



Floating Energy Alliance

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Floating Energy Alliance (FEA) Response to *Ofgem's Minded -to Decision on the Pathway to 2030 Offshore Network Delivery Model.*

General Comments

FEA believes that Ofgem's preferred delivery option has advantages but, as per our response to the original consultation, we have some concerns that have not been adequately addressed in this decision document and the description of the Gateway assessment process is insufficiently detailed or does not address;

- *How delays in delivery by the lead generator will affect other generators;*
- *How liabilities between the lead generator and other generators be handled;*
- *How will visibility of ongoing works be ensured for all affected parties;*
- *Some of the offshore transmission works identified in the HND could be described as NETS Wider Works. Given the scale and cost involved, which could greatly exceed those for the alternative radial connection, will delivery of those works be handled differently?*

Minded - to Decision on non – radial assets in scope of Pathway to 2030

Question 1: Do you agree with the findings of the draft impact assessment published alongside this document?

We agree with the broad assertion that delivery of a coordinated network for offshore generators offers benefits to the GB Consumer.

However, we note that this draft impact assessment only considers the first tranche of ScotWind generators. We believe that an impact assessment showing a holistic network that considers the full extent of ScotWind, tranches 1 and 2, would show greater benefits in the short, medium, and long term to the GB Consumer.

This is because restricting delivery of the HND design to tranche 1 generators will lock in inefficiencies in delivery of ScotWind, the readiness of individual generators to meet the milestone targets has not been considered. In addition, the outturn cost of connecting ScotWind will be higher due to inefficient design considerations.

Question 2: Where you disagree with the draft impact assessment, does this raise any issues with our minded-to decisions?

Not directly, but as per general comments above we have other concerns regarding the minded – to decisions.



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Pathway to 2030 – Gateway assessment process

Question 3: Do you agree with the proposed introduction of a new Tender Entry Condition in the Tender Regulations requiring the confirmation of the offshore transmission system as ‘economic, efficient and coordinated’?

Yes, we agree with this principle. However, it is important that there is consultation and agreement with other affected generators regarding the design of the offshore transmission network. It is also important that this requirement is flexible and doesn't act as a barrier to innovation.

Question 4: Do you agree with the introduction of the proposed gateway stage assessment process?

Yes, we agree that this is beneficial.

Question 5: Do you think the information sought as part of the gateway assessment process is appropriate and proportionate? Is anything missing?

Question 6: Do you have any views on the timing of the gateway assessment process?

Ofgem should set defined time limits on application responses.

Question 7: Is there any other information which you believe should be included in the confirmation to developers?

Very Late Competition Model Tender policy

Question 8: Do you think changes are required to the current process to facilitate a very late competition model for non-radial assets?

- 1) *Development of a more detailed process by which a developer or group of developers takes/is given responsibility for delivery of the infrastructure, with all the attendant risks and liabilities which would come with that.*
- 2) *Changes to codes to ensure efficient, effective, and transparent development/operation of assets that may be part of the NETS.*
- 3) *A robust and well-defined process to deal with failure of delivery entity and protects generators from the consequences.*



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Policy considerations for implementing non-radial offshore transmission

Question 9: Do you think changes are required to the current package of OFTO obligations and incentives due to the introduction of non-radial offshore transmission assets?

Compensation for generator unavailability due to offshore network outages should be considered.

Question 10: Do you think changes are required to other aspects of the OFTO regime, eg asset life or duration of the revenue stream?