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FAO: Transmission Network Planning  
Centralised Strategic Network Plan Guidance  
Submitted via email: [strategicplanning@ofgem.gov.uk](mailto:strategicplanning@ofgem.gov.uk)

Dear Tristan and Konark,

WindGrid welcomes the opportunity to respond to Ofgem's consultation on the draft Centralised Strategic Network Plan (CSNP) guidance.

WindGrid is a subsidiary of international electricity transmission utility Elia Group, the fifth largest transmission utility in Europe. WindGrid develops, builds, owns, and operates offshore transmission infrastructure and leverages Elia Group's decades of experience in offshore transmission infrastructure gained through its subsidiaries Elia and 50Hertz, transmission system owners and operators in Belgium and Germany, respectively. Elia Group's experience covers HVAC and HVDC technologies with a total of circa 5GWs of offshore transmission infrastructure in operation, and circa 15GW of offshore transmission projects at various development stages across the North and Baltic Seas.

WindGrid is pleased to have supported Ofgem's work in bringing private development to GB's transmission network over the past number of years – be it through the CATO framework, OFTO policy, or the introduction of Offshore Hybrid Asset (OHA) policy. It is clear to us that increased private investment will enhance the deliverability of the GB network and bring cost savings to its consumers, and that new market entrants such as WindGrid will have a vital role to play in achieving this. It is to Ofgem's credit that its European counterparts have begun following their lead and opening their markets to increased private development in recent years – be it through ENTSO-E's TYNDP process, the EU's PCI/PMI projects, or within national frameworks such as in Germany and France. With that in mind, we see a clear opportunity for the CSNP to proactively integrate private investment, particularly in the offshore sector, building on the innovation and experience they bring.

There is significant potential for NESO to integrate live market opportunities into its strategic plan. In particular, the HansaLink hybrid interconnector has political and regulatory support in neighbouring countries and already holds both TYNDP<sup>1</sup> and PMI status<sup>2</sup>. Formal alignment with EU and North Sea countries' planning—for example, via the TYNDP and national development plans—will ensure cross-border investments in offshore grids proceed efficiently. NESO's recent partnership with the OTC group is a strong step forward, and we encourage this to be formalised to recognise projects that already have TYNDP or PMI status, as these have demonstrated clear regional support. ENTSO-E and the EU Commission's independent socio-economic welfare (SEW) analyses have already demonstrated the value of mature projects like HansaLink, which should be corroborated by the findings of the SSEP. We therefore urge

<sup>1</sup> <https://tyndp2024.entsoe.eu/projects-map/transmission/1192>

<sup>2</sup> TEN-E REGIONAL GROUPS ELECTRICITY-OFFSHORE – RANKING - Streaming Service of the European Commission

Ofgem to begin setting out timelines and clarifying policy around these strategically critical infrastructure projects to ensure they can be delivered without undue delay. This would ensure the CSNP harnesses both existing and emerging cross-border projects, aligning the UK's plans with that of its neighbors.

However, it is unclear to WindGrid how NESO plans to integrate private developments into its strategic planning—both in proposing and developing new infrastructure. NESO's methodology references consideration of third-party designs in Design phase, but does not outline what form that consideration will take. Furthermore, WindGrid has concerns that this consideration could come too late in the planning phase and may not reflect the need for timely delivery of projects, which Ofgem correctly outlines as a key outcome of the CSNP. Industry recalls the challenges faced by Ofgem's Late Competition OFTO Build and appreciates Ofgem's more recent efforts to embrace Early Competition in both OFTO Build and CATO – this is something we would recommend Ofgem to include in their guidance to NESO.

Ofgem has a vital role to play in setting the expectations and standards for deliverability of the CSNP, particularly for the offshore network. Ofgem has played a vital role in developing the offshore network to date, particularly through the interconnector Cap and Floor windows. It is not yet clear what the future is for Cap and Floor, or indeed windows for interconnection and Ofgem's future role in introducing them. We would encourage Ofgem to use its knowledge of the challenges of developing the offshore network to set the standards for NESO, in particular the need for providing clear timelines for development projects and the urgency of recognizing supply chain challenges and project lead times. WindGrid believes that it is imperative for NESO to integrate live opportunities like HansaLink into the CSNP process – these projects can already demonstrate significant socio-economic welfare benefit for GB consumers, and there is a risk that NESO inadvertently delays these opportunities while it develops its own process. To do so may push out the delivery of future MPIs and OHAs out towards 2040, rather than pre-2035. In addition, these projects still await clarity on when future windows may open, and what form they may take (RAB or Cap and Floor). We would urge Ofgem to provide clarity on these elements well in advance of the CSNP, as we fully expect the SSEP to indicate a clear need for future interconnection and offshore hybrid opportunities.

We thank Ofgem for the opportunity to respond to this consultation and would welcome the opportunity to discuss our points further.

Yours sincerely,

**Jack Counihan**  
Regulatory Affairs Manager  
WindGrid

## Response to Ofgem's consultation questions

Below, we set out our response to a subset of Ofgem's consultation questions:

**Do you agree that Chapter 2 – developing and submitting the CSNP Methodology - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.**

No views to be added.

**Do you agree that Chapter 3 – general requirements applying to all CSNP stages - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.**

No views to be added.

**Do you agree that Chapter 4 – Stage 1: model future energy supply and demand - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.**

No views to be added.

**Do you agree that Chapter 5 – Stage 2: identifying system needs – adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.**

No views to be added.

**Do you agree that Chapter 6 - Stage 3: identifying options - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.**

We are generally in agreement with Ofgem's overview of the requirements in the CSNP methodology for identifying options. However, upon reviewing NESO's draft CSNP methodology, we believe it does not yet sufficiently define the process and timing for how third parties can contribute, especially in the context of the offshore network. As Ofgem is aware, achieving effective offshore coordination—particularly involving cross-border agreements on interconnectors and Offshore Hybrid Assets (OHAs)—requires early and structured input from a variety of actors.

Importantly, NESO will need to outline how it plans to identify and progress options that align with the priorities and frameworks of EU TSOs and counterparties. For cross-border projects such as interconnectors and OHAs, the regulatory and market realities are such that projects will only be viable if they match EU/TSO electricity network development plans and are led by experienced, trustworthy developers. The CSNP methodology should specifically outline how cooperation and alignment with EU TSOs will be ensured, and how projects prioritised or already identified by EU processes—but connecting to the GB market—will be considered and integrated. Without these details, there is a risk that key cross-border projects or those highlighted as priorities by EU TSOs could be missed or delayed, limiting GB's ability to fully participate in North Sea coordination and benefit from pan-European energy integration. Ofgem's overview for options identification should also include in-flight projects already identified opportunities by its EU neighbours. Indeed, these options should begin to be visible as soon as the SSEP to ensure timely delivery.

NESO's draft methodology also does not appear to meet the standard for adequately outlining the timing and planning process for integrating third party views. Learnings from processes such as OFTO, CATO, and the Holistic Network Design (HND) are highly relevant. One consistent message from these programmes is that early-stage competition is essential to foster innovation, secure offshore coordination, and deliver value for consumers. Explicitly incorporating early pathways for third-party proposals—not just at a late or consultation stage—will enable NESO to capture innovative and cost-effective solutions at the right time. This is particularly important when considering the long lead times and complex consenting requirements for developing offshore HVDC projects. Greater clarity around developer engagement, timings, and milestones is essential to ensure the options identification process meaningfully leverages market expertise.

Providing this clarity will not only enhance the effectiveness and credibility of the CSNP, but also accelerate the UK's alignment with its EU partners, delivering consumer and system benefits more efficiently.

**Do you agree that Chapter 7 - Stage 4: decision-making framework - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.**  
 No views to be added.

**Do you agree that Chapter 8 – Stage 5: develop the CSNP - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.**  
 No views to be added.

**Do you agree that Chapter 9 – Stage 6: handover to a delivery body - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.**  
 No views to be added.

**Do you agree that Chapter 10 – Other planning roles in CSNP - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.**

While we broadly agree with Ofgem's guidance on offshore network planning, there are further considerations which are important to include—particularly regarding effective integration with the EU and third-party roles for offshore projects and interconnectors.

A pressing example is that the EU is already progressing in-flight cross-border projects, such as the HansaLink hybrid interconnector, which may present material socio-economic benefits for UK consumers. The current CSNP methodology does not provide clarity on how such projects—prioritised by EU TSOs and regulators—would be identified, assessed, and progressed in coordination with NESO and Ofgem. Given the realities of EU network development, if projects such as HansaLink are not actively planned for by the UK, there is a risk of missing out on their substantial strategic and welfare gains.

Regarding the windows for offshore hybrid assets (OHAs) and interconnectors, we anticipate that future windows will need to reflect both UK and EU/TSO planning cycles—particularly as connecting TSOs may have strong preferences for delivery routes or models. The recent experience with Ofgem/CRE discussions demonstrates the complexity: both regulators have at times favoured different projects or solutions, leading to potential misalignment. This situation underscores the urgent need for integrated, cross-border planning and aligned evaluation frameworks. Embedding these principles within the CSNP from the outset would reduce duplication, minimise delays, and ensure the most socio-economically advantageous projects progress.

Additionally, there is a broader question about the future regulatory framework for cross-border links. The cap and floor regime has delivered well for consumers and investors to date, but we question whether it is still best suited within the proposed framework. We would ask Ofgem and NESO whether they propose moving towards a Regulated Asset Base (RAB) model for certain projects, which may better support early competition, enhance investor confidence, and enable the delivery of strategically important assets at scale.

**We're proposing that offshore connections should be planned within the scope of the CSNP. We set out our requirements on the licensee with regards to this additional scope (see chapter 10: Electricity - offshore network planning in the CSNP). What are your views on this proposal?**

We support the proposal to include offshore connections within the scope of the CSNP, as strong, integrated planning is essential for efficient and strategic network development. However, we have some concerns regarding the challenge NESO faces to model a wide range of solutions—such as coordinated offshore connections within Great Britain versus connections via Multi-Purpose Interconnectors (MPIs). To deliver the best outcomes, it will be important that NESO can assess and compare these complex options on a level playing field, both from a technical and a socio-economic perspective. For MPIs and interconnectors, we see clear benefit in NESO integrating with ENTSO-E, OTC and EU processes which are already modelling and optimising offshore grid solutions. We recommend Ofgem and NESO provide further clarity on how NESO will develop or access the necessary expertise and analytical tools to achieve this.