

Offshore Transmission Coordination Project (OTCP) Measures – Implementation Progress Update

BARRIER	MEASURE	LEAD	ACTIONS TAKEN SINCE MARCH 2012	PLANNED FUTURE ACTIONS AND ESTIMATED TIMINGS
Planning an efficient and economic network	Enhancing NETSO role in connection offer process	Ofgem	<ul style="list-style-type: none"> • Consultation on potential measures to support efficient network coordination, including asking whether NETSO's role in the connection offer process is sufficient to ensure that network development needs are addressed (March-June 2012) • Publication of consultation responses, suggesting a greater role for NETSO in offshore system planning (July 2012) 	<ul style="list-style-type: none"> • Further Ofgem publication on potential adjustments to the connection offer process to support efficient network coordination (Late 2012)
	Improvements to network documents	Ofgem/ NGET	<ul style="list-style-type: none"> • Ofgem consultation on potential measures to support efficient network coordination, including whether network planning documents should be consolidated and enhanced (March-June 2012) • NGET publication of feedback on its proposals for improvements to network planning documents (the Offshore Development Information Statement (ODIS) and the Seven Year Statement (SYS)) (July 2012) 	<ul style="list-style-type: none"> • NGET publication of streamlined network planning document, the Electricity Ten Year Statement (ETYS) (Nov 2012) • Changes to NGET Special Licence Condition C4 and code modifications (throughout 2013)
Anticipatory investment (AI)	Consultation on potential 'straw-man' for an approach to AI within the offshore transmission regime	Ofgem	<ul style="list-style-type: none"> • Consultation on potential measures to support efficient network coordination (March-June 2012), including definition, types, process and high level principles and objectives of developer-led AI (the building of assets which go beyond the needs of an immediate generation project) and investment to allow for strategic wider works offshore. • Consultation responses on developer-led AI and investment to allow for strategic wider works offshore published (July 2012) • Publication of open letter (July 2012) providing update on Ofgem work and inviting further views in some areas 	<ul style="list-style-type: none"> • Publication of policy proposals and further consultation on framework for investment needed to support coordination (late 2012) • Publication of decisions document (early 2013) • Changes to licenses/codes/tender regulations, subject to outcomes of policy decisions (throughout 2013)
Consenting	Anticipatory consenting	CLG	<ul style="list-style-type: none"> • Informal consultation on revised guidance documents for major infrastructure planning regime, to clarify that transmission infrastructure of an anticipatory nature (such as additional onshore ducts for future cables or additional circuit breaker bays on offshore platforms) may be considered as associated development (April-July 2012) 	<ul style="list-style-type: none"> • Implementation of amended planning guidance (October 2012)
Risk-reward profile	Development of offshore charging	NGET, industry	<ul style="list-style-type: none"> • Creation of Offshore Coordination Transmission Working Group, facilitated by NGET, to develop offshore charging proposal (May 2012) 	<ul style="list-style-type: none"> • Charging methodology proposal submitted to Connection and Use of System Code (CUSC) Panel (Autumn 2012) • Final charging methodology proposal to Ofgem (Spring 2013)
	Decision on proposed user commitment rule changes	Ofgem	<ul style="list-style-type: none"> • Ofgem approval of proposal on user commitment arrangements (CMP192) to reduce liabilities for onshore and offshore generators whilst also seeking to minimise risks of stranded assets to consumers (March 2012) • NGET publication of guidance on CMP192 (May 2012) 	<ul style="list-style-type: none"> • NGET to issue indicative security requirements to developers (September-October 2012) • NGET to issue finalised security requirements to developers (January 2013) • Developers to provide security (February 2013)

Regulatory boundaries	Clarification of regulatory interfaces as necessary	Ofgem/ DECC	<ul style="list-style-type: none"> • Ofgem launch of its Integrated Transmission Planning and Regulation (ITPR) project (March 2012), to consider what is needed with respect to system planning to deliver an integrated transmission system onshore, offshore and cross-border, and to review how institutions and incentives may need to evolve to support that. The project will also consider how the onshore, offshore and interconnector regulatory regimes interact to deliver multiple-purpose transmission projects that could be a feature of the future energy system. 	<ul style="list-style-type: none"> • Publication of Ofgem open letter setting out identified issues associated with planning and delivery of an integrated transmission system (October 2012) • Ofgem consultation on possible options to address these issues (Spring 2013)
	Engagement with North Seas Countries' Offshore Grid Initiative (NSCOGI)	DECC/ Ofgem	<ul style="list-style-type: none"> • Agreement that NSCOGI identifies offshore projects of common interest (PCIs) under the Infrastructure Regulation (April 2012) • Agreement to recommend that further work on NSCOGI deliverables should continue in 2013 (May 2012) 	<ul style="list-style-type: none"> • Report to Ministers outlining key messages from NSCOGI and publication of reports, including on offshore transmission technology, mechanisms for trading renewable energy over interconnectors, procedural guidelines with recommendations for national planning authorities, and costs/benefits of possible grid configurations in 2030 (December 2012)
Technology	Monitor progress on production of standards for interoperability	DECC/ Ofgem	<ul style="list-style-type: none"> • Offshore Wind Cost Reduction Task Force (CRTF) report published, including recommendations on standardisation (June 2012) 	<ul style="list-style-type: none"> • Standardisation Body to be created to examine and recommend areas for standardisation across all aspects of wind farm development and deployment (Autumn 2012) • RenewableUK to produce paper on potential role a Design Authority could play in authorising the design of certain elements of offshore transmission to promote standardisation and project de-risking (end 2012)
	Consider proposals for funding innovation	DECC	<ul style="list-style-type: none"> • Second call for Offshore Wind Components scheme (up to £10m total available over two calls), finished (June 2012) • European Commission online request for information on Projects of Common Interest (PCI) for potential funding (closed 7 June 2012) 	<ul style="list-style-type: none"> • Successful applicants on second call for Offshore Wind Components scheme announced (September/October 2012) • Details to be released on a third offshore wind innovation competition (September 2012)
	Consider proposals for easing the supply chain	DECC	<ul style="list-style-type: none"> • Offshore Wind CRTF report published, including recommendations on innovation and the supply chain (June 2012) 	<ul style="list-style-type: none"> • Offshore Wind Programme Board to be created and lead on the establishment of a strategic supply chain register (Autumn 2012) • Renewable UK/developers to further develop an online project timeline chart to provide better and more detailed project visibility for the supply chain (end 2012) • Government to engage with existing and new cable suppliers to identify possible measures to bring forward higher voltage HVDC polymeric cables