By email only to: RIIOElectricityTransmission@ofgem.gov.uk

Thomas Johns
10 South Colonnade
Canary Wharf
London
E14 4PU

23rd June 2021

Dear Thomas,

Response to *"Eastern HVDC – Consultation on the project's Initial Needs Case and initial thinking on its suitability for competition"*

Overview

TotalEnergies and the Green Investment Group (GIG) are progressing the development of a major Round 4 offshore wind project (the "**Project**") located 60km offshore from the Humber Estuary on the East Coast of England, with the aim of contributing 1.5GW towards the Government's target of 40GW of offshore wind by 2030.

We welcome the opportunity to provide our views on the Initial Needs Case (INC) of the Eastern HVDC projects and have set out our key points below:

1. **Discriminatory Treatment**

The Eastern HVDC projects (E4D3 and E2DC) are being treated entirely separately and outside of the ongoing Offshore Transmission Network Review (OTNR) process being coordinated by BEIS and Ofgem. The OTNR was launched by Minister Kwasi Kwarteng to review the existing offshore transmission regime to address the barriers it presents to further significant deployment of offshore wind, with a view to achieving net zero ambitions.

The process to identify timely connection for our Project to make a material contribution to these targets is now incorporated into the Pathways to 2030 programme within OTNR. On the basis of urgency, non-discrimination and importance, the fact that the Eastern HVDC projects are not included in the OTNR leads us to a position that our Project should be treated on the same basis, i.e. outside of the OTNR process in a business as usual manner through the CION process.

2. **Uncoordinated Approach**

Paragraphs 3.37 to 3.41 of the INC consider interactions of the Eastern HVDC projects with the OTNR, however we strongly disagree with the statement that *"there is therefore no reason to think that future offshore network co-ordination will have a material impact on the consumer benefit*

case for the TOs' preferred first two links for EHVDC". Furthermore, these paragraphs do not align with the recent joint open letters from BEIS and Ofgem (24th August 2021[1] and 18th December 2020[2]) that set out the intentions to improve coordination to ensure that *transmission constraints do not present a barrier to delivery of the target to have 40GW of offshore wind by 2030*.

There is a missed opportunity to consider the Eastern HVDC projects in a coordinated manner that could integrate Round 4 offshore wind farm projects to enable UK Government targets of 40GW by 2030 to be met which would result in significant savings to the GB consumer.

For example, the connection point, onshore cable route and landfall of E4D3 could be made future proof (without any delay to the Eastern HVDC projects) to incorporate generation from our Round 4 offshore wind project before 2030. This is a significant missed opportunity and we would recommend that the imminent Holistic Network Design process of the OTNR should consider this proposition to achieve better coordination before the Final Needs Case is presented to Ofgem.

3. Exacerbating Constraint B8

The Eastern HVDC projects have proposed connection points within England at Drax and Hawthorn Pit. Both of these connection points will not relieve a key constraint in the network further south of this, B8. We understand constraint B8 is a key barrier to connecting our Project in time to achieve UK Government 2030 targets. The Onshore TO is considering separate onshore routes for our Project with significant consenting risks and challenges thus presenting significant challenges to connecting East Coast offshore wind before 2030.

Furthermore, whilst the construction of the Eastern HVDC projects at the chosen sites, landing north of constraint B8, will have the benefit of facilitating Scottish Wind Farm connections they will have the negative effect of further exacerbating constraint B8, but without requiring those Scottish Wind Farms to fund further enabling work to relieve constraint B8.

We note that options to connect to Cottam were discounted. In this respect we wonder to what extent the impact of delay to East Coast wind was considered in discounting HVDC which would have relieved/not exacerbated constraint B8. We question the fairness this has in connection dates for East Coast offshore wind farms connecting in England.

The OTNR is about to embark on a process of designing a Holistic Network Design that will "…*create a much greater level of coordination and shared infrastructure, to create a regime which works for our future requirements*.[3]" The Eastern HVDC projects must be incorporated into this framework or significant opportunities will be lost to deliver UK Government 2030 targets.

[1] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/911420/Increasing_the_level_of_coordination_in_offshore_electricity_infrastructure.pdf

[2] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/949510/Open_Letter_Response_Final.pdf

[3] The Rt Hon Anne-Marie Trevelyan MP Minister for Business, Energy and Clean Growth Department of Business, Energy and Industrial Strategy (OTNR Update Vol. 1, March 2021).

We trust these comments are helpful in your evaluation of the Eastern HVDC Initial Needs Case.

Yours sincerely,

Matt Gleeson, Director, GT R4 Limited, Green Investment Group

Antoine Moreau, Project Director, GT R4 Limited, TotalEnergies