

OFGEM LAUNCHES TENDER PROCESS FOR APPOINTING OFFSHORE TRANSMISSION OWNER FOR WORLD'S LARGEST OFFSHORE WIND FARM

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Ofgem is offering the market an opportunity to purchase the transmission assets of Dogger Bank B, part of what is set to be the world's largest offshore wind farm. The project is set to commence commercial operations next year.

"Ofgem will circulate an information memorandum and draft transfer agreement to interested parties."

The transmission assets in question service a 1.2 GW output with an estimated value of approximately £1bn.

The bidding process starts with an enhanced pre-qualification ("EPQ") stage. The window for submissions opened on 14 February 2024.

Following receipt of:

- a satisfactory interest declaration; and
- a signed confidentiality agreement,

Ofgem will circulate an information memorandum and draft transfer agreement to interested parties.

The EPQ stage closes on 1 May 2024, with the deadline for submissions at 12:00 BST. Ofgem is expected to announce up to eight qualified bidders in mid-July 2024.

Whilst one of Ofgem's key objectives of the competitive tender process is to attract new entrants to the transmission sector, bidders must still be technically capable of taking over, managing and operating critical offshore transmission assets over the whole lifecycle of that asset, with deliverable and robust financial arrangements.

Accordingly, the substantive criteria against which bidders are to be evaluated are:

- economic and financial standing;
- experience of asset takeover, management and operations;
- approach to asset takeover;
- approach to management and operations;

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- funding solution; and
- financial and commercial risk management.

The first and second criteria above are assessed on a pass/fail basis, with a points-based system used for the remainder. This scoring system will only be considered if more than eight bidders meet the pass/fail criteria and are not excluded from the bidding process on other grounds (e.g., professional misconduct or breach of labour laws).

The full EPQ questionnaire is available [here](#).

Qualifying bidders will progress to the Invitation to Tender stage, which is expected to complete at the start of 2025. If there is no clear Preferred Bidder, this will be followed by a Best and Final Offer Stage.

The Preferred Bidder is expected to become the successful bidder and to receive its licence within six months of Ofgem's final decision.

Interested parties can access the Ofgem Tendering Portal [here](#).

London Trainee Marcus Hensher also contributed to this article.

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