Project Sheet

Cronos Energy Ltd

Project type	transmission
Project id	1049
Created by	Lea Dehaudt
Created on	Feb 11, 2021 5:13:21 PM

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Key Information

Cross Border Project
Offshore DC transmission cable
New

Under Consideration

Description

Cronos Energy Ltd ("Cronos") is permitting a 1400MW DC Bipole VSC interconnector between England and Belgium. The project started in 2017 and has obtained a legally binding grid connection agreement with National Grid at Kemsley, Kent in the UK for rights to construct, connect and operate an interconnector. The management team of Cronos has a successful track record in developing and operating interconnectors and transmission projects as well as large-scale grid connected power stations in the UK and Europe and has been involved in over 40GW of transmission power station and interconnector projects in Europe. Our mandated technical advisor for electrical engineering, infrastructure and power systems is WSP Ltd, our mandated financial advisor is EY (Ernst & Young). The interconnector is expected to reach commercial operations in late 2026 and the permitting and construction timetables are attached in Microsoft Excel format. Cronos has commenced the planning and environmental work as well as having undertaken detailed work on the undersea cable route and onshore works. Cronos is committed to the project and has detailed knowledge of interconnector permitting, regulatory regimes, energy contracting, project financing and construction and operations including O&M.

Project promoters

Cronos Energy Ltd

Countries

Belgium
United Kingdom

National development plan(s)

Additional information on the project

Cronos Energy Ltd is happy to provide any further info requested

Project sheet backlog

13 Jan. 2021 - Correction of project promoters

6 Nov. 2020 - Publication as part of the draft TYNDP 2020 package for consultation

Project Description & Context

Project Investments

Main investment(s): 1.4 GW HVDC electricity interconnector between UK and Belgium Voltage Source Converter (VSC)/Bipolar Grid connection point (substations name): Kemsley (UK) and near Zeebrugge (Belgium), exact substation location subject to grid study in Belgium. Total cable length (substation to substation) 230km (1km in UK and 30km in France) Two cables (XLPE) laid in a single trench Nominal voltage: ±525 kV Thermal limit (Imax): 1330 A Mvar capability range at terminals: 460 MVAr Bus-bar to bus-bar losses profile over MW range: 2.3% (33 MW) full load; 0% (0 MW) at zero load. The annual Availability is 98.1% availability, with 1.8% planned outages, and 0.1% forced outages. The maximum single failure according to the design is 1.4GW. The project will enable the reduction of CO2 emissions by substituting electricity from fossil fuels by generation from RES and nuclear power. There are no material anticipated environmental impacts during construction and operation.

Type of element	Total route length (km)	From substation 1	To substation 2	Present status	Commissioning year	Progress of the investment	Explanation in case of delay or reclustering
Offshore DC transmission cable	230	Kemsley	Zeebrugge	Under Consideration	2025	New Investment	

Is the project in the reference grid?

No

System Needs addressed by the project

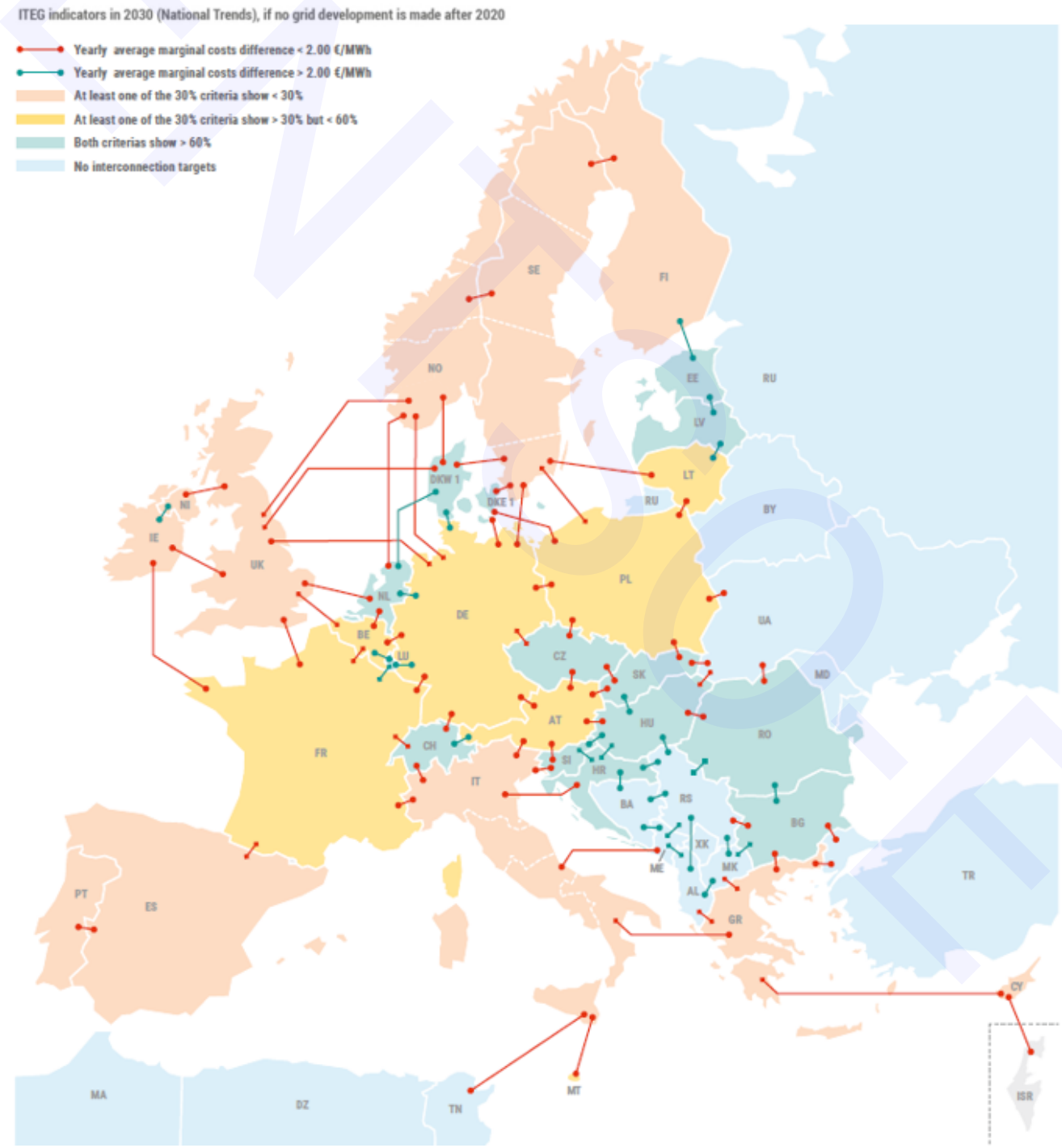
Project promoter(s) selected up to 4 system needs that are addressed by their project in a predefined list. Available needs ranged from reduction of price differentials between countries, improvement of system flexibility and stability, enabling cost-efficient connection of high volumes of RES, improvement of voltage stability...
As part of the TYNDP 2020, ENTSO-E released a study investigating cross-border system needs in the 2030 and 2040 horizons.

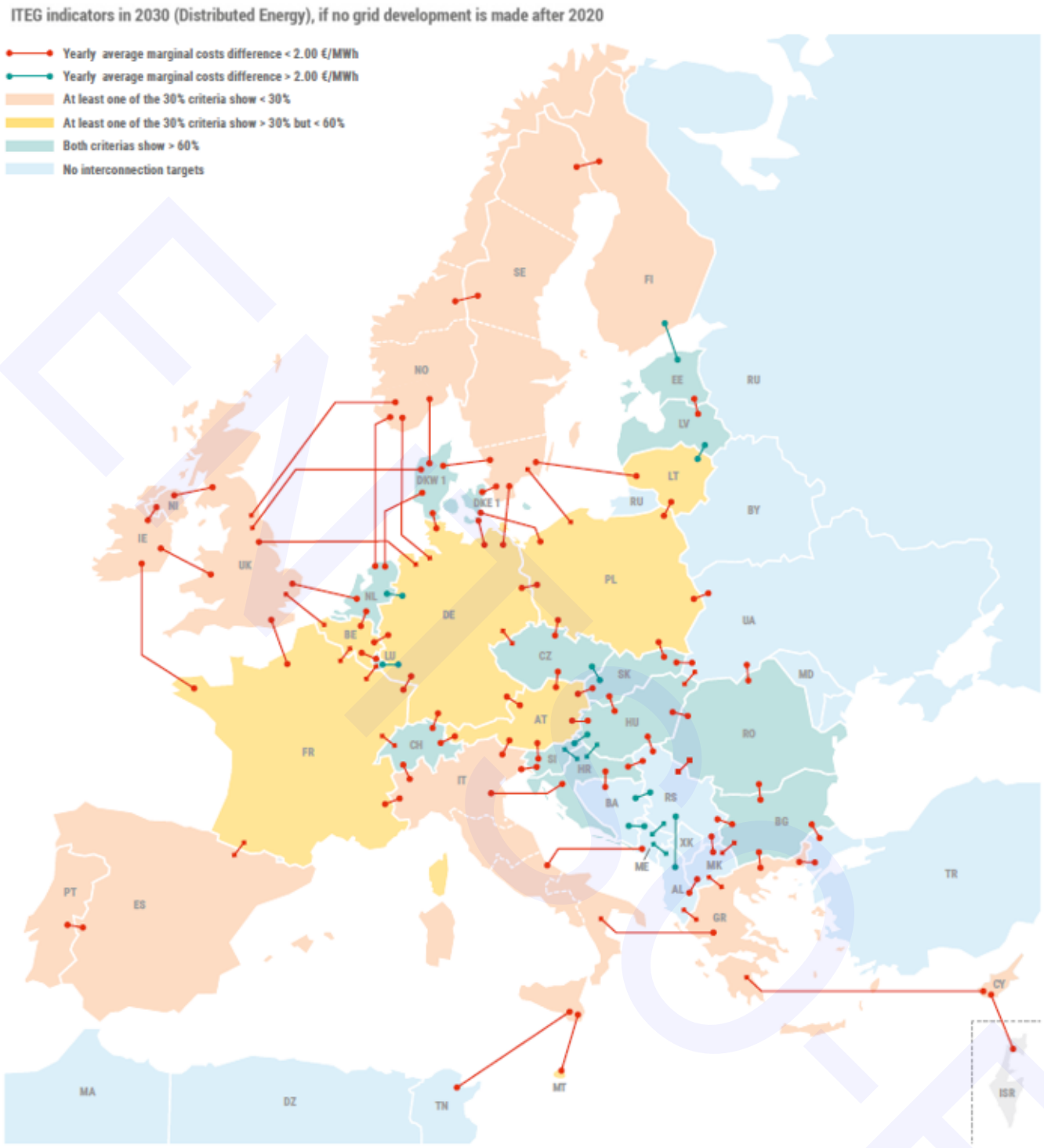
The project promoter did not select any need.

Interconnection targets

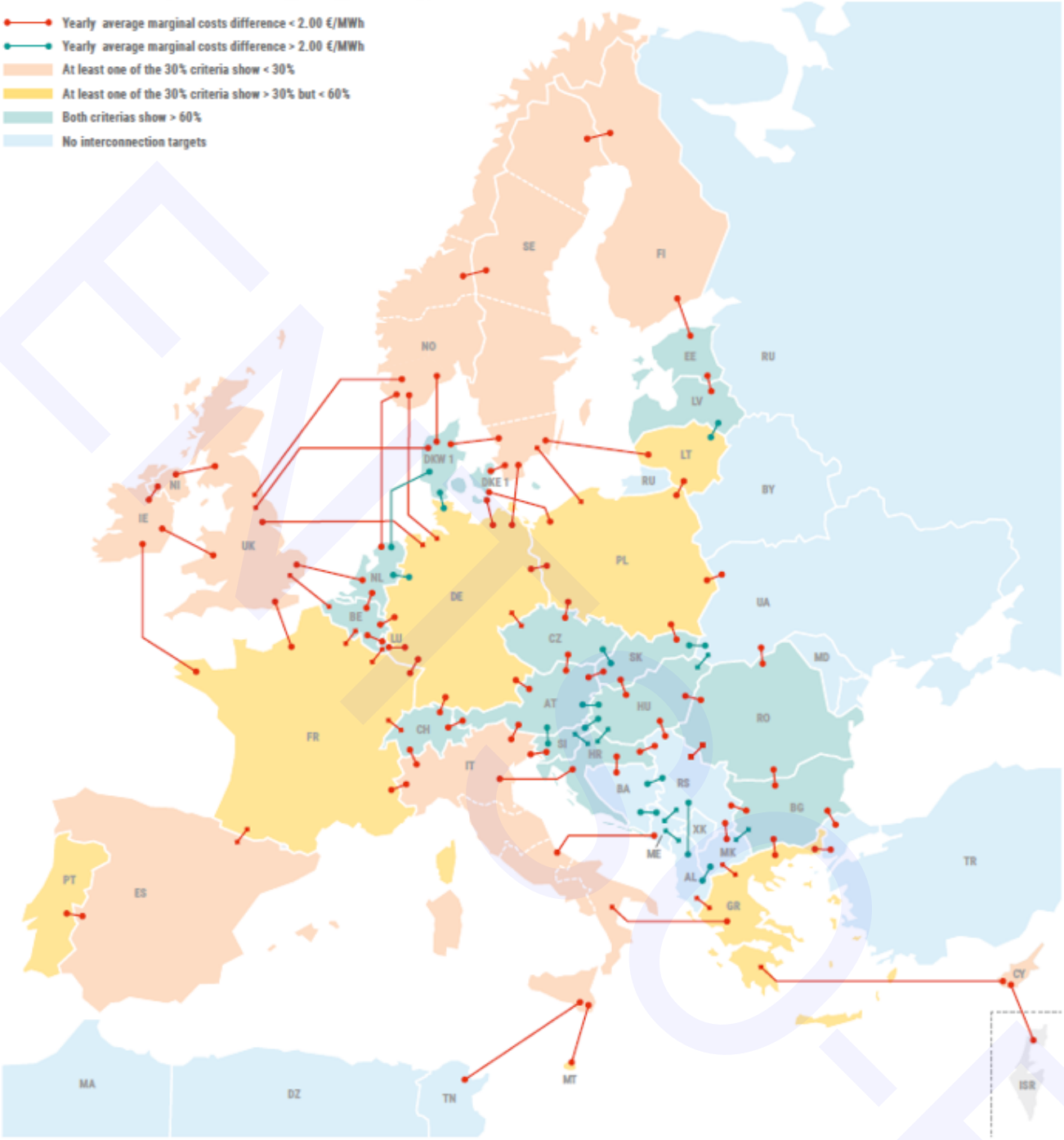
In 2017, the Interconnection Target Expert Group proposed alternative indicators to the 15% interconnection criteria for every country and electrified island with a new methodology developed collaboratively between the European Commission, ENTSO-E, ENTSOG, industry, universities and other experts. The methodology is based on three indicators:
1. Price differential between EU countries, with an objective to reduce it below 2 EUR/MWh
2. Ratio between nominal transmission capacity and installed RES capacity, with a target of past 30%
3. Ratio between nominal transmission capacity and peak load, with a target of past 30%

The following maps show the ITEG methodology applied to the TYNDP 2030 scenarios, with the 2020 grid.




ITEG indicators in 2030 (Distributed Energy), if no grid development is made after 2020
Yearly average marginal costs difference < 2.00 €/MWh
Yearly average marginal costs difference > 2.00 €/MWh
At least one of the 30% criteria show < 30%
At least one of the 30% criteria show > 30% but < 60%
Both criterias show > 60%
No interconnection targets
SE
FI
NO
EE
RU
LV
LT
DKW 1
DKE 1
RU
BY
NI
IE
UK
PL
NL
DE
UA
BE
LU
CZ
SK
MD
AT
HU
RO
FR
CH
SI
HR
IT
BA
RS
BG
XK
ME
MK
AL
TR
PT
ES
GR
CY
ISR
MA
DZ
TN
MT

ITEG indicators in 2030 (Global Ambition), if no grid development is made after 2020



Project Assessment

Transfer capacity increase (National Trends 2025)

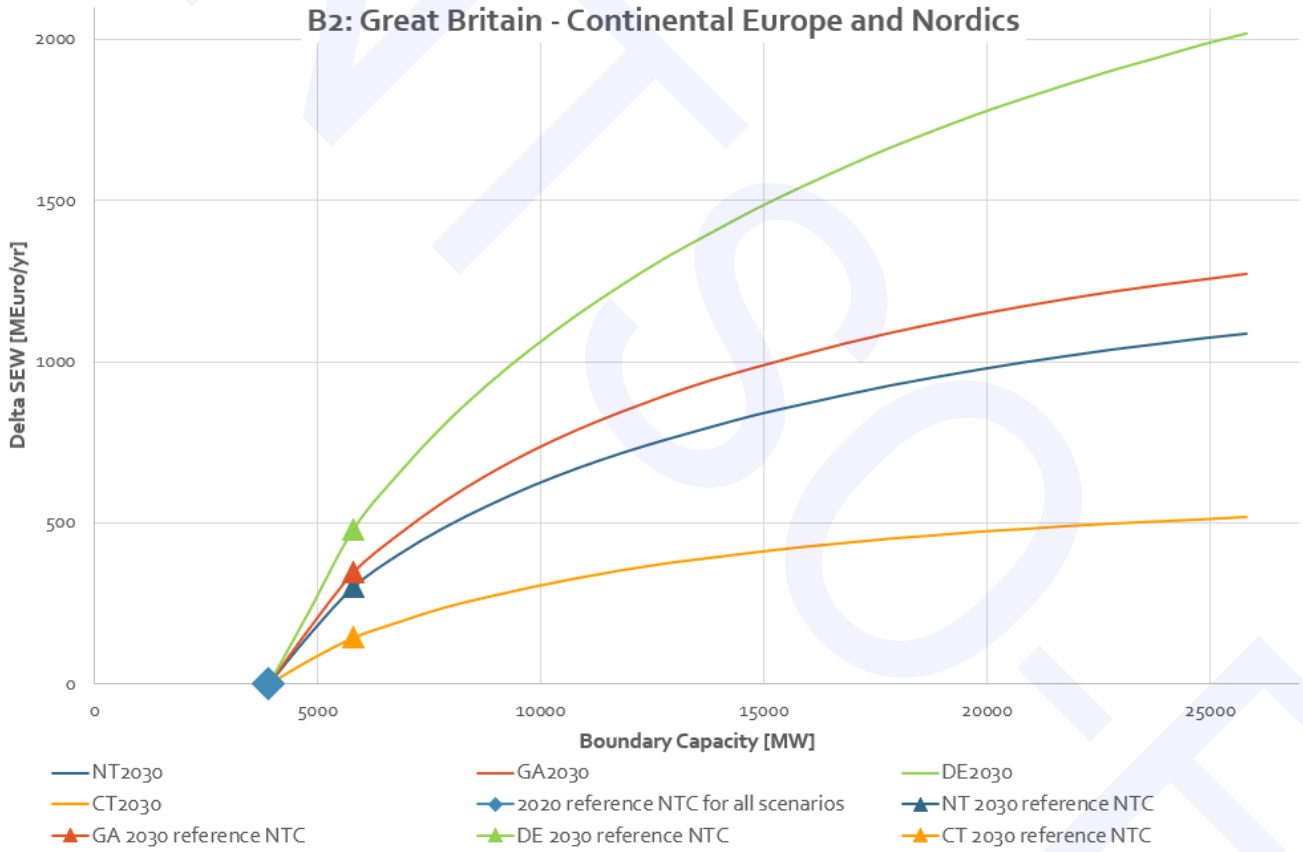
	Border	A B	B A
Transfer capacity increase (in MW)	Belgium - United Kingdom	1400	1400

Boundary capacity diagram

Network boundary the projects helps mitigate

Great Britain – Continental Europe and Nordics

Boundary capacity diagram



CBA results

ENTSO-E has assessed the benefits delivered by each project in 2025 (scenario National Trends 2025) and in 2030 (three scenarios: National Trends, Distributed Energy and Global Ambition). Indicators B1 to B6 were computed by ENTSO-E, while promoters had the possibility to compute and submit so-called project-level benefits (B7 to B10). The benefits must be understood as benefits for Europe as a whole, not for the promoters of the project.
Results are presented per scenario.

Central scenario: National Trends

National Trends is the central policy scenario of the TYNDP2020, designed to reflect EU member state's National Energy and Climate Plans (NECP), in line with the requirement to meet current European 2030 energy strategy targets.

			Comparison of the COP21 scenarios with NT2030 average result		
	NT2025	NT2030	DE2030 is < or > than NT2030	GA2030 is < or > than NT2030	

Increase in socio-economic welfare

B1 Annual Socio-Economic Welfare (SEW) increase (M € / year)	max average min	12 11 9	39 37 36	>	>	ENTSO-E assessment
B1_CO2 Annual Socio-Economic Welfare increase resulting from CO2 emissions reduction	max average min	3 3 2	15 13 12	>	>	ENTSO-E assessment
B1_RES Annual Socio-Economic Welfare increase resulting from RES integration	max average min	1 1 0	7 5 4	<	>	ENTSO-E assessment

Reduction of CO2 and GHG emissions

B4 Non-CO2 emissions (kg/year)

B4a Nitrogen oxides	average	-374	-1028	n/a	n/a	ENTSO-E assessment
B4b Ammonia	average	-22	-57	n/a	n/a	ENTSO-E assessment
B4c Sulfur dioxide	average	-451	-1133	n/a	n/a	ENTSO-E assessment
B4d Particular matter 5	average	1234	5753	n/a	n/a	ENTSO-E assessment
B4e Particulate		-18	-72	n/a	n/a	ENTSO-E

matter 10	average					assessment
B4f Non-methane volatile organic compounds	average	1242	5800	n/a	n/a	ENTSO-E assessment
B2a Annual CO2 variation from market simulation (ktonnes / year)	max average min	-99 -114 -134	-428 -479 -548	<	>	ENTSO-E assessment
B2a_€ Annual Societal cost variation resulting from CO2 variation from market simulation monetised (M € / year)	CO2 price 60€/ ton 100€/ ton 189€/ ton	4 9 19	15 34 77	< < <	< < <	ENTSO-E assessment
B2b Annual CO2 variation due to network losses (ktonnes / year)	average	-74	171	n/a	n/a	ENTSO-E assessment
B2b_€ Annual Societal cost variation resulting from CO2 variation from network simulation monetised (M € / year)	CO2 price 60€/ ton 100€/ ton 189€/ ton	1 6 12	-5 -12 -28	n/a	n/a	ENTSO-E assessment

Integration of renewable energy sources

B3 Annual avoided curtailment (RES integration) (GWh / year)	max average min	22 14 7	200 139 105	<	>	ENTSO-E assessment
B3a Connected RES (MW)	-			n/a	n/a	ENTSO-E assessment

Impact on grid losses

B5 Variation of network losses (GWh / year)	average	-134	872	n/a	n/a	ENTSO-E assessment
B5_€ Variation of network losses monetised (M€ / year)	average	-6	25	n/a	n/a	ENTSO-E assessment

Security of supply

B6 Annual reduction in Energy Not Served (MWh / year)	max average min		3200	n/a	n/a	ENTSO-E assessment
B6_€ Annual Socio-Economic Welfare increase resulting from reduction in Energy Not Served monetised (M€ / year)	average	n/a	32	>	n/a	ENTSO-E assessment

Scenarios: Distributed Energy & Global Ambition

DE and GA are two scenarios created in line with the COP21 targets to understand the impact on infrastructure needs agains different pathways reducing EU-28 emissions to net-zero by 2050. For these two scenarios, projects were assessed with a subset of CBA parameters.

		DE2030	GA2030	

Increase in socio-economic welfare

B1 Annual Socio-Economic Welfare (SEW) increase (M€ / year)	average	57	45	ENTSO-E assessment
B1_CO2 Annual Socio-Economic Welfare increase resulting from CO2 emissions reduction	average	29	15	ENTSO-E assessment
B1_RES Annual Socio-Economic Welfare increase resulting	average	3	13	ENTSO-E assessment

from RES integration			

Reduction of CO2 and GHG emissions

B2a Annual CO2 variation from market simulation (ktonnes / year)	average	-542	-424	ENTSO-E assessment
B2a_€ Annual Societal cost variation resulting from CO2 variation from market simulation monetised (M€ / year)	CO2 price 60€/ ton 100€/ ton 189€/ ton	4 25 74	11 28 65	ENTSO-E assessment

Integration of renewable energy sources

B3 Annual avoided curtailment (RES integration) (GWh / year)	average	71	313	ENTSO-E assessment
B3a Connected RES (MW)	-			ENTSO-E assessment

Non scenario-dependent indicator(s)

B8.0 Stability (Transient, Voltage and Frequency Stability)	Transient stability	Voltage stability	Frequency stability	
Converter Stations & Subsea Cabling (New HVDC)	++	++	+ (between sync areas)	Qualitative assessment by ENTSO-E based on information on the project technology provided by the project promoter(s). This indicator is not dependent on scenarios or time horizons.

Sensitivity Study: Current Trends

'Current Trends' describes a future where the energy transition is slower than planned.

		CT2030	

Increase in socio-economic welfare

B1 Annual Socio-Economic Welfare (SEW) increase (M€ / year)	average	16	ENTSO-E assessment
B1_CO2 Annual Socio-Economic Welfare increase resulting from CO2 emissions reduction	average	4	ENTSO-E assessment
B1_RES Annual Socio-Economic Welfare increase resulting from RES integration	average	0	ENTSO-E assessment

Reduction of CO2 and GHG emissions

B2a Annual CO2 variation from market simulation (ktonnes / year)	average	-127	ENTSO-E assessment
B2a_€ Annual Societal cost variation resulting from CO2 variation from market simulation monetised (M€ / year)	CO2 price 60€/ ton 100€/ ton 189€/ ton	4 9 20	ENTSO-E assessment

Integration of renewable energy sources

B3 Annual avoided curtailment (RES integration) (GWh / year)	average	8	ENTSO-E assessment
B3a Connected RES (MW)	-		ENTSO-E assessment

Residual impact

Information on the residual impact of the project was provided by the project promoter(s).

Residual environmental impact

Investment	Investment status	Distance (km)	Type of sensitivity
Converter Stations & Subsea Cabling	Under Consideration	1	Marin Strategy Framework Directive (2008/56/EC)

Note based on CBA Guideline 3.0: Given that the actual route of the project might not be defined due to the low degree of maturity of its investment(s), an environmental assessment is not yet available.

Additional information by the project promoter(s)

At the UK grid connection point, which is Kemsley, Kent. There are various protected habitats due to the proximity to marshland and the River Swale, Cronos Energy Ltd will be executing a detailed Environmental Impact Assessment to thoroughly examine the extent of protected flora and fauna and to minimise the potential environmental impact upon the local area and to assess whether or not any mitigation measures are required. The length/distance effected is less than 1 km.

The submarine cable route has been subject to a desktop study, detailed Marine Environmental Impact Assessments will be executed for the cable route. Levels of Ordinance (explosives), existing telecoms and electrical cables, sand beds, marine conservation areas, shipping routes and fishing grounds/pelagic areas, there are no protected molluscs/shellfish with any proximity to the likely envelope of feasible submarine cable routes. The cable route is not expected to cross any significant areas of geothermal activity or subsidence.

Residual social impact

Investment	Investment status	Distance (km)	Type of sensitivity

Note based on CBA Guideline 3.0: Given that the actual route of the project might not be defined yet because of the low degree of maturity of its investment(s), a residual social impact assessment is not yet available.

Additional information by the project promoter(s)

No residual social impact

Project Costs

The project costs were provided by the project promoter(s).

	CAPEX (Meuro)	Uncertainty range (%)	OPEX
1706. Converter Stations & Subsea Cabling	746	6	28
Total	746		28

Explanation provided by the project promoter on the CAPEX uncertainty range:

1706

ENTSO-E