



Department for
Business, Energy
& Industrial Strategy

Rt Hon Kwasi Kwarteng MP
Minister of State for Business, Energy
and Clean Growth.

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Lord Teverson
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Dear Lord Teverson,

Thank you for your letter of 11 November on behalf of the Environment Sub-Committee following the Committee's session on the North Seas Energy Cooperation (NSEC) and net zero. I would like to thank you for sharing your findings and a summary of the evidence gathered and I welcome the Committee's interest in the UK's future involvement in NSEC and in our upcoming strategies for energy decarbonisation.

The Government is committed to decarbonisation of our economy and has made significant commitments in the past months to stimulate a green recovery from Covid-19 and accelerate our progress towards net zero. As part of the recent 10 Point Plan for a Green Industrial Revolution, the Prime Minister announced the scaling up of offshore wind, boosting our 2030 offshore wind target from 30GW to 40GW, including 1GW of energy from floating offshore as well as commitments for CCUS and Hydrogen.

North Seas Energy Cooperation

Both the UK and EU recognise that significant developments on renewable energy in the North Seas is required to achieve our respective net zero 2050 targets and that cooperation and coordination is essential to ensure this is achieved in a cost-effective and efficient manner. This was why the North Seas Energy Cooperation (NSEC) was set up and I hope that we will be able to resume active participation in the initiative once the negotiations on the future UK-EU relationship have been concluded. You mention that Norway participates in the NSEC although not as a Member State and this is because, as a member of the EEA, it applies the relevant EU rules. As you note, regardless of the outcome of the negotiations, we would be keen to continue cooperating with the other countries round the North Sea on a bi- or multilateral basis.

Offshore Transmission Network Review

I launched the Offshore Transmission Network Review back in July with the aim of the ensuring that future connections for offshore wind are delivered in the most appropriate way through finding the appropriate balance between environmental, social, and economic costs. The review will also consider the role of multi-purpose hybrid interconnectors in meeting net zero through combining offshore wind connections with links to neighbouring markets and how the enduring offshore transmission regime can support the delivery of such projects.

The review brings together all the stakeholders involved in the timing, siting, design, and connection of offshore and involves BEIS, Defra, MHCLG, Ofgem, National Grid ESO, The Crown Estate, The Crown Estate Scotland and Devolved Administrations in Wales and Scotland.

The review is being progressed with these organisations through a variety of workstreams looking at planning, connections, commercial and regulatory issues and is supported by an independent Expert Advisory Group that has been established through the Offshore Wind Industry Council.

The review, whilst delivering more coordination domestically in how offshore wind is connected, is also seeking to achieve coordination internationally through its work on multi-purpose interconnectors. With the current absence of access to the North Seas Energy Cooperation, this is being pursued through proactive engagement bilaterally with our North Sea neighbours supported by FCDO Prosperity Funding and through inviting a representative from ENTSO-E to sit on the review's Expert Advisory Group.

I thank you for your interest in these matters and hope that you find the information I have provided helpful. We look forward to engaging in any future work your Committee may do on the ecological impacts of energy development in the North Sea. This is an area in which we will need to work closely with the other countries round the North Sea, in the future, either through the North Seas Energy Cooperation or other means.

Yours ever

A handwritten signature in black ink, appearing to read 'Kwasi Kwarteng', written in a cursive style.

RT HON KWASI KWARTENG MP
Minister of State for Business, Energy and Clean Growth