

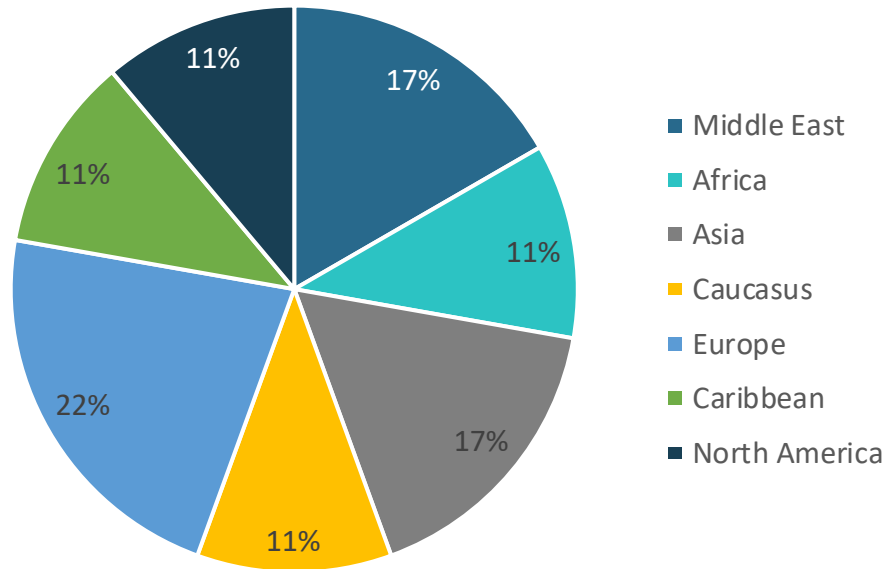
RETA Regional Interconnection Survey

Summary of results

February-March 2023

Information about RETA Survey Participants

Origin of the participating regulators



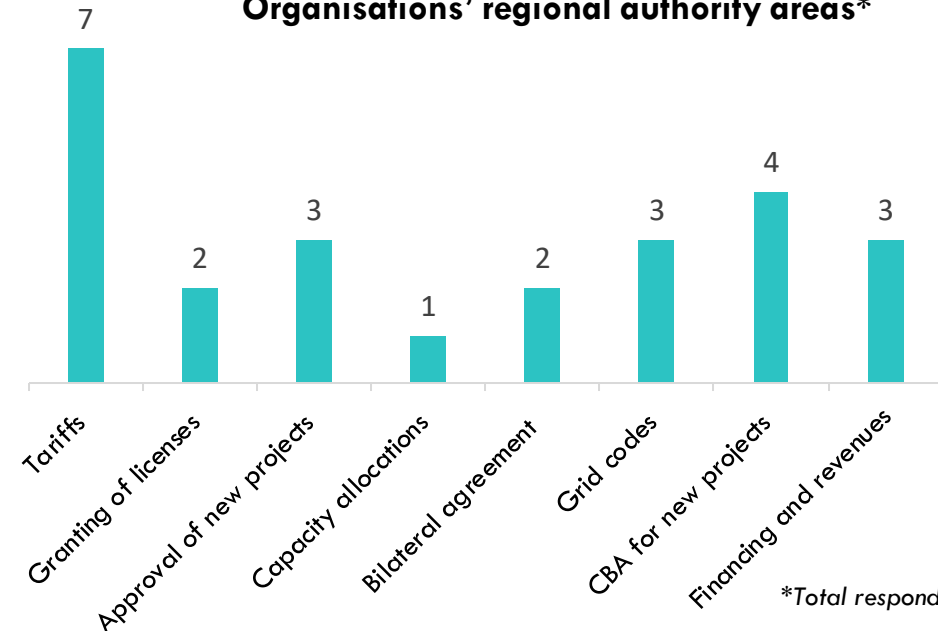
- 21 respondents completed the survey, across 18 countries
- 67% of respondents are RETA members



Which organisations have a role in regulating cross-jurisdictional interconnectors?

- 7 have a **regional coordination** role (in coordination with a regional regulator to adhere to rules like reliability standards, interconnection rules, etc.)
- 11 have a **regional authority** role.

Organisations' regional authority areas*



*Total respondents: 7



What are the top challenges for the development of interconnection projects?

Political, economic & financial



➤ Lack of consensus between jurisdictions (and stakeholders)

48%

➤ High project costs

43%

➤ Lack of access to capital

24%

Total respondents: 21

Planning & investment coordination



➤ Lack of regional system development and/or transmission development plans

➤ Assessment of impact on electricity security and economic welfare for each jurisdiction

30%

➤ Lack of regional data reporting system

➤ Lack of regional system planning data repository

25%

Total respondents: 20

Cross-jurisdictional trading arrangements



➤ Agreement on market rules (power pricing mechanism, compatibility of Power Purchase Agreements)

62%

➤ Lack of regional market trading platform

➤ Regulation of competitive trading

29%

Total respondents: 21

Technical & regulatory harmonisation



➤ Lack of common rules for connecting to the networks (third-party access)

40%

➤ Lack (or limited enforcement) of a regional grid code

30%

➤ Agreement on operational rules

➤ Allocation of risk between developer(s) and consumer(s)

➤ Lack of harmonised approach to tariffs

➤ Requirement for the interconnectors to pay for use of the system (transmission tariffs)

25%

Total respondents: 20

Respondents' top interests in learning from their peers and industry experts



Other challenges raised by respondents



Agreement on **cross-border cost allocation**

e.g. different cost sharing when project not equally beneficial to each country



Lack of **political** will or common vision at the regional/supra-national level
Political interference at the local level



Lack of **regulatory certainty**, absence of regionally endorsed **regulatory governance**



Varying policies across jurisdictions which affect projects costs

e.g. different land ownership policies require wayleave acquisition



Administrative processes

e.g. long permitting processes causing delays; permitting and access rules for large scale investments



Challenges specific to **subsea interconnectors**

e.g. technical, higher costs (barrier for isolated power systems like small islands)

