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Date: 14 January 2021

Dear Mr Smith,

Thank you for your letter dated 16 December 2020. Please find a response on behalf of Ofgem below.

We attended Issue Specific Hearing 2 (ISH2) on 2 December. We indicated that we do not think East Anglia 1 North (EA1N) and East Anglia 2 and other developments already in the planning processes are likely to be impacted by the work of the Offshore Transmission Network Review (OTNR).

On 14 December the Government published its Energy White Paper (EWP).¹ The publication of the EWP does not change our current view as stated at ISH2 that these developments are unlikely to be impacted by the work of the OTNR. Through the OTNR we have been working closely with BEIS, who delivered the EWP, and the OTNR has therefore been developed with consistency with the EWP in mind.

The remainder of this letter provides additional context for the view stated above.

In July 2020 the Minister of State for Business, Energy and Clean Growth launched the OTNR. The current point-to-point approach to offshore transmission was developed when the UK's offshore wind target was as low as 10GW by 2030. However, the volumes of wind generation now forecast to connect and Government's updated policy aspiration may require an

¹ https://www.gov.uk/government/publications/energy-white-paper-powering-our-net-zero-future

alternative approach to offshore transmission. The aim of the OTNR is to identify early

opportunities for coordination between individual projects as well as longer-term actions to

develop an enduring, more coordinated approach to delivery of offshore transmission

infrastructure that will reduce the financial and environmental impacts of required

infrastructure.

Notwithstanding the desire to identify early opportunities neither we nor Government want

to act as a barrier to developments that are already in flight. This could prevent the

achievement of Government's targets.

It can, and often does, take more than ten years for a development to start exporting

power after it has secured a seabed lease. It is our understanding that once a development

enters the planning process it cannot amend its plans without incurring significant

additional costs and delays. Given our desire not to delay or deter projects that are in

flight, we have adopted the view expressed in this letter.

I hope this letter sufficiently addresses your request. Should you wish to discuss the

contents of this letter please do not hesitate to contact me.

Kind regards,

Neil Copeland

Senior Manager, Offshore Coordination