The North Seas as the future Energy Pool of Europe

Political coordination of NSCOGI

The North Seas Countries Offshore Grid Initiative

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http://economie.fgov.be
Memorandum of Understanding of 3 December 2010 (1)

- **Established** in 2010

- **Members**: Belgium, Germany, Denmark, United Kingdom, Ireland, France, Luxemburg, Sweden, Norway, The Netherlands + EC

- **Objectives**:
  1. Creation of a strategic, coordinated development of the offshore and onshore grids to ensure more cost-effective and sustainable investment,
  2. Identification and tackling of the barriers to grid development at both national, regional and EU-level, in particular regulatory, legal, market, planning, authorisation and technical issues,
The signatories declare that they:

- Share the common goal of moving to a sustainable low-carbon economy while maintaining security of energy supply most cost-efficiently,
- Recognise that the renewable energy sources of the North Seas have the potential to make a significant contribution to this goal,
- Will facilitate a strategic, coordinated development of the offshore and onshore grids to ensure more cost-effective and sustainable investment,
- Will identify and tackle barriers to grid development at both national, regional and EU-level, in particular regulatory, legal, market, planning, authorisation and technical issues,
Governance

- Steering Committee, Programme Board (+ENTSO-E, ACER, Regulators)
  
  Working Group 1: Grid configuration (Annex 1 of the MoU)
  Working Group 2: Market and regulatory (Annex 2 of the MoU)
  Working Group 3: Planning & Autorisations (Annex 3 of the MoU)

- New task in the framework of the Infrastructure package as Ad Hoc Working Group for PCI Selection

- Renewal of the mandate post 2012
## What has been achieved so far?

### Working Group 1: Grid configuration & integration

| Deliverable 1 | Policy considerations (generation & load scenario) | Completed |
| Deliverable 2 | Grid and technological considerations | Completed |
| Deliverable 3 | North Seas Grid Study | Completed |
| Deliverable 4 | Case studies/Country pairing | Ongoing work |
| Deliverable 5 | Costs and benefits assessment | Ongoing work |

### Working Group 2: Market & Regulatory issues

| Deliverable 1 | Regulatory benchmark | Completed |
| Deliverable 2 | Guiding High Level Principles | Completed |
| Deliverable 3 | Costs and benefits identification and allocation | Ongoing work |
| Deliverable 4 | Anticipatory investments | Ongoing work |
| Deliverable 5 | Market Arrangements for increased penetration of RES | Completed |

### Working Group 3: Planning & Authorisation

| Deliverable 1 | Permitting benchmark | Completed |
| Deliverable 2 | Procedural guidelines | Completed |
| Deliverable 3 | Tools to reduce length and complexity | Ongoing work |
| Deliverable 4 | Best practices | Ongoing work |
NSCOGI 2012 Report: Main messages

- Grid Configuration: Meshed approach as preferred option
- Need for update of NSCOGI 2030 Data
- Apply high level principles on concrete projects in multilateral cooperation
1. Grid configuration & Integration

4 scenarios

Radial

International co-ordination

Local co-ordination

Fully integrated solution
1. Grid configuration & Integration

Outcome

Radial

Local co-ordination

International co-ordination

Fully integrated solution

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2. Market & regulatory issues

- High-level principles drawn up as guidelines for future cross-border developments. Covered issues such as planning, grid design, financing, operation and ownership of assets, system charges.

- Recommended that countries move to a more common approach towards such investments in order to facilitate coordinated offshore developments where this might prove to be cost-effective.

- Recommended that countries which are developing offshore transmission share experience at an early stage to achieve this.
3. Planning & authorisations

- A predictable decision making and efficient processing of planning and permitting procedures is essential for reaching legal certainty.

- The analysis carried out showed that the differences between the different countries do not act as insuperable barriers to integrated cross-border grid infrastructure development.

- Procedural guidelines have been developed and recommended to the competent authorities in each country in order to facilitate better coordinated planning and permitting regimes for cross-border infrastructure developments.
Main lines of the NSCOGI Work Programme after 2012

1. Update NSCOGI data on load and generation

2. Further investigate optimal offshore grid designs

3. Work out options for integration of offshore wind in the network and develop scenarios for better market integration of offshore renewables

4. Propose a compatible regulatory approach to anticipatory investment and allocation of costs and benefits

5. Assess the impact of national renewable energy support schemes on trade and investment

6. Enhance ad hoc cooperation in the field of planning and authorisation
North Seas Countries Offshore Grid Initiative

THANK YOU FOR YOUR ATTENTION!