Press Release

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Bundesnetzagentur publishes determination establishing procedure for allocating offshore connection capacity

Jochen Homann: "Foundation for objective, transparent and nondiscriminatory allocation of connection capacity"

The Bundesnetzagentur has today published its determination on the procedure for allocating offshore connection capacity.

The determination sets out in particular the requirements to be met by applicants requesting capacity on existing links connecting offshore wind installations to the grid or those under construction. It also lays down the rules for auctioning connection capacity in the event of a shortage.

"Our determination lays the foundation for objective, transparent and non-discriminatory allocation of connection capacity. It provides planning certainty for offshore wind installation operators and ensures that free capacity on the transmission links commissioned by the transmission system operators (TSOs) can be allocated promptly", Jochen Homann, Bundesnetzagentur President, explained. "We propose to hold the first allocation round before the end of the year to enable the capacity currently available to be allocated as soon as possible", Homann continued.

The amendments to the Energy Act (EnWG) which took effect on 1 August 2014 put the Bundesnetzagentur in charge of allocating connection capacity on transmission links. The maximum capacity that can be allocated up to 31 December 2020 – taking into account all existing unconditional grid connection commitments – is 6.5 gigawatts (GW). However, the Bundesnetzagentur may exceed this limit by up to 1.2GW prior to 1 January 2018, raising the maximum to 7.7GW.

On launching the capacity allocation procedure, the Bundesnetzagentur will release details of the maximum total connection capacity still available for allocation, the free capacity on the individual systems connecting offshore installations to the grid, and the deadline for applications from offshore wind farm operators seeking capacity. After the deadline, the Bundesnetzagentur will check the eligibility of each application on the basis of the rules set out in the determination and will decide whether the connection capacity can be allocated as requested or whether an auction is needed. Capacity will be auctioned if more capacity is requested by eligible applicants than is available on a transmission link or if the total amount of capacity requested on all the

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systems exceeds the allocation limit of 7.7GW.

"The type of auction we have chosen will provide us with unambiguous results, allowing capacity to be allocated objectively and transparently on the basis of clearly ordered bids. This ultimately means we can meet the all-round demand for swift allocation of capacity", Homann stated.

The Bundesnetzagentur will publish the outcome of the capacity allocation procedure once it has been completed.

The determination establishing the procedure for allocating offshore connection capacity is available on the Bundesnetzagentur's website at www.bundesnetzagentur.de/BK6-13-001.