

Can Onshore Substations (for Offshore Windfarms) be used to provide Grid Services more effectively?

EIP042

28 February 2023

Background

- The current Offshore Transmission Owner (OFTO) regime is a barrier to Windfarm Developers connecting equipment to provide Grid Services at the Windfarm's onshore substation. The OFTO regime drives the minimum cost connection and, at transfer of the windfarm connection assets to the OFTO, a Windfarm Developer would not be reimbursed for any equipment that is installed that is not essential to transmit the Windfarm's power to shore.
- Potential Solutions are to allow the Grid services equipment to use the OFTO asset for connection and allow it to be retained by the Windfarm Developer or to allow the additional infrastructure to be sold as part of the OFTO asset (with the Windfarm Developer being fully reimbursed) and the Grid services equipment operated by the OFTO providing them with additional revenue.

Enablers and Constraints

- Need for secure, low cost energy supply
- 50GW by 2030 target
- Need for additional Grid Services as generation mix changes
- Review of Energy Market Arrangements (REMA)?
- Current OFTO Regime
- Separate contracts for Energy Supply and Grid Services? (Different periods of contracts)

Involvement and Implementation

- Key Stakeholders include:
 - Windfarm Developers
 - Offshore Transmission System Owners (OFTOs)
 - Grid Service Providers
 - OFGEM
 - BEIS
 - NGENSO
- Market – 30 - 40GW of offshore wind projects to be built this decade
- Target Implementation – to coincide with target of 50GW of offshore wind by 2030

Energy Innovation Basecamp

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ICC Birmingham

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