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Strong market interest in NeuConnect as major procurement deadline closes

- **Significant interest from suppliers in £1bn of contract opportunities to deliver vital new UK-Germany energy link**

The deadline for major procurement on the NeuConnect project has now closed, following significant interest from suppliers in £1bn / €1bn of contract opportunities to deliver the vital new electricity interconnector between the UK and Germany.

NeuConnect is a fully privately-financed interconnector that will create the first direct link between UK and German networks, allowing 1.4GW of electricity to flow in either direction. Connecting two of Europe's largest energy markets for the first time will deliver a more diverse, resilient and sustainable electricity supply in Germany and the UK, while also helping to lower costs for consumers.

The NeuConnect project received initial approval from Ofgem in 2018 and following the completion of over [700km of seabed surveys](#) last year, major procurement activity was launched in April 2019. Suppliers were asked to submit expressions of interest in a series of Engineering Procurement and Construction (EPC) contracts across three main packages of work:

- **Lot 1 – Converter Stations:** Two converter stations and AC connection works in the UK and Germany, including a single maintenance and emergency repair contract covering both UK and Germany converters for an initial term of 10 years.
- **Lot 2 – HVDC Cabling:** 720km of HVDC Cables, including a single maintenance and emergency repair contract for the entire cable length for an initial term of 10 years.
- **Lot 3 - Full Turnkey Solution:** a 'wrap' / full turnkey solution contract that includes two converter stations and 720km of cabling, together with a single maintenance and emergency repair contract for an initial term of 10 years.

The contract opportunities were put out to public tender through the Official Journal of the European Union (OJEU) and generated strong interest from suppliers and contractors across Europe and beyond. NeuConnect will now closely assess the submissions received before moving to the Invitation To Tender (ITT) stage. A number of further contract opportunities will also become available as the project progresses and will be posted on the NeuConnect website at www.neuconnect.eu/procurement.

NeuConnect CEO David Inglis said: *“The strength of market interest in our major procurement activity gives us huge confidence as we continue in the delivery of this vital new energy link. We will now carefully assess the submissions received from across the supply chain before moving to the next stage, keeping the project firmly on track. This is only the beginning of the significant economic benefits that NeuConnect will deliver, and we look forward to unveiling further contract opportunities in future as the project progresses.”*

NeuConnect's major procurement activity follows a period of strong progress on the project over the last 12 months, including being awarded a [UK interconnector licence](#) by Ofgem, securing a UK connection agreement with National Grid, and a positive response to the NeuConnect proposals at a [public information event](#) at the end of last year. Later this year NeuConnect will also continue formal consultation activities in the UK ahead of submitting planning applications.

NeuConnect is being developed by an international, experienced consortium that includes Meridiam, Allianz Capital Partners on behalf of Allianz Group and Kansai Electric Power, with the project also supported by Greenage Power and Frontier Power as developers. The key partners bring a proven track record in delivering large-scale energy infrastructure, creating a team with significant experience and expertise in interconnector projects.

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