13 Oct 2014

- Norwegian Government grant licence allowing energy to be traded between UK and Norway
- £1 billion subsea cable link will be the longest in the world and is due for completion in 2020.
- UK set to benefit from Norwegian low-carbon hydro power

National Grid NSN Link Limited’s proposed subsea cable link with Norway has today (Monday 13 October 2014) taken a positive step forward after the Norwegian government granted a licence which allows energy to be traded with the United Kingdom.

The announcement by the Norwegian Ministry of Petroleum and Energy means that Statnett, who are partnering National Grid’s interconnector business in the project, now have all the necessary licences to allow the cable to be built.

The interconnector, which is scheduled for completion in 2020, will see up to 1400MW of electricity passing between Kvilldal in Norway and Blyth in Northumberland, potentially bringing low cost renewable energy from Norway into the United Kingdom.

Alan Foster, Director of European Business Development for National Grid, said: “This is tremendous news for us and our development partners Statnett. We’ve been working together on the NSN Link between the two countries for four years and today’s announcement is a signal that the Norwegian government are fully supportive of the project.

“The interconnector would be of great benefit to the power systems of both countries — low carbon hydro power from Norway could help UK manage our intermittent renewable generation and Norway could import surplus electricity from UK during dry periods.”

Today’s announcement follow’s quickly on the back of last week’s planning permission approval for the converter station in Blyth after Northumberland County Council gave National Grid the go-ahead to build close to the site of a former power station.

The next step is to obtain a licence from the Marine Maritime Organisation to grant permission to install the subsea cables.

At about 740 kilometres, the Norwegian interconnector would be the world’s longest subsea interconnector and require investment of more than £1 billion. National Grid are awaiting the outcome of a submission to Ofgem which will determine the commercial framework for the link which, if granted, will see a “Cap and Floor” operating model.

The decision is expected later this year.

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Notes to Editors:

National Grid is one of the largest investor-owned energy companies in the world. We own and manage the grids that connect people to the energy they need, from whatever the source. In Britain and the north-eastern states of the US we run systems that deliver gas and electricity to millions of people, businesses and communities.

In Britain, we run the gas and electricity systems that our society is built on, delivering gas and electricity across the country. In the North Eastern US, we connect more than seven million gas and electric customers to vital energy sources, essential for our modern lifestyles.

National Grid in the UK:
We own the high-voltage electricity transmission network in England and Wales, operating it across Great Britain
We own and operate the high pressure gas transmission system in Britain
Our gas distribution business delivers gas to 11 million homes and businesses
We also own a number of related businesses including LNG importation, land remediation and metering
National Grid manages the National Gas Emergency Service free phone line on behalf of the industry - 0800 111 999 (all calls are recorded and may be monitored).
Our portfolio of other businesses is mainly concerned with infrastructure provision and related services where we can exploit our core skills and assets to create value. These businesses operate in areas such as Metering, Grain LNG Import, Interconnectors and Property. National Grid Carbon Ltd is a wholly owned subsidiary of National Grid and it undertakes Carbon Capture & Storage related activities on behalf of National Grid.

National Grid in the US:
In the northeast US, we connect more than seven million gas and electric customers to vital energy sources, essential for our modern lifestyles.
National Grid delivers electricity to approximately 3.3 million customers in Massachusetts, New York and Rhode Island. It is the largest distributor of natural gas in northeastern U.S., serving approximately 3.4 million customers in New York, Massachusetts, and Rhode Island.
Notes for editors

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National Grid is pivotal to the energy systems in the UK and the north eastern United States. We aim to serve customers well and efficiently, supporting the communities in which we operate and making possible the energy systems of the future.

National Grid in the UK:
- We own and operate the electricity transmission network in England and Wales, with day-to-day responsibility for balancing supply and demand. We also operate, but do not own, the Scottish networks. Our networks comprise approximately 7,200 kilometres (4,474 miles) of overhead line, 1,500 kilometres (932 miles) of underground cable and 342 substations.
- We own and operate the gas National Transmission System in Great Britain, with day-to-day responsibility for balancing supply and demand. Our network comprises approximately 7,660 kilometres (4,760 miles) of high-pressure pipe and 618 above-ground installations.
- As Great Britain’s System Operator (SO) we make sure gas and electricity is transported safely and efficiently from where it is produced to where it is consumed. From April 2019, Electricity System Operator (ESO) is a new standalone business within National Grid, legally separate from all other parts of the National Grid Group. This will provide the right environment to deliver a balanced and impartial ESO that can realise real benefits for consumers as we transition to a more decentralised, decarbonised electricity system.
- Other UK activities mainly relate to businesses operating in competitive markets outside of our core regulated businesses; including interconnectors, gas metering activities and a liquefied natural gas (LNG) importation terminal – all of which are now part of National Grid Ventures. National Grid Property is responsible for the management, clean-up and disposal of surplus sites in the UK. Most of these are former gas works.

Find out more about the energy challenge and how National Grid is helping find solutions to some of the challenges we face at https://www.nationalgrid.com/group/news
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