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FPS Economy, S.M.E.s, Self-employed and Energy
Rue du Progrès 50 – 1210 Brussels

Cap.Floor@ofgem.co.uk
Ofgem
10 South Colonnade, Canary Wharf
London, E14 4PU

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Initial Project Assessment of the Offshore Hybrid Asset pilot projects – response from the Federal Public Service of Economy, Directorate-General for Energy

Dear Mr Pittarello,

With great interest we have read your consultation document “Initial Project Assessment of the Offshore Hybrid Asset Pilot Projects” and more specifically the part of the Nautilus Non-Standard Interconnector (NSI). As Federal Public Service Economy Directorate-General Energy we want to provide our view on the consultation via an explanation on the process of grid development in Belgium to clarify certain process steps. It seems there is a capital concern about certain parts of this grid development which has caused, in our opinion, a non-justified minded-to rejection of this non-standard interconnection project. For a complete and comprehensive overview of clarifications on the issues put forward in the consultation document for the Nautilus project, I refer to the submissions of the Belgian federal energy regulator CREG and of the transmission system operators Elia and NGV.

In the Ofgem consultation document sections 6.5-6.8 it is indicated there is an uncertainty on Line 2, the line between the Belgian energy island and the Belgian shore. In Belgium the process to establish a grid development plan on the Federal level, which comprises all infrastructure related to a tension above 70kV, concludes with an official decision from the minister by ministerial decree as described in article 13 of the electricity law (<https://www.ejustice.just.fgov.be/eli/loi/1999/04/29/1999011160/justel>). On the 5th of May 2023 the Federal Minister of Energy approved the Federal Development Plan 2024 – 2034 (<https://www.elia.be/en/infrastructure-and-projects/investment-plan/federal-development-plan-2024-2034>) by Ministerial decree (<https://www.ejustice.just.fgov.be/eli/besluit/2023/05/05/2023031088/staatsblad>). The Ministerial decree did approve the Federal Development Plan 2024 – 2034 as proposed by the Belgian TSO Elia, however under certain conditions. Specifically, in article 2, 1° of the Ministerial decree the condition is set that the interconnection capacity between the energy island (called “Modular Offshore Grid”) and the Belgian shore is a minimum scenario and an increase in capacity needs to be investigated by the next revision of the Federal Development Plan.

Contact person: Ir. Jo Robbelein | Expert Electricity Systems
Directorate-general | jo.robbelein@economie.fgov.be | + 32 2 277 60 68

Business number: 0314.595.348

+32 800 120 33

SPFEco

@spfeconomie

/fod-economie

economie.fgov.be

The Federal Development Plan 2024 – 2034 describes in section 4.2.1 the energy island and its connections to the shore. The connections to the shore consist of two parts:

- 6 AC cables at 220kV
- An HVDC cable system at 525kV

On how the connections will be operated, it is important to take into account the very recent decision on the split node operation as communicated by Elia to the Task Force Princess Elisabeth Zone the 16th of May 2024 (this is a consultative body for the stakeholders, organised by Elia). Taking these elements into account it means that combined, this system has to be able to transport a minimum of 3.5GW from the island to the Belgian shore, which according to the split node operation decision of Elia will be separately operated with a 2.1 GW radial connection by means of 6 AC cables at 220 kV and a 1.4 GW HVDC cable system at 525 kV which is part of the Nautilus hybrid interconnector. This is the capacity the Ministerial decree indicates as being a minimum scenario. To be more precise, the Nautilus interconnector – i.e. the island to the UK shore - is thus specified as being only the 525kV HVDC cable system with a capacity of 1.4 GW in section 4.2.2 of the Federal Development Plan. This section of the Federal Development Plan is indicated as “planned”, which means that it will be executed.

By this message we want to clarify the sections relevant for this project of the Federal Development Plan 2024 – 2034 for the electricity transmission grid. As it is approved by Ministerial decree, the transmission system operator Elia is bound to execute this plan. In the case of the latest plan, taking into account the binding conditions set by the Ministerial decree. ***Related to the Nautilus project and the remarks in the Ofgem consultation, the ministerial decision has approved the 3.5GW connection capacity between the Belgian energy island and the Belgian shore as a minimum. Furthermore Elia has also made a clear decision on the split node operation as communicated in the Task Force Princess Elisabeth Zone the 16th of May 2024, not withholding a possible change in the distant future as clarified also in the joint Elia/NGV response and the letter of the Belgian regulator.*** In our opinion, these elements counter the uncertainty as described in points 6.5-6.8 of the Ofgem consultation.

Nancy Mahieu

Director General a.i.