Congratulations to our TSO colleagues and leading stakeholders for making the electric grid a local asset instead of a liability. As TSOs, it is vital that we optimise the use of our assets. This is only one of the many tasks we can accomplish together.

As we look to the future, the importance of our work continues to grow. The electric grid plays a central role in helping our societies achieve our climate goals. We have a tremendous opportunity to make the grid more efficient, resilient and sustainable. The new generation of TSOs will ensure that the grid is as reliable as possible.

As TSOs, we are the backbone of the European energy system. We are here to deliver reliable, efficient and sustainable power to all our customers. We are here to deliver the energy of the future. We are here to make the electric grid a local asset.
and thereby facilitate public acceptance leading to a faster project completion.

For High Voltage Direct Current (HVDC) Projects – used to carry high electricity loads of long distances – underground cables serve to cover longer distances where local consent is difficult to achieve. The HVDC France-Spain interconnector was opened in February 2015 and Germany has just decided to give “priority to undergrounding” for its planned 800km North-South HVDC SuedLink project, due for 2023.

Adapting the legislative framework
As with any new technology innovation, the legislative frameworks need to be adapted to allow society to embrace technology options. On 3 December 2015, the German Bundestag adopted a legislative proposal allowing more undergrounding to be deployed in building Germany’s 2030 grids needed for the ‘Energiewende’. Underground cables will have priority for any future HVDC project, and partial undergrounding up to 20kms will be made possible for specifically identified projects. With that, underground cables will be at the core of Germany’s future backbone electricity infrastructure.

Cost: CAPEX versus OPEX
In many of the public debates on undergrounding, cables are dismissed as being too expensive. These debates unduly focus on the initial investment costs (CAPEX) without looking at costs over the entire lifetime of the project during operation (OPEX), nor do they factor in the costs arising to society of “not having the line”. The German legislation acknowledges that undergrounding can facilitate a faster project realisation through greater public acceptance, triggering a societal benefit (also in financial terms) and a positive OPEX. A recent study conducted by the German Federal Ministry of Economic Affairs concludes that the average consumer will face an increase of €3.40 to €9.10 per year on his electricity bill due to undergrounding. The cost to society of not having these lines due to further delays would be significantly higher.

Cable industry ready to deliver
In Europe today, there is an increasing concern regarding the “de-industrialisation of the old continent”. Little is it known that the world’s leading and biggest cable manufacturers are European, members, in fact, of Europacable. We have the knowhow, the technology leadership, the R&D and the manufacturing of high voltage underground cables in Europe, and yet most of our products are deployed outside of Europe. The European cable industry is ready to deliver underground cables developed and produced in Europe to the European market. Employing 70,000 people and generating a turnover of more than €20bn in 2014, the wire and cable industry has the technological knowhow and capacity to assist the building of Europe’s 2050 power transmission grids. This said, the industry calls for a stable regulatory framework which allows it to properly forecast its investments.

Future grids
Europe’s future grids need to be reliable, affordable and acceptable for our societies. Only then will they be built in time to secure Europe’s competitiveness in an ever more electrified future. As can be seen from the recently adopted second PCI list, underground and submarine cabling will become a standard option for Europe’s future grids. Europe’s industry is standing by to realise this.

About Europacable
Europacable is the voice of all leading European wire and cable producers. Its members include the largest cable makers in the world, providing global technology leadership as well as highly specialised small and medium-sized businesses from across Europe. Our members employ over 70,000 people globally, of which more than 50% are in Europe generating a turnover of more than €20bn in 2014. The product scope of our members covers the full range of energy and communication cables. Europacable is listed in the European Commission’s transparency register under 453103789-92. We are a partner of CENELEC.

Dr Volker Wendt
Director Public Affairs
Europacable
www.europacable.eu

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