

Public

Ref: FOI/24/0005

National Energy System Operator

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Dear requester

Request for Information

Thank you for your request for information which we received on 11 October 2024. This has been passed to the Information Rights Team to consider under the Freedom of Information Act 2000 and/or the Environmental Information Regulations 2004.

Request

You asked us:

Could you please share the information regarding the number of bids received in the offshore wind auction Hornsea 4 in AR6 this year.

Our response

We have considered your request under the Freedom of Information Act 2000 (FOIA).

We confirm that we hold information that falls within the scope of your request.

We are refusing your request under the exemption at Section 43(2) of the FOIA which allows public authorities to withhold information if its disclosure would or would be likely to prejudice the commercial interests of any person.

NESO has a public duty to promote competition in the market and must ensure that it is acting independently. As the Delivery Body for Contracts for Difference (CfD) auctions NESO must ensure the integrity and fairness of the auctions. In our opinion, disclosing information about one auction or bidder would be likely to provide an advantage in the market and auction process and/or lead to collusion. Responses to FOI requests are considered to be disclosures of information into the public domain so whilst we are in no way suggesting that you might use this information in a way that might affect the fairness of auctions, we have to consider all possible impacts from the disclosure.

Regulation 54 of the Contracts for Difference (Allocation) Regulations 2014 sets out the information that we must provide to the Department for Energy Security and Net Zero (DESNZ) following a Contracts for Difference (CfD) auction. Regulation 54(3) specifically outlines that we cannot provide information with regards to the competitive bids. The only bid specific information that we are required to provide to DESNZ is the final winning strike price of projects which win in the auction. We therefore consider further information concerning auction bids to be confidential.

Furthermore, the auction in question took place on 12th and 13th August 2024, prior to the formation of NESO as a public corporation subject to the FOIA and bidders' expectations at that time would not have included disclosure of this information under the FOIA.

The exemption at Section 43(2) is a qualified exemption which means that we are required to conduct a public interest test. The FOIA sets a presumption in favour of disclosure and we are mindful of the general public interest in transparency and accountability in relation to our activities and duties as a public corporation. Our responsibilities regarding the promotion of competition in the market and our independence are very important and it would not be in the public interest for us to act in a way that would conflict with these duties. It is in the public interest to maintain the integrity and fairness of the Government's CfD scheme which drives efficiency and cost reduction, thereby benefitting UK consumers. It is also in the public interest to ensure that bidders are not disadvantaged in future auctions. The fact that the Contracts for Difference (Allocation) Regulations do not allow DESNZ to request further information about bidders underlines the confidentiality of the auction information and process. Having weighed the public interest arguments for and against the use of this exemption, we find that the balance lies in favour of withholding the information and refusing your request.

This concludes our response to your request.

Advice and Assistance

Please see the relevant publicly available information:

[Contracts for Difference \(CfD\) Allocation Round 6: results - GOV.UK](#)

[Hornsea 4 AR6 \(hornseaprojects.co.uk\)](#)

[CfD Register - Low Carbon Contracts](#)

Next steps

You can ask us to review our response. If you want us to carry out a review, please let us know within 40 working days and quote the reference number at the top of this letter.

If you are still dissatisfied after our internal review, you can complain to the Information Commissioner's Office (ICO). You should make complaints to the ICO within six weeks of receiving the outcome of an internal review. The easiest way to lodge a complaint is through their website: www.ico.org.uk/foicomplaints. Alternatively they can be contacted at: Wycliffe House, Water Lane, Wilmslow, SK9 5AF.

Thank you for your interest in the work of the National Energy System Operator (NESO).

Regards,

The Information Rights Team

National Energy System Operator (NESO)