



# Where are we when it comes to offshore wind in Norway

Ignacio Herrera Anchustegui  
Associate Professor, Faculty of Law



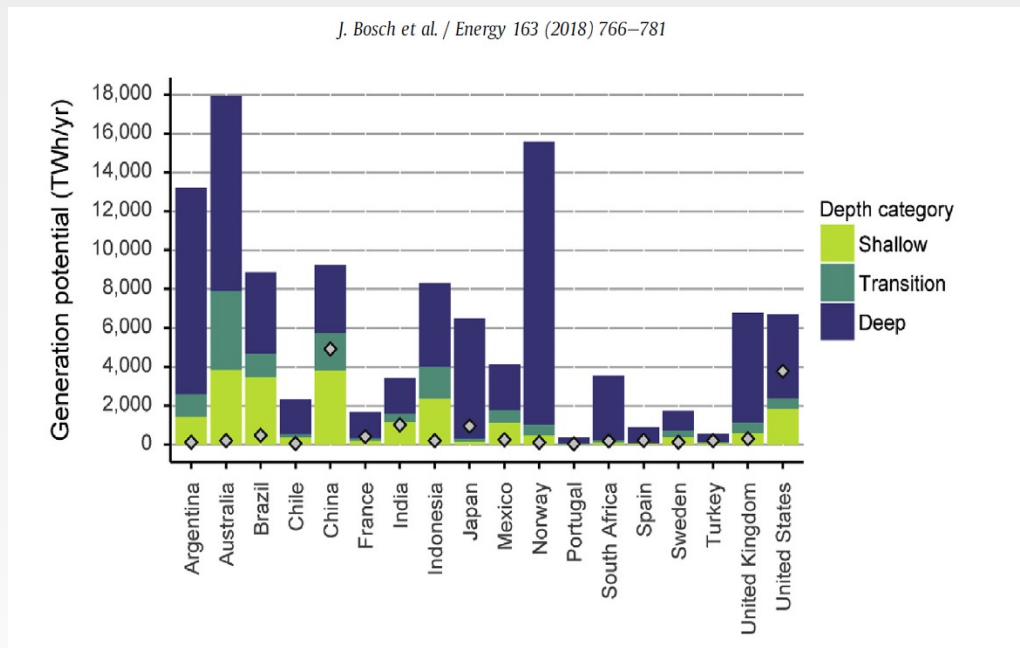


**What is Norway up to  
offshore wind?**



## Excellent wind resources

- More favourable than other Northern Europe countries (NVE 2013) – best in Europe?



**Potential of 100 times hydropower production!**

- But sure, deep waters, large wave height and non-homogeneous seabed





# Up to summer 2020: Lots of ambition but no plan?



Pilot project  
Hywind Tampen is  
far from 1 GW

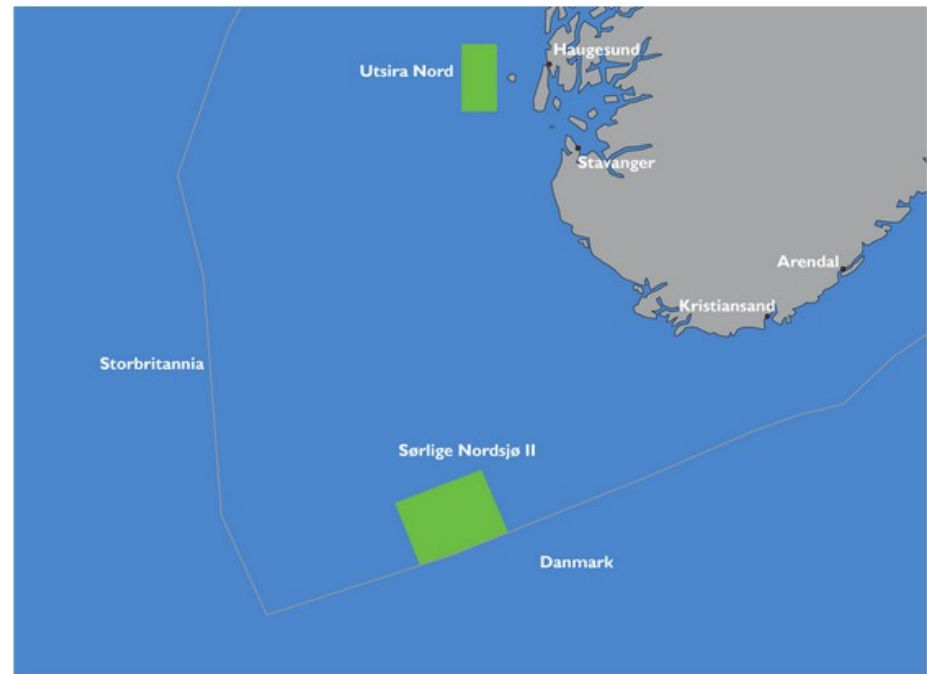
Only 0.088GW





## Post-summer 2020

- 2 areas have been «opened»
  - No bids yet
  - The rules were insufficient
- June 2021 new rules «guidance» for the application process
  - Being discussed
  - Will apply to the open areas
- About 10 consortiums have expressed interest in potentially bidding



*Olje- og energidepartementet opner områda Utsira Nord og Sørlige Nordsjø II for søknadar om fornybar energiproduksjon til havs. Credit: NVE*





# Constant change and political back and forth



## 9 February 2022

- Press conference of the **(new) government**: offshore wind plan
- **New revision of rules** – expected after summer 2022?
  - Law + Regulation
  - June 2021 proposal of soft law guidance note
  - Many opinions
  - Still pending
- **Two areas will be opened** (old news):
  - Utsira Nord (floating)
  - Sørilige Nordsjø II (bottom-fixed) (divided into 2 phases) of 1 500 MW each (one soon, the other...?)
  - Consultation on these areas and how to split them





## 9 February 2022

- **Auction** as the main model (for bottom fixed?)
  - And developing the rules for phase 1 of Sørilige Nordsjø II (bottom fixed)
- **Electricity only for us**
  - No hybrid cables are expected
- Offshore wind to solve **short-term problems?**
  - Electricity 'crisis' in Norway?





# Norwegian Offshore Wind Wall





## Vague policies and regulations

- Basic rules in the **Havenergilova** (2010)
  - Which says almost nothing
- The **Regulation of Havenergilova** (2020)
  - Creates some basic (and unclear) **application+license system**
    - Little fostering of competition or price reduction
    - Technology neutral, though





# We started late – and it will take a lot of time

- We are **behind most or everyone else** in the North Sea
- It has taken a lot of time to come up with rules
  - More than **10 years** since we have the Havenergilova
- The estimation of the time to build of a wind farm is very long
  - **8 to 10 years with the proposed rules (!)**
    - If all goes according to plan
- Can we **shorten this?** If so, how?
  - What about environmental impact assessment?
  - What about rolling successive tenders?
  - More areas?





# The Poli(tics)

- Focus (political) points:
  - Keen interest in promoting **Norwegian industry participation**
    - How this is done is tricky
      - EEA law and WTO law impose limits
  - **Profitability** of the activity
  - Ambition to have projects **without subsidies**





# Tender types

- Call for competition will define terms of the process/auction
- Gives **flexibility** to the state
  - Good if we are not sure what to expect?
- **Two types** of tenders expected:
  - An energy auction system - **Sørlige Nordsjø II**
    - Price is set by the market
    - **Main rule**
      - But criticized
  - Non-auction system – qualitative assessment - **Utsira Nord**
    - Price set by authorities







# Types of projects?

- Different options available:



Figur 4.13 Scenarier i NVEs eksempelberegninger.

- Do not forget the electrification option for oil and gas platforms – but not mentioned
- Do we still have hybrid cables as an option?





# State aid spinoff

- Mixed signals regarding **state support**
- Statstøtte has comply with **EU/EEA rules**
  - Would this mean energy auctions?
    - Is Norway ready for it?
    - No country has done it on the first og
  - Projects realistic with no state support?





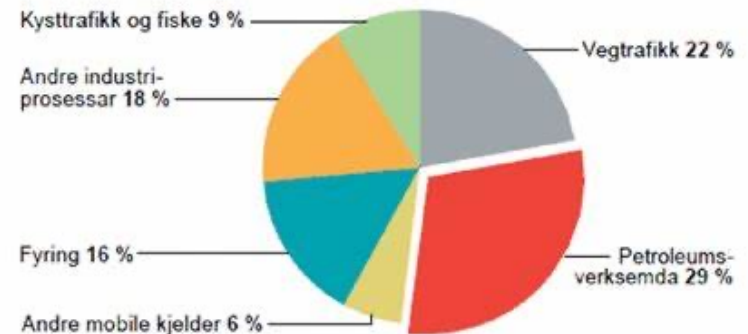




# Offshore wind for what? To extend life of hydrocarbons?

- CO<sub>2</sub> emissions by oil & gas production
- Out of this, 85% of due to platform activity (Norsk petroleum 2018)
- Plans to electrify turbines
- «Green washing»?

## CO<sub>2</sub> Emissions Norway



Oil and gas industry 29 %, Cars and trucks 22 %, Industry processes 18 %, Heating 16 %, Boats and ships 9 %, Other sources 6 %





## Hywind Tampen: one of many firsts

- 88MW medium-sized offshore wind farm
  - World's first medium size floating wind farm
  - 11 turbines
- Power 2 oil and gas fields
  - First in the world
  - Snorre and Gullfaks
  - 140kms from the coast of Norway
- First OWF built in Norway
- Power 33% of the oil and gas fields





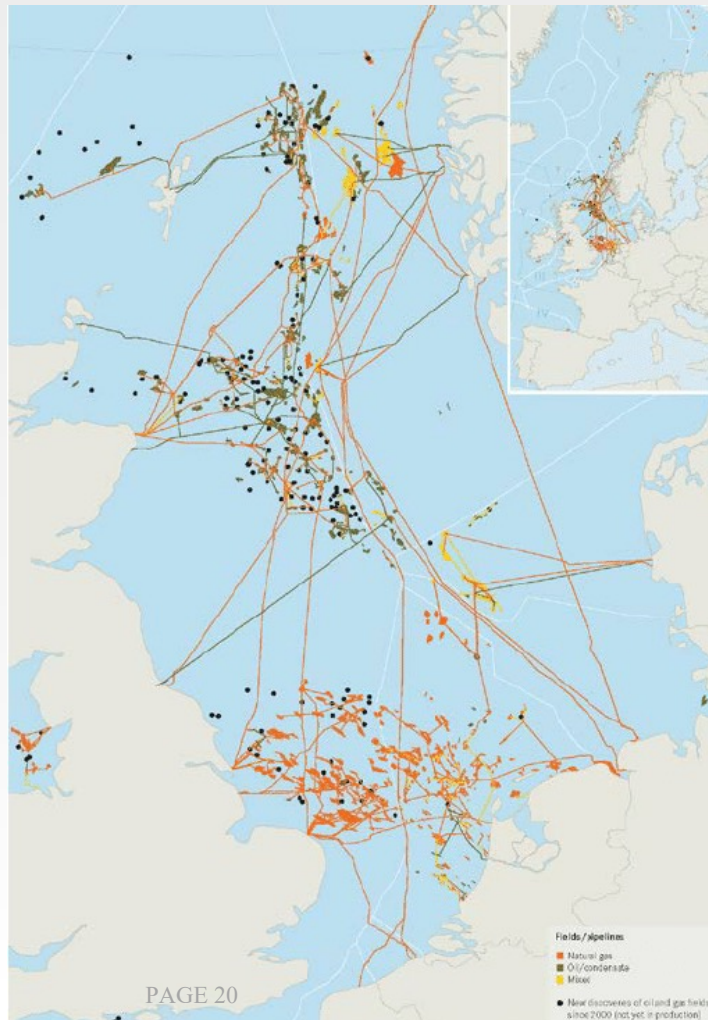
## Opportunities forward

- Substitute gas fired platforms
- Reduce CO2 emissions from oil & gas
  - Comply with international agreements
  - Reduce costs of production
- Promote Norwegian technology
  - Offshore wind
  - Hybrid systems – sector coupling





## Offshore wind for oil and gas



- Hywind Tampen is the first of what *could be a trend*
  - ‘Greenification of oil and gas production’?
- Plenty of opportunities
  - 87 oil and gas active platforms in Norwegian waters
  - 184 in the North Sea in 2018





## Opportunities forward & tricks

- **Authorized under petroleumsoven**
  - Not the Havenergilova
  - Not under Energilova
- **Petroleumsoven will regulate it**

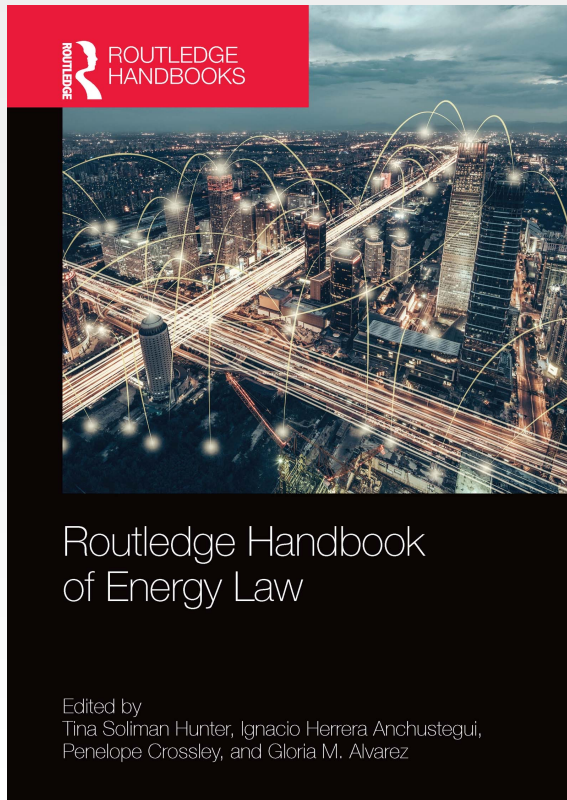
### Why?

- Based on a **modification of power supply** to Snorre and Gullfaks as authorized under **change of plans for development and operation**





# Concluding thoughts & stay in touch



[Ignacio.Herrera-Anchustegui@uib.no](mailto:Ignacio.Herrera-Anchustegui@uib.no)

<https://www.uib.no/en/persons/Ignacio.Herrera.Anchustegui>

