



8 March 2010

Ten industry leaders form new organisation to advance Offshore Supergrid

Leaders from ten global companies gathered in London today to announce publicly the formation of the “Friends of the Supergrid” (FOSG) which has been set up to progress policy towards the construction of a pan-European Offshore Supergrid. Through the combination of their respective areas of expertise, the FOSG members have unique insight into the policies needed to create the Supergrid and have the capability to deliver it in practice.

The FOSG is the only representative body that combines companies in sectors that will deliver the High Voltage Direct Current (HVDC) infrastructure and related technology, together with companies that will develop, install, own and operate that infrastructure. It brings together the organisations that will design the physical equipment, with those who will build the structures at sea.

The founding members include 3E, AREVA T&D, DEME Blue Energy, Elia, Hochtief Construction AG, Mainstream Renewable Power, Parsons Brinckerhoff, Prysmian Cables & Systems, Siemens and Visser & Smit Marine Contracting.

Speaking at the launch on behalf of the members, Mainstream Renewable Power’s Chief Executive Dr Eddie O’Connor said, “The UK government has recently shown its commitment to large-scale offshore wind by announcing the development of up to 50GW by 2020. We now need to integrate this huge resource into Europe to enable the open trade of electricity between Member States. The Friends of the Supergrid is uniquely placed to influence policy-makers towards creating the Supergrid and ultimately changing how we generate, transmit and consume electricity for generations to come.”

In December last year, nine EU Member States, including the UK and Germany, signed a political declaration for the “North Seas Countries Offshore Grid Initiative”. Last month Norway signed the declaration, whose aim is to develop policy to advance offshore interconnection in Europe. The FOSG is solely able to present “cradle to grave” interconnection solutions to the policy-makers and others looking to develop energy policy across Europe through to 2050.

FOSG will be run by an Executive and directed by the Board of members. Membership will be kept to a maximum of 20 companies and aims to have both an industrial and geographic cross-section, with its base in Brussels.

The concept of the Supergrid was first launched a decade ago and it is defined as “an electricity transmission system, mainly based on direct current, designed to facilitate large-scale sustainable power generation in remote areas for transmission to centres of consumption, one of whose fundamental attributes will be the enhancement of the market in electricity”.

The Supergrid will open markets, strengthen security of supply and create another global opportunity for European companies to export sustainable energy technology. The technology underpinning the Supergrid will give competitive advantage to the companies involved with its specification and design. This type of integrated AC/DC grid will be a template for what will be needed in other global markets including the US and China.

Ends

Notes to editor

About the Supergrid

Supergrid is not an extension of existing or planned point to point HVDC interconnectors between particular EU states. Even the aggregation of these schemes will not provide the network that will be needed to carry marine renewable power generated in our Northern seas to the load centres of central Europe. Supergrid is a new idea. Unlike point to point connections, Supergrid will involve the creation of “Supernodes” to collect, integrate and route the renewable energy to the best available markets. Supergrid is a trading tool which will enhance the security of supply of all the countries of the EU.

As a result of advances in HVDC technology, it is now technically possible to transmit electricity efficiently and cheaply from remote locations at sea or in the desert to the great urban agglomerations in which most of us live and work.

Supergrid will be developed and built using the next generation of HVDC technology, of installation vessels, and of marine generating plant. It will capture clean energy generation and deliver firm renewable power across the EU.

The full significance of a switchable HVDC innovation has not yet been appreciated by policy makers or by the business community. It is clear that a network incorporating an HVDC grid with the redundancy and reliability of current AC grids is now a reality and that the limits of what is technologically possible have been greatly expanded.

A Supergrid for Europe

Supergrid has received support from within the European Institutions, within EU member state governments, and from across the energy sector. The concept of large-scale DC interconnection to deliver equally large-scale renewable electricity generation has become an accepted part of the policy debate around Europe’s long-term energy future.

It will require a new framework for the ownership and operation of the European grid network. It will draw together entrepreneurs and established transmission operators, as well as design, engineering and construction consultants and builders, to create the templates for interconnection and electricity trading.

Its time has come because there is a political imperative to source clean energy, to ensure security of supply and to restore our global competitiveness. Its time has come because we now have the technologies to hand which can meet each of these three objectives. Its time has come because it is the only available guarantee that our children will enjoy low cost, low carbon and low risk energy supplies.

For more information visit www.friendsofthesupergrid.eu

The members of the “Friends of the Supergrid”

3E

3E is an independent expert company specialized in renewable energy and energy efficiency. The company performs technical studies as well as strategic corporate and public sector studies on sustainable energy technology, policy and markets.

With a team of 85 experts and hundreds of references in over 25 countries, 3E is recognized as a leading independent authority in its field. 3E operates from its offices in Brussels, Toulouse, Istanbul and Beijing.

3E is a partner in projects related to offshore power grids, offshore wind resources and wind farm performance management.

www.3e.be

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AREVA T & D

All over the world, AREVA provides its customers with solutions for carbon-free power generation and electricity transmission. With its knowledge and expertise in these fields, the group has a leading role to play in meeting the world's energy needs.

Ranked first in the global nuclear power industry, AREVA's unique integrated offering covers every stage of the fuel cycle, reactor design and construction, and related services.

In addition, the group is developing a portfolio of operations in renewable energies. AREVA is also a world leader in electricity transmission and distribution and offers its customers a complete range of solutions for greater grid stability and energy efficiency.

Sustainable development is a core component of the group's industrial strategy. Its 75,000 employees work every day to make AREVA a responsible industrial player that is helping to supply ever cleaner, safer and more economical energy to the greatest number of people.

www.aveva-td.com

DEME Blue Energy

DEME (Dredging, Environmental and Marine Engineering NV) is a Belgian hydraulic engineering, dredging and offshore contractor specialized in the construction and development of harbours, artificial islands, estuarial dams, canals and inland waterways, dike construction and reinforcement, beach replenishment and coastal protection, supply of dredged aggregates, construction of offshore wind farms and salvage activities.

DEME has been gradually extending its range of activities and has acquired now vast experience in such areas as environmental remediation and brownfield rehabilitation, offshore pipeline trenching and backfill including landfall construction, directional drilling for pipeline crossings, underwater rock drilling and blasting, soil compaction using explosives, soil investigation in marine conditions and environmental techniques.

DEME Blue Energy has recently been established to cope with and to develop initiatives related to all types of renewable energy generated in the marine environment, such as the design and construction of wave and tidal energy converters, offshore electrical infrastructure, etc.

In the period 2006-2008 DEME's offshore specialist company Tideway has performed amongst others the subsea installation of 560 km of HT DC cable - the NorNed cable - between Norway and the Netherlands. In 2008 we installed the 38 km long HT cable between the C-Power wind farm off the Belgian coast and the shore in Ostend.

DEME's marine engineering company GeoSea owns a versatile fleet of offshore jack-up platforms and other marine equipment and is currently participating in the construction of offshore wind farms in Belgium, Germany and the United Kingdom.

DEME has the capacity and know-how to cope with turn-key or integrated solutions for such projects that require a multi-disciplinary approach. Dredging International has been active worldwide for over one century. Today, more than ever, the company is a top-ranking global player with works under construction on every continent.

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Elia

Elia is the Belgian transmission system operator, transmitting electricity from producers to distribution system operators and major industrial users. Elia also imports electricity from and exports it to neighbouring countries. Elia owns the entire very-high-voltage grid (150 to 380 kV) and some 94% (ownership and user rights) of the high-voltage grid infrastructure (30 to 70 kV) in Belgium. The Elia grid comprises 5,645 km of overhead lines and 2,767 km of underground cables and constitutes a key link between the electricity markets of northern and southern Europe. Recent investments in interconnection capacity with neighbouring countries have made Belgium one of the most open and interconnected countries in Europe.

www.elia.be

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Hochtief Construction AG

HOCHTIEF Construction as a service-oriented construction company bundles the traditional core business of the HOCHTIEF Group in Europe. This mainly includes building construction, and civil and structural engineering. The company has specialized in complex market segments such as high-rise buildings, airports, tunnels and power plants. HOCHTIEF Construction is the management company of the Europe corporate division which employs more than 9,000 staff. In addition to the classical construction business, the partnership-based business model PreFair and the property development business format, the company offers its clients comprising service packages. Further information is available at www.hochtief-construction.com.

Mainstream Renewable Power

Mainstream Renewable Power was established in February 2008 by Dr. Eddie O'Connor, to develop, build and operate renewable energy plants across Europe, North America, South America and South Africa.

The company has established an Offshore Centre of Excellence in London, where a team of experienced staff are focused on delivering large-scale offshore projects in collaboration with strategic partners.

In January 2010, the SMart Wind consortium, led by Mainstream Renewable Power and Siemens Project Ventures (SPV), a division company of Siemens Financial Services, was awarded a contract to develop 4GW of wind farms by 2020 as part of The Crown Estate's Round 3 offshore wind farm programme.

In February 2009, the Company was awarded the exclusive right to develop an offshore wind farm in Scottish territorial waters, with a potential capacity of 450MW. We are also progressing development of the Horizont project in the German North Sea with a potential capacity of 1GW.

We're focused on delivering the bigger picture and our vision for a pan-European offshore Supergrid is central to our European offshore strategy.

www.mainstreamrp.com

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Parsons Brinckerhoff

Parsons Brinckerhoff (PB) is a global leader in developing energy and infrastructure projects around the world. Our clients come to us for a wide range of advice, resources and skills - in engineering, maintaining infrastructure, managing construction, planning and strategic thinking.

For over a century, PB has earned a distinguished reputation for its technical expertise. In everything we do, our aim is to harness the collective professionalism of our 15,000 staff for the benefit of our clients, our communities and each other.

In the energy sector, we provide independent specialist advice relating to any type of power project at any stage in its development. From small-scale renewable energy schemes to some of the world's largest power and water projects, we are highly experienced in all aspects of power generation, transmission and distribution. We have particular expertise in the regulatory and restructuring aspects of the privatised electricity industry. Our client portfolio includes many of the leading international developers and owners of power plant and financial institutions whom we advise on the technical and commercial bankability of projects.

Working alongside our clients, we produce cost-effective tailor-made solutions that harness the latest technology and provide a lasting sustainable legacy.

www.pbworld.co.uk

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Prysmian Cables & Systems

A leading player in the industry of high-technology cables and systems for energy and telecommunication, the Prysmian Group is a truly global company with sales exceeding Euro 5 billion in 2008 and a strong position in higher value-added market segments.

With its two businesses, Energy Cables & Systems (submarine and underground cables for power transmission and distribution, for industrial applications and for the distribution of electricity to residential and commercial buildings) and Telecom Cables & Systems (optical cables and fibres and copper cables for video, data and voice transmission), Prysmian boasts a global presence with subsidiaries in 38 countries, 53 plants in 21 countries, 7 Research & Development Centres in Europe, USA and South America, and over 12,000 employees.

Specialising in the development of products and services designed to meet customers' specific requirements, Prysmian's key strengths include: a focus on Research & Development, the capacity to innovate products and production processes, and the use of advanced proprietary technologies. Prysmian is listed at the Milan Stock Exchange in the Blue Chip index.

www.prysmian.com

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Siemens in the UK

Siemens was established in the United Kingdom 167 years ago and now employs 16,915 people in the UK. Last year's revenues were £4.2 billion. As a leading global engineering and technology services company, Siemens provides innovative solutions to help tackle the world's major challenges, across the key sectors of energy, industry and healthcare. Siemens has offices and factories throughout the UK, with its headquarters in Frimley, Surrey. The company's global headquarters is in Munich, Germany. For more information, visit www.siemens.co.uk

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Visser & Smit Marine Contracting (VSMC)

VSMC is a modern maritime contracting entity engaged in offshore sustainable energy projects. Since the establishment of VSMC late 2005 we have been engaged in a significant number of submarine power cable projects in North West Europe. These projects included installation of inter array cables, export cables, landfall activities using HDD solutions and underground power cable installations. VSMC's objective is to continue our present growth ratio to be one of the leading power cable installation contractors in Europe. In March 2010 our new DP2 cable lay vessel "Stemat Spirit" will start her first assignments to install export cables for UK offshore wind farms.

In combination with our parent company Visser & Smit Hanab we have all the necessary skills and resources available to install (onshore & offshore) grid to grid power cable connections for

renewable energy sector as well as for the increasing demands to improve connectivity to secure balance of power through European power cable networks.

VSMC is part of Royal VolkerWessels group of companies, one of the leading contracting entities in The Netherlands with activities throughout Europe, North America and Canada.

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