

Directors:
Sian Lloyd Rees
Simon Counsell
Euan Donaldson

UK Mainstream Renewable Power Ltd
Exchange Place 2
5 Sempole Street
Edinburgh EH3 8BL
Scotland

t: +44 131 380 6596
e: info-scotland@mainstreamrp.com
www.mainstreamrp.com

UK Mainstream Renewable Power Ltd
is registered in the UK.
Registered Number: 6538309
Registered Office:
10 Orange Street, Haymarket, London.
WC2H 7DQ



14.07.2023

FAO: Nick Pittarello, Joshua Coomber, Richard Harrap, Bartosz Slota, Kevin Anaafi-Brown

To whom it may concern,

Mainstream Renewable Power ("Mainstream") are pleased to respond to the following consultations on Multi-Purpose Interconnectors:

- **Consultation on the Regulatory Framework for Offshore Hybrid Assets: Multi-Purpose Interconnectors and Non-Standard Interconnectors.**
- **Market Arrangements for Multi-Purpose Interconnectors.**

Mainstream Renewable Power: A market leader in offshore wind development

Mainstream Renewable Power ("Mainstream") is global renewable energy developer with a presence across Europe, the Americas, Africa and Asia-Pacific. The company has a global portfolio of 21.7GW of renewable energy projects with the UK as a core and established market for its offshore platform. Mainstream developed the Hornsea Zone, fully developing and consenting Hornsea One and developing Hornsea Two, prior to selling these projects to Orsted in 2015. It also consented, developed and secured a CfD for the Neart na Gaoithe project prior to selling it "construction ready" to EDF Renewables in 2018. The company is now actively developing the 1.8GW Arven project, a ScotWind site within the NE1 lease area, together with its joint venture partner, OW Ocean Winds, and it is preparing to participate in the upcoming Celtic Sea leasing round.

We consider the UK market a leading offshore wind market due to the innovative and stable regulatory policy. We are pleased to see the development of policy around Multi-Purpose Interconnectors ("MPIs") and the opportunity we have had to participate in the MPI Framework Discussion Group (MFDG). The consultation documents show clear development of thinking around MPIs and the examples given around permutations are very useful. Our responses to the two consultation documents are appended to this letter and we welcome the opportunity for further discussions.

Maximising the Opportunity from MPIs

A large amount of the UK's offshore wind pipeline is forecast to enter commercial operation in the period 2030-2035. Projects from ScotWind are already in the consenting process, the Celtic Sea leasing is expected to open by the end of 2023 and further leasing rounds are expected to be announced in the UK in the coming years.

For Offshore Wind Farm (OWF) developers, securing access to grid is crucial to the viability of a project and projecting financing. Providing certainty on asset regulation and market arrangements in time for OWF developers to factor MPIs into the development process is vital if a significant amount of OWFs are to connect via MPIs and reap the perceived benefits of this coordination. The connection route needs to be factored into an OWF development from an early stage, ideally prior to lease auction so that a business case can be built around an MPI as the route to market for an OWF. We believe that the consultation could go further in assessing the implications and incentives for OSW developers, particularly around the development process, OSW charging and MPI availability.

This would ensure that the requisite clarity is given to developers at an early stage in the development process and that an MPI can be considered as a bankable and attractive route to market.

The regulatory models in the consultation are based on the assumption that they will be driven by a TSO or merchant interconnector business and the role of OSW led development for is left for future policy analysis. We believe that this is missed opportunity to build clarity on this aspect into the MPI regime at its inception.

Wider Policy Developments

We recognise that MPI regulatory and market arrangements are affected by other policy developments, including:

- Electricity Market Reform through REMA
- Reform of the CfD scheme by DESNZ
- The Energy Bill

Therefore, we think that further consultations or reviews should be run following the conclusion of these processes. The inclusion of strawman MPI arrangements and the four options of bidding zone configuration and trading arrangements are useful but we think that these would benefit from being developed in further consultations. This would include quantifying the issues of OWF allocation and compensation under OBZ vs HM in the updated policy environment and what protection could be offered to the OWF and MPI operator in the case of changes in cross-border trade agreements.

Please find Mainstream's general comments and response to the specific questions in the call for evidence below.

Yours faithfully,

DocuSigned by:
Sian Lloyd Rees
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Sian Lloyd Rees
UK MD of Mainstream Offshore, an Aker Horizons Company