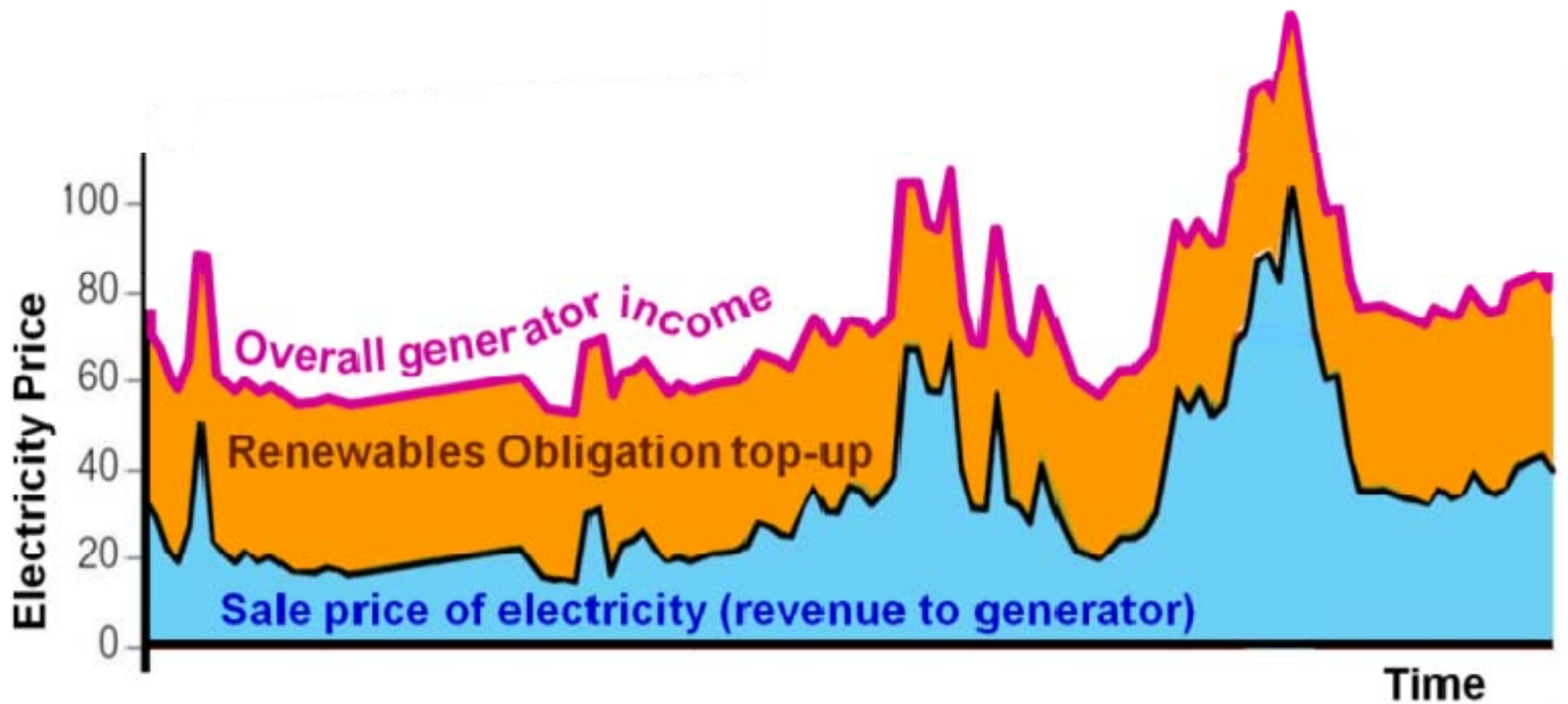


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How does the subsidy work?

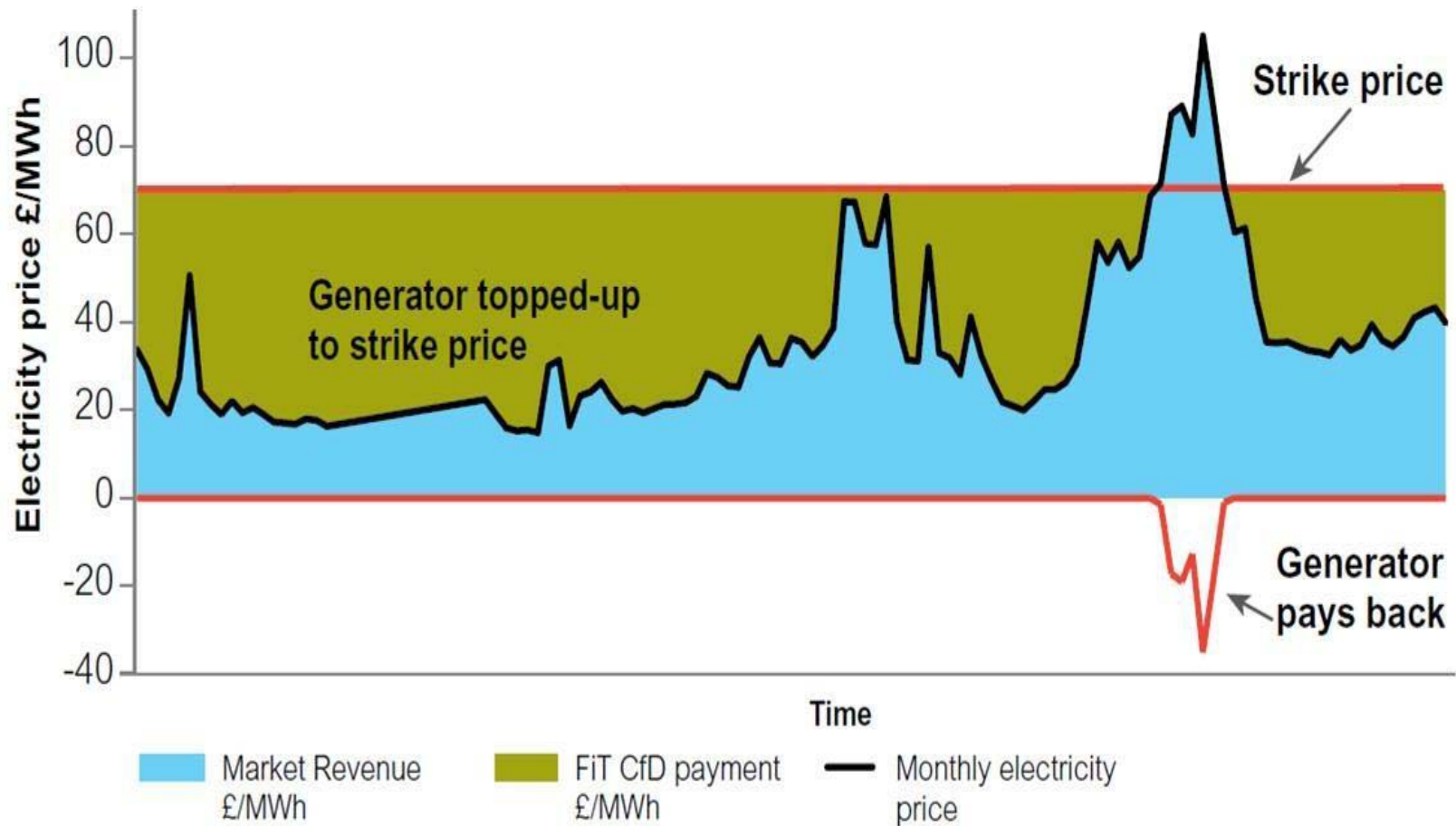


Renewable Obligation





Contract for Difference strike Price



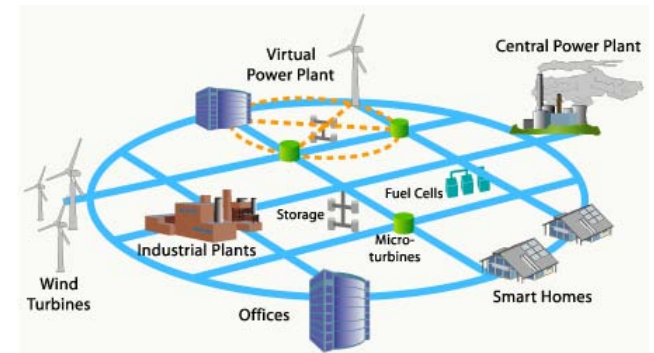


Contract for Difference: Sample Proposed Strike Prices

	INR <i>per</i> MW				
Year	2014/15	2015/16	2016/17	2017/18	2018/19
Onshore Wind	10,100	10,100	10,100	9,600	9,600
Offshore wind	15,700	15,700	15,200	14,200	13,700
Solar (over 5MW)	12,700	12,700	12,200	11,700	11,200
Marine Energy	30,900	30,900	30,900	30,900	30,900
Coal-Biomass Conversion	11,200	11,200	11,200	11,200	11,200
Advanced Conversion Technologies (Waste)	15,700	15,700	15,200	14,200	13,700



INR 20 Lakh Crore opportunity





Two Case Studies:

Solar

Offshore Wind

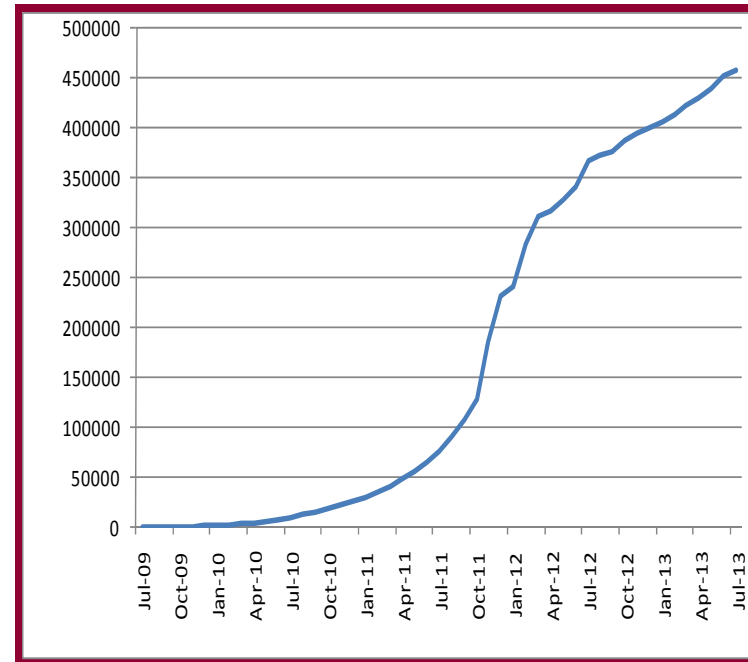


UK Solar PV – The UK Market

- The UK currently has installed capacity of 2.5GW
- UK Government target of 22GW by 2020
- 2012: UK was fastest growing large scale solar market (>5MW)
- Proposed strike price for large solar = 12,600INR/MW
- Domestic Solar: 450,000 Installations since April 2010

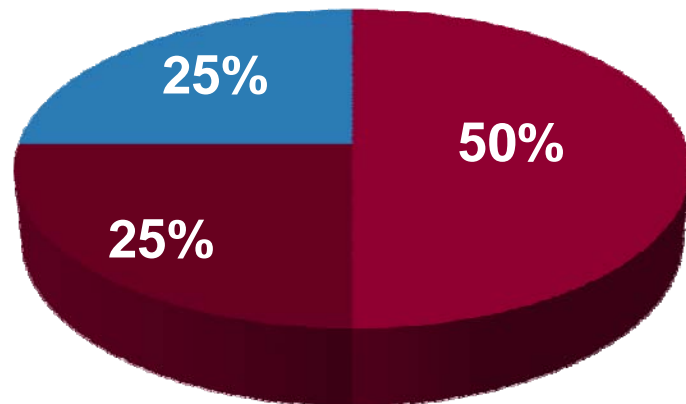


UK Domestic installations



UK Solar PV – Opportunities for Indian Companies

Estimated Market Breakdown 2020



■ Domestic ■ Community ■ Utility

Opportunities for:

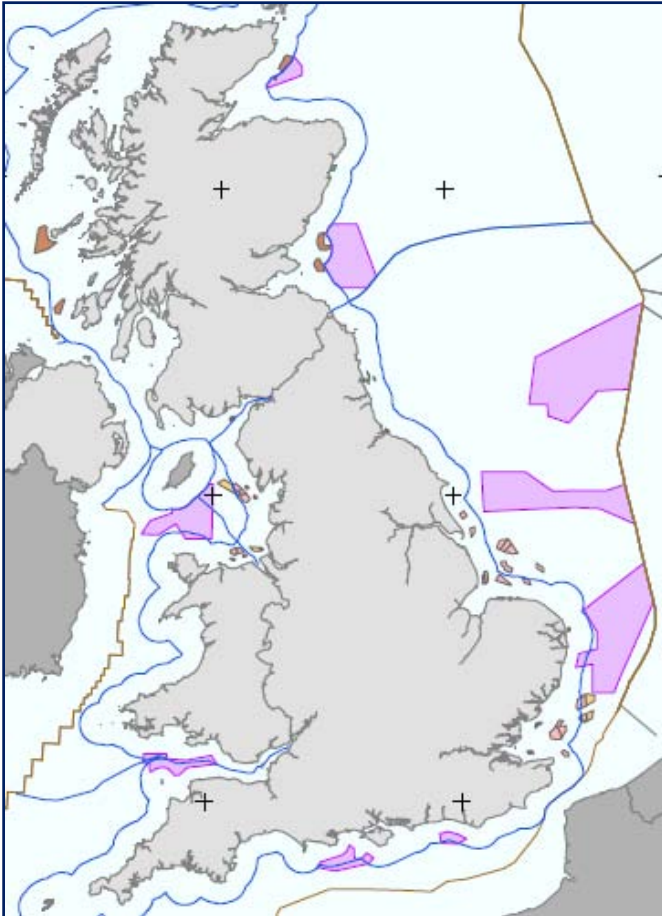
- Sales, final assembly and distribution
- EPC contractors for community and utility scale
- 4 of top ten owners are foreign owned
- 70% of EPC contractors are foreign-owned



Offshore Wind



UK World Leader in Offshore Wind



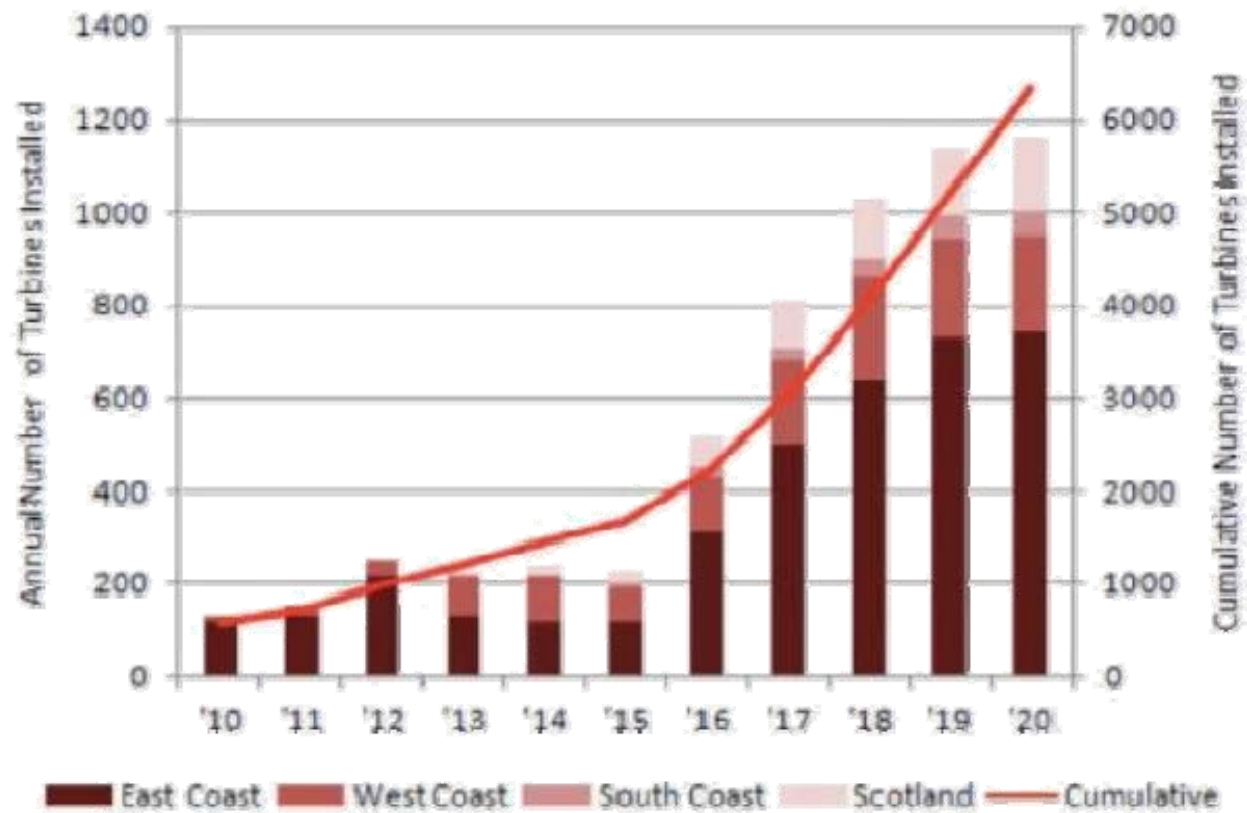
>UK leads the world in offshore wind:

In operation:	3.3 GW
Under construction:	2.1 GW
Installed by 2020:	8-16GW

- Ambition to reduce cost to around 10,000INR per MW by 2020

- Total Potential 39GW

A Projection: Offshore Wind Turbine Installation to 2020





Offshore Wind Supply Chain Opportunities

- Foundations
- Towers
- Castings and Forgings
- Blades
- Cables
- Sub-stations
- Installation and Commissioning



Specialised Support for Investment

- 10 major locations ideally suited as offshore wind hubs in the UK
- Close to Round Three Areas
- Enhanced infrastructure, portside land, skilled local workforce and local supply chain capabilities

Teesside / Tees Valley

The Humber

Tyneside

Great Yarmouth & Lowestoft

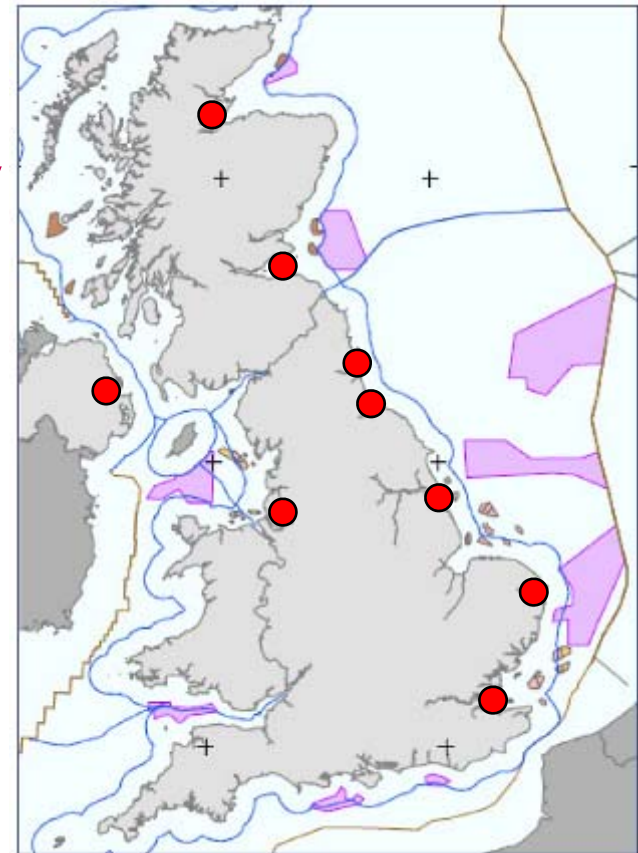
Liverpool

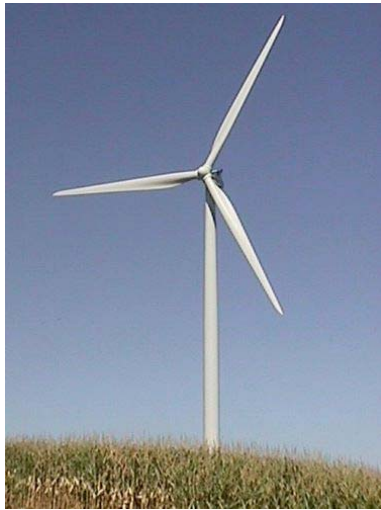
Belfast

Edinburgh

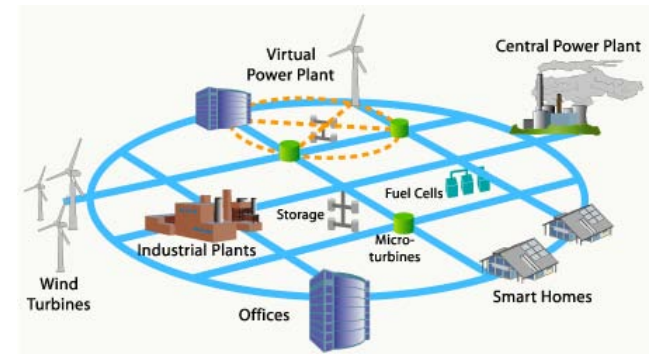
Inverness

Sheerness





INR 20 Lakh Crore opportunity



Services for inward investors

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