

GB Connections Reform
National Grid ESO
Faraday House
Warwick Technology Park
Warwick
CV34 6DA
Email to: Box.ConnectionsReform@nationalgrideso.com

28/07/2023

Connections Reform: Consultation Response from Ventient Energy

About Ventient Energy

Ventient Energy is one of the leading independent generators of renewable energy in Europe. Ventient Energy develops, owns, and operates renewable energy assets in Belgium, France, Germany, Portugal, Spain, and the United Kingdom with a total installed capacity of over 2.8 GW. Ventient's UK portfolio includes 689 MW of onshore wind across England, Wales and Scotland, along with a development pipeline of full repowering, overpowering, and life extension projects.

Summary

Ventient Energy accepts the case for change and supports a fundamental reform of the connection framework to facilitate accelerated renewable energy development. Long wait times to secure a grid connection is a major challenge to the deployment of renewables in the GB system. Along with an increasingly constrained grid and curtailment it threatens the speed of transition and achieving a decarbonised power sector by 2035 and to Net Zero by 2050.

Stalled and speculative projects frequently take up unnecessary network capacity, contributing to the excessively long queue. It is key the **reforms target the existing queue** and these applications to unlock projects that can begin construction.

We support the connection framework evolving as set out in the GB Connections Reform and provide responses to the consultation questions in the below table (pg.4). In addition to those answers, we would like to take this opportunity to highlight a few points, in particular:

- **Design and TMO:** We support the ESO's initial recommendation of Target Model Option 4.
- **Pre-application stage:** We agree with prioritizing delivery of Key Target Model Add ons (TMA) A, B and C via existing license conditions as 'quick wins' and look to expediate the delivery of the relevant CUSC modifications to ensure a minimum viable product. Additionally, we support the introduction of a nominal and conditionally discounted fee to introduce greater accountability on developers.
- **Key Target Model Add ons (TMA):** We agree that it is essential to accelerate projects that can demonstrate that they are ready to connect sooner (TMA F3) by demonstrating that key delivery milestones have been met. We also agree that a price-

based mechanism to pay for a quicker connection (TMA F4) is not progressed at this time.

- **Implementation timelines:** We agree with the need to explore a detailed delivery programme to investigate further quick wins and give focus to delivering a minimum viable product.
- **REMA:** We support not introducing capacity auctions nor radically changing transmission system access until the REMA process is clear. The lack of clarity on key policy proposals, such as Locational Marginal Pricing, and the uncertainty on final decision timelines, which could be influenced by a change in government in 2024, is weighing on developers and investors.

Additional comments

1. We are keen to understand what is meant by the term 'submit consent'.
 - a. Does this refer to submission of a planning application? This can cost many hundreds of thousands of pounds for a wind project. Securing land can also come at a significant cost.
 - b. It is therefore essential to know accurate grid connection dates as early as possible, as developers typically aim to time obtaining planning consent to a schedule that will include procurement and construction to tie in with when the grid connection will be ready.
 - c. An excessively long duration before a grid connection is available can mean the failure /cancellation of a project.
2. Transparency.
 - a. Planning applications (even scoping requests) are instantly in the public domain.
 - b. We believe that the visibility and transparency of connection applications - both distribution and transmission should be debated. Developers are frequently being told that a local network is at capacity, but it is evident that many projects will never be built. Public access to planning applications as well as connection applications would allow developers to make a sensible decision on whether to apply in the first place. This could significantly reduce the number of applications in the queue.

Further action

While we support the case for change on these points, it is critical that further action is taken to mitigate connection delays and the risk of an investment hiatus.

- DESNZ, Ofgem and the ESO must **set a clear methodology and eligibility criteria for designating priority projects.**
- **Detail on the Pre-Application stage**, including the fee discount and clarity of what is deemed to be 'reasonable time periods' is critical to achieving a balance of greater liability and not causing a significant increase in risks for developers.

- **Guidance and swift regulatory approvals from DESNZ and Ofgem are essential.** The Government's 'Powering up Britain: Net Zero Growth'¹ committed DESNZ to work with Ofgem to **publish an action plan to accelerate grid connections**, which is due to be published this summer. Relevant stakeholders must be ready to enable meaningful implementation.
- In the longer term (beyond 2025), it must be ensured that the revised connections framework can develop alongside wider regulatory and system changes. Considering the number of reforms under consideration, such as REMA, the Future System Operator, and Ofgem's network charging and access review, **it must be ensured arrangements can be adapted** to ensure the connection framework works effectively and does not create uncertainty for developers.
- While this is focused on connections reform, fundamentally, **investment in existing and new grid infrastructure is critical.** Demand and generation are heavily constrained in their ability to situate in a location that would reduce constraints and hence demand for network expansion and action to deliver increased transmission infrastructure is vital.

Contact

- William Maidment | Regulatory Engagement Manager
- William.maidment@ventientenergy.com
- +44 (0)7855 982 161
- Ventient Energy
4th Floor, 12 Blenheim Place
Edinburgh, EH7 5JH, UK

¹ [Powering Up Britain – Networks and enablers \(pg.23\)](#)

Chapter	Question	Response
Foundational Design Options	1) Do you generally agree with our overall initial positions on each of the foundational design options and key variations? Are there any foundational design options or key variations that we should have also considered?	Yes, we generally agree with the overall initial positions. A further option could be basing connections on the actual capacity available by year, as seen in the answer below.
	2) Do you agree with our initial view that the current issues with the connections process could potentially be addressed on an enduring basis through other, less radical, and lower risk means than the introduction of capacity auctions?	Yes, although a benefit of capacity auctions could be sorting out the serious project developers from those less committed.
	3) Do you agree with our initial view that the reformed connections process should facilitate and enable efficient connection under either a market-based (i.e. locational signals) or 'centralised' deployment approach (or an approach somewhere between the two), but not mandate which approach to follow?	Yes
Pre-Application Stage	4) Do you agree with our initial recommendation that TMA A to TMA C should all be progressed, irrespective of the preferred TMO?	Yes
	5) Do you agree with our initial recommendation on the introduction of a nominal Pre-Application Stage fee, discounted from the application fee for customers which go on to submit an application within a reasonable time period?	Yes, but we are keen to see both the Pre-Application Stage fee level and the definition of a reasonable time period.
	6) Do you agree with the importance of the TMA A 'Key Data'? Please provide suggestions for any other key data that you suggest we consider publishing at Pre-Application Stage	Yes – no further suggestions.
Key Target Model Add-ons	7) Do you agree with our initial recommendation with regard to TMA D (requirements to apply)?	Yes
	8) Do you agree with our initial recommendation with regard to TMA E (determination of enabling works), including that it is right to wait until the impact of the 5-Point Plan is known before forming a view	Yes

	on whether further changes to TMA E are required?	
	9) Do you agree with our initial recommendation with regard to TMA F (criteria for accelerating 'priority' projects)?	Yes
	10) Do you agree with our initial recommendation with regard to TMA G (queue management)?	Yes
Target Model Options	11) Do you agree these four TMOs present a reasonable range of options to consider for a reformed connections process?	Yes
	12) Do you think any of the four TMOs could be materially improved e.g. by adding, removing or changing a specific aspect of the TMO? If so, what and why?	No
	13) Are there any important TMOs we have missed?	No
	14) Do you think 'Submit Consent' is too early for Gate 2 in TMO2 to TMO4? If so, what milestone should be used instead and why?	We assume that this refers to submitting a planning application. Please see separate comments.
Recommended TMO	15) Do you agree that TMO4 should be the preferred TMO?	Yes
	16) Do you agree with our design criteria assessment of the four TMOs? If not, what would you change any why?	Yes
	17) What are your views on the stated benefits and key challenges in relation to TMO4?	Implementation period is too long and further interim actions are needed to address the existing queue. It is critical the ESO are adequately resourced to address the additional administrative requirements and expertise. Clear and realistic regulated timelines are also needed.
	18) Do you think that there is a better TMO than TMO4? Whether that be TMO1 to TMO3, as presented, a materially different option, or a refined version of one of the four TMOs we have presented?	No
Key Customer and	19) Do you agree with our views on DNO Demand in respect of the TMOs	We are keen to see a single register, which

Technology Type Adjustments		would assist in the development process.
	20) Do you have any views on the appropriate mechanism to incentivise accurate forecasting of requirements and avoid more RDC than is necessary being requested by DNOs?	Accurate forecasts of grid reinforcement works and capacities would certainly aid the process.
	21) Do you agree with our views on the process under which DNOs apply to the ESO on behalf of relevant small and medium EG that impact on or use the transmission system, including that (under TMO4): i) DNOs should be able to request RDC via application windows to allow them to continue to make offers to EG interwindow; and ii) resulting offers should be for firm access until relevant EG has reached Gate 2 (at which point they can request advancement and an earlier non-firm connection date)?	We believe that further discussion is required to work through the details.
	22) Do you agree that directly connected demand should be included within TMO4 and that the benefits and challenges are broadly similar as for directly connected generation?	Yes
	23) Do you agree that TMO1 to TMO3 would require a separate offshore process, and that this would result in material disbenefits?	N/A – Onshore wind developer.
	24) Do you agree that TMO4 is the most aligned to the direction of travel for offshore projects? If not, why?	N/A – Onshore wind developer.
	25) Other than the Letter of Authority differences are there any other TMAs which have specific offshore considerations?	N/A – Onshore wind developer.
	26) Do you agree with our views on network competition in the context of connections reform, including that TMO4 is the option which is most aligned with network competition as it includes the most design time at an early stage in the end-to-end process?	Yes
Supplementary Target Model Add-ons	27) Do you agree with our initial recommendation related to each of the TMAs within this chapter? If so, why? If not, what would you change and why?	Yes

Detailed Design, Implementation and Transitional Arrangements	28) Do you agree with our current views in respect of the implementation period?	Yes
	29) Do you agree with our current views in respect of transitional arrangements? What are your views on how and when we should transition to TMO4?	Yes
	30) What further action could Government and/or Ofgem take to support connections reform and reduce connection timescales, including in areas outside of connections process reform?	Please see comments above.