



Department of Energy & Climate Change

Energy Act: Offshore transmission systems

Issue: A technical amendment to provide confidence to offshore generators that they can lawfully commission any transmission assets that they build.

Policy commitment:

The Coalition Programme stated: “We will deliver an offshore electricity grid in order to support the development of a new generation of offshore wind power” (p16).

This policy facilitates the timely, secure and cost-effective delivery of connections from offshore wind farms to the onshore grid.

Legislative proposal:

Developers constructing an offshore generating station have the choice of constructing the offshore transmission assets for the purposes of connecting the electricity generated to the onshore grid, before transferring the assets to an Offshore Transmission Owner (OFTO) appointed through a competitive tender process. The Energy Act 2013 amends section 4 of the Electricity Act 1989 to create an exception to the prohibition of participating in the transmission of electricity without a licence, for offshore transmission activity during a commissioning period in certain circumstances.

This technical change to the Electricity Act 1989 will ensure that UK offshore generators can build and test transmission assets for exporting their power with confidence that they are acting within the law.

Relationship to other legislative proposals:

None

Background:

In 2010, the Government enabled offshore windfarm developers to build their own transmission infrastructure back to shore for the export of power (the generator build model). This choice provides flexibility for generators to progress their projects in the most economic and deliverable manner appropriate to their circumstances

Some conveyance of electricity is necessary in order to test and commission the transmission assets, which facilitate the acceptance of the assets by an OFTO. We recognise that it is also desirable for renewable electricity to keep flowing during the finalisation of commercial activities to transfer the assets to an OFTO.

DECC and Ofgem have worked together to develop a solution to these concerns, which balances the need for generators to be able to test and commission their transmission assets with the need for ensuring that generators transfer the transmission assets to the OFTO in a timely manner.