



MAINSTREAM
RENEWABLE
POWER



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Dear Martin,

RE: OFGEM Consultation Ref.12/10 Electricity Interconnector Policy

Mainstream Renewable Power is a leading global renewable energy company. We are developing onshore wind projects in North America, South America and South Africa. In the German North Sea, we are developing the 1000 MW Horizont offshore project.

In the UK, we are developing two large offshore wind projects. In Scottish territorial waters we are developing the 450 MW Neart Na Gaoithe project. Additionally, through the SMART Wind consortium, we are taking forward the 4000MW Hornsea Round 3 zone with our partners Siemens Project Ventures.

Mainstream welcomes this consultation as wider interconnection will be crucial not only to our projects but also to UK and European energy security and the ability of the UK and Europe to meet its climate change targets.

Firstly, there are currently a number of developments related to UK energy policy that should be factored into any interconnection policy:

- Project Discovery
- The Enduring OFTO Regime
- The Energy Market Assessment (being done by DECC and HM Treasury)
- RPI-X@20 Review
- The work resulting from the declaration signed on December 7th by Lord Hunt calling on European nations to "to cooperate on the development of offshore wind infrastructure in the North Sea and Irish Seas."¹

Most importantly though, we feel an efficient and effective interconnector policy can only be developed with consideration to the significant growth of the offshore wind industry and the associated offshore transmission infrastructure that will support it. We do not believe Ofgem has fully appreciated the scale of interconnection that offshore wind has the potential to provide, and the associated benefits to GB that go along with this. Round 3 has resulted in developers developing projects (and therefore planning offshore grid connections) to the border of the UK's exclusive economic zone. This, along with similar developments in neighbouring countries implies that interconnection via offshore wind farms will be a logical and obvious next step. Increased interconnection via wind farms will minimise the need for back up capacity in the UK, will increase security of supply, and will reduce cost to UK consumers (through greater utilization off the offshore grid).

¹ <http://www.decc.gov.uk/en/content/cms/news/pn146/pn146.aspx>

Mainstream looks forward to contributing to the ongoing development of an electricity interconnector policy. We are happy to meet with Ofgem to discuss and issues raised in this response.

Yours sincerely,

Nick Fedorkiw

Mainstream Renewable Power