

Information Note

26 July 2013

OFGEM APPOINTS PREFERRED BIDDER FOR HIGH VOLTAGE LINKS TO THE GWYNT Y MÔR OFFSHORE WIND FARM

Ofgem has today appointed the Balfour Beatty Equitix Consortium as the preferred bidder to own and operate the high voltage transmission links to the Gwynt y Môr wind farm. At 576MW it is currently the second largest project to have reached this tender stage. The estimated value of the transmission assets is £346m.

Balfour Beatty Equitix Consortium, a consortium comprising Balfour Beatty Investments Ltd and Equitix Ltd, was selected by Ofgem through a competitive process in which bidders compete to become offshore transmission owners.

The Gwynt y Môr wind farm is being built by RWE npower renewables and comprises of 160 wind turbines. The project is being funded by RWE Innogy, in partnership with Stadtwerke München GmbH and Siemens AG.

The offshore regulatory regime is now firmly established, with existing tender rounds attracting significant investment despite challenging market conditions. The next tender round, Tender Round 3 (TR3), is expected to launch later in 2013.

-ends-

Note to Editors

1. The reserve bidder for the project is Transmission Capital Partners, a consortium of Transmission Capital Partners Ltd Partnership and International Public Partnerships.
2. Details of the Transitional Tender Round 2A project - Gwynt y Môr:

Project	Developer	Estimated Transfer Value	MW
Gwynt y Môr	RWE npower renewables	£346 million	576

3. The Gwynt y Môr wind farm is currently under construction in Liverpool Bay, off the North Wales coast, and will consist of 160 turbines with an installed capacity of 576MW.
4. This is the final Transitional Tender Round 2A project to reach the preferred bidder stage of the tender process. The other projects in tranche A of the tender round are Lincs and London Array.
5. £1.4billion of transmission assets are being competitively tendered by Ofgem in Transitional Tender Round 2. There are three projects in Tranche A (Lincs, London Array and Gwynt y Môr) and one project in Tranche B (West of Duddon Sands).
6. Press statements on the other projects to reach the preferred bidder stage in Transitional Tender Round 2 are available here:
 - *Lincs:*
<http://www.ofgem.gov.uk/Media/PressRel/Documents1/Lincs%20Preferred%20Bidder.pdf>
 - *London Array:*
<http://www.ofgem.gov.uk/Media/PressRel/Documents1/London%20Array%20Preferred%20Bidder.pdf>
7. The offshore regulatory regime, developed by DECC and Ofgem, was launched in 2009 and uses competitive tendering for licensing offshore electricity transmission. The regime is being delivered in two parts, transitional and enduring. The transitional regime involves two tender rounds, opening the way for transmission licencees to own and operate transmission assets for offshore renewable projects that have been or are being constructed by an offshore generator. Future tenders will fall under the enduring regime, which will enable Ofgem to run tenders for projects where:
 - Offshore Transmission Owners (OFTOs), design, build, operate and maintain the transmission assets; or
 - Generators build the transmission assets and then transfer them to OFTOs at construction completion.
8. Ofgem expect the first enduring tender round, Tender Round 3 (TR3), to launch in later in 2013.

For further press information contact:

Chris Lock: 020 7901 7225

Rory Edwards: 020 7901 7246

Out of hours: 07766 511 470