

Offshore Coordination project

Consultation feedback form

We launched our consultation on **30 September 2020** and it closes on the **28 October 2020**.

Please use this form to send in your written feedback. If you would like to feedback via this route. We are also working with stakeholders to receive verbal feedback. Please contact us if you would prefer to provide feedback verbally.

We would like to publish responses to our consultation following its closure. Please can you confirm whether you would like us to treat your response confidentially by selecting one of the options below: (delete those that do not apply)

- **Confidential – please do not share the feedback or company**
- **Confidential – you can publish the feedback without our name or sector included**
- **Confidential - you can publish the feedback without our name but you are welcome to identify which sector we come from**
- **Non-confidential – you can publish the full response**

Throughout the consultation document we have asked some questions on our three reports that we would like your feedback on to shape our final documentation. These are below and do not need answering if you do not have views. If you would like to provide any other feedback, please feel free to do so.

Holistic Approach to Offshore Transmission Planning Report

Q1. Do you agree with our assessment of the key technology and system risk barriers coming from the Holistic Approach to Offshore Transmission Planning Report?

Speaking with manufacturers, we do not agree entirely. HVDC circuit breaker technology may be seen as a barrier by some, their size is tremendous, and the ancillary equipment required is much greater compared to its HVAC equivalent. But in practice, systems so far have managed using converter technology alone with built in redundancy.

To reinforce the point, Subsea HVDC cable has excellent reliability performance, as such with the loss of a valve or any fault within the converter system itself, the HVDC equipment is capable of staying in service to a certain degree negating the real need for a breaker.

Has NGSEO considered whether existing or new technology is available to enhance HVAC export connection capabilities (MW/export cable length) compared to 'current practice' on UK offshore projects thereby optimising landing points and, in some instances, avoiding the need for a HVDC solution?

Q2. Do you have any proposals on how to most effectively bring the technology to market for when needed?

Cost can be an inhibitor for this technology type. With more HVDC projects in the pipeline, economies of scale will come into play which could potentially reduce the CAPEX required. There is also a chance of socialising the OFTO costs and TNUoS under the offshore coordinated approach.

Q3. Do you have any additional evidence to inform the assessment we have made?

No comment.

Q4. Do you have any further feedback on the report?

Has the option been looked at by where a National Offshore transmission operator is established rather than the OFTO model?

The development of an integrated offshore transmission system would be best operated by an integrated control centre rather than multiple control centres which would be more costly to run. We appreciate the OFTO model was derived to drive competition in transmission connections and this is why we are in the current position. Perhaps an extension of NGESO as an offshore operator / owner like those utilised on the European Continent as an example.

Cost-benefit Analysis Report

Q1. Do you agree with our assessment of the costs and benefits?

We consider TNUoS and perhaps BSUoS need to be included in this assessment or at least acknowledged that it will be part of the consultation further down the line. The CBA report assumes that all of the benefits described between the baseline point-to-point approach and coordinated approach can be achieved. However, there are a number of projects in the baseline diagram that are at an advance stage of development and are likely to be completed around 2025 and in consideration of this, the identified benefits could be over-optimistic.

Are weighting factors proposed to be applied to the different elements of the CBA assessment, e.g. CAPEX, reduction in landing points, etc?

Q2. Do you have any other evidence to support or challenge the assessment made?

In terms of TNUoS, how is it foreseen to adapt to this new integrated model?

If the North of Scotland is connected to the Midlands/South East of England via an HVDC link, does this change the charging methodology since generation connected in the north of Scotland will be able to directly transmit power to a large demand base?

For this part of the UK, having access to another source of large-scale generation will be a big benefit, but unfair on the generator if they still have to pay more TNUoS than those directly connected to the Midlands/South East.

Q3. What do you see as the potential impact on the environment of these proposals, particularly the reduction in the number of assets and landing points?

We would expect to see a reduction in environmental impact, particularly subsea and on land disturbance from construction and reinstatement activities.

Q4. Do you have any further evidence on the potential social and community impacts of these proposals? We would particularly welcome responses from local authorities on this question.

No comment.

Q5. Where do you see value for further work to build on and test these findings? Either from the proposed list or beyond?

These findings can be tested against OFTO transactions for HVDC connected projects when they start to come to fruition. Comparing CAPEX. Subsequently, OPEX can then be compared once industry figures are known.

Offshore Connections Review Report

Q1. Do you think that if the areas we are highlighting were improved, that the ability to coordinate projects would be significantly increased?

We support for the bootstrap. In terms of the bootstrap approach connecting the North of Scotland to the South East of England, we need a wider view of who would be the owner and responsible for this subsea Interconnector? Would the costs for any prospective developer be covered via socialised costs or would a potential developer be expected to underwrite this potential new connection?

Q2. Do you think we have missed anything in our offshore connections review that would add value and increase coordination?

Exploring further system robustness - by having 'de-coupled' large-scale offshore generation via HVDC connections, transient faults / lightning impulses on the wider grid should not affect these connections.

Do you have any other feedback, if so please add below. Many thanks for taking the time to provide written feedback. When we publish our final documentation, we will let you know what we have done with the feedback and how it has shaped our work.