

## The Norwegian Government launches major ambition to install 30 GW offshore wind capacity within 2040



Siren Skalstad Ellensen Partner



Anders Hilt Senioradvokat



Kaare Oftedal
Partner, Sektorleder fornybar
energi

Today, 11 May 2022, the Norwegian Government launched its large-scale ambition to develop the offshore wind industry in Norway. This initiative follows up on <u>9 February 2022 updates on offshore wind</u> and <u>the Government's supplement white paper regarding energy in Norway as of 8 April 2022</u>, but greatly exceeds the previous declared ambitions.

The key takeaways from the press release are:

• *Purpose*: A green "industrial boost" to the Norwegian energy production to reach the goal set out in the Paris agreement and the need for significant increased green energy in Norway, cf. the Government's strategy of large-scale investment in offshore wind as set out in "Hurdals-plattformen"

- *Ambition:* To construct and operate approx. 1,500 offshore wind turbines the next 20 years (compared to 2 operational offshore wind turbines as of today)
- Production capacity/ areas: Allocation of licensing areas for production of 30,000 MW/30 GW of green offshore wind production capacity within 2040. The areas will be opened in phases, and the total area is expected to be 5 to 6 times larger than Sørlige Nordsjø II (approx. 1% of the Norwegian ocean areas). NVE is exploring which areas will be best suited for the expansion of the offshore wind industry
- *Next allocation round*: Aim to carry out the next round of awarding licenses for offshore wind development in 2025. Based on the 9 February statements, the Government seeks to streamline the license process going forward and shortening of the overall timeframe of the licensing process
- *Operation:* Aim to operate the first offshore wind projects within the end of the 2020s (not the 2030s as previously signalized)
- *Grid connection:* 3 alternatives to be assessed with Statnett, OED (Norwegian Ministry of Petroleum and Energy) and NVE (Norwegian Directorate of Water and Energy), and developed in line with increasing the electricity production in Norway; 1) radial to Norway, 2) radial to Europe, and 3) "hybrid"/2-way connection to both Norway and Europe. However, it is explicitly stated that with this large production volume, it is likely that significant parts of the electricity production will be transferred to other countries, also taken into consideration the grid system capacity in Norway
- Resource rent tax: Specific rules for resource rent tax related to offshore wind projects to be assessed further

## Read the entire public press release from the Government here.

For further information, please contact Kaare Oftedal, Partner and Sector Head Renewable Energy, DLA Piper Norway, T: +47 91 61 38 38, E: kaare.oftedal@dlapiper.com or Siren Skalstad Ellensen, Partner, DLA Piper Norway, T: +47 90 80 87 08, E: siren.skalstad.ellensen@dlapiper.com.

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