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Connections Reform

Consultation Response Proforma

Your feedback is important to this process. Please take this opportunity to provide any feedback that you may have. To aid your response, each question is linked back to the relevant document for ease of reference.

Please provide your feedback using this Proforma and sending an electronic copy to **box.connectionsreform@nationalenergyso.com** by **5pm** on the closing date of **2nd December 2024**.

We encourage early submission ahead of the deadline where possible to aid the processing of responses.

Respondent Details	
Name	Steve Hunter
Organisation	Renewable Power Capital
Email Address	<u>lrberts@seahorseenvironmental.co.uk</u>
Phone Number	07814730090
Which category best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector <input type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input checked="" type="checkbox"/> Other – RPC invests in the development, construction, and long-term operation of onshore wind, battery and solar projects.
Is this response confidential?	<input type="checkbox"/> Yes – I do not wish for this response to be shared publicly; however I understand it will be shared with Ofgem

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☒ No – I am happy for my response to be available publicly

Section 1 – Policy

You can find the relevant information in the **Great Britain's Connections Reform: Overview Document**

1. Do you agree with our intention to align the connections process to Government's Clean Power 2030 Action Plan?

You can find the relevant information in **Section 2 – Context**

Yes, we agree that the connections process should be aligned to CP2030 to ensure that projects that can accelerate the decarbonisation of the power system by 2030 are prioritised. It has been well documented that the inefficiency of the connections queue, particularly the 'first come first serve' queue connection process, has meant projects wait too long to connect. Reform to remove projects that are not 'ready' for connection in order to streamline this process is fully supported.

2. Do you agree with our proposal for overall design 2 (that the reformed connections queue should be limited to and prioritised to only include ready projects that align with Government's Clean Power 2030 Action Plan, NESO Designated Projects, and directly connected demand projects outside the scope of Government Clean Power 2030 Action Plan)?

You can find the relevant information in **Section 5 – Our overall preferred connections reform design**

We agree that the queue should be limited to projects that are ready. We also agree that it is good to prioritise those projects which will be significant to achieving CP2030. However, with regards to how projects are prioritised, we have concerns over how the characteristic 'strategic alignment' is being determined and over the new regional caps by technology that have been introduced.

For investors and developers, the introduction of caps on which we have not been consulted creates uncertainty and introduces doubt as to whether existing projects will go ahead. You could, for instance, have battery storage units ready to connect but too far back in the revised queue to fall within the desired volume of storage within CP2030. The lack of clarity for investors on whether a technology will be able to connect creates a new barrier for renewables deployment and damages the UK investment environment, given the sunk costs already in the UK's energy infrastructure pipeline.

We find the information in the draft impact assessment that gives an indication of what NESO's recommendation should be on caps by technology concerning. We do not think it appropriate that the UK's technological mix is being decided by NESO assessment and its preferred approach to grid connection process, rather than what are the lowest cost, best performing technology mixes by region.

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If NESO and the Government are going to go further and introduce technological caps by region, this should be subject to consultation rather than decided solely by NESO assessment, given the array of variables that contribute to the 'right' mix of generation deployment that could see CP2030 achieved. These variables include innovation, new market services and community and planning requirements in place. The NESO modelling currently available in the data book, that we interpret as the most likely source of CP2030 data, has not been subject to sufficient industry scrutiny as to inform the country's ideal technology mix.

We would suggest that instead of focusing on pre-empting the ideal technology output by zone in 2030, and making decisions based on connections capacity, queue reform should focus on connecting ready projects and accelerating the process for all connections. Otherwise, the price signals in the market that are designed to give investors an idea of the need for increased demand or supply will be overwritten by NESO's centrally-designed mix.

3. Do you think all 'ready' projects should be included in the reformed connections queue (overall design 3)? If so, how would you propose that we mitigate risks to consumers or developers of material misalignment to the SSEP?

We strongly disagree with the assessment that 'readiness' alone (design 2) will leave NESO with the 'wrong' length of queue. It is not technologies and investments made to date that are creating inefficiency; it is an under-resourced and inefficient NESO that would not get through the connections processes for consented, ready projects.

NESO needs better resourcing and efficiency to process the connections for consented, ready projects, as this is where we believe many of the delays are coming from, as opposed to the technologies and investments involved.

To mitigate risk, should NESO go ahead with design 2 rather than design 3, the longer-term introduction of caps by region, geography, and characteristics that determine the right volume should be consulted on.

In the meantime, everything that has planning consent, land, and would be ready to build once connection is granted should be given grace periods and be allowed to connect within reform. A project that reaches the front of the queue and not does proceed to construction should lose its connection offer to avoid grid banking.

4. Do you agree that the reformed connections queue should initially focus on the 2035 time horizon?

Yes, the initial 2035 horizon is a reasonable timeframe for reform of the existing queue, as long as the regional and technology caps are consulted on so that CP2030 pathways are informed by the latest market information and innovation.

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Implementation Question

You can find the relevant information in the **Great Britain's Connections Reform: Overview Document**

5. Do NESO's preferred options against each of the variables discussed in the Overview Document best deliver efficient alignment to Government CP30 Plan?

We believe reforming the connection process is essential to achieving CP2030 but, for this alignment to be accurate, there should be greater consultation on the regional and technological caps to efficiently land on an ideal capacity beyond what NESO considered the best technology mix from a grid connections perspective. This can be achieved but applying this methodology to the queue should not happen before it has been consulted on with industry.

6. Do the methodologies deliver our preferred options against each of the variables?

You can find the relevant information in **Section 3 – Overview of framework of codes and methodologies for connections reform**

RPC is supportive of the methodologies, as they are an improvement on queue management. However, as we've stated in the response, there needs to be further consultation with developers and investors on the strategic alignment criteria.

7. Are there key policy areas that are not covered by our preferred options against each of the variables or that would not be delivered by the methodologies?

You can find the relevant information in **Section 5 – Our overall preferred connections reform design** and **Section 7 – Further variables and options to align connections reform with strategic energy planning**

There are some key considerations the options need to take into account that impact the development environment and planning consent processes:

- A project's investment in the community including consent and engagement.
- The role of storage and demand flexibility projects that are helping to alleviate constraint and reward consumers for participation in the energy system.
- Other delays to the projects outside of connections delays for example supply chains or regulatory delays.

8. Do you agree with our approach to managing project attrition between 2025–2030, and 2031–2035, whilst ensuring that the SSEP can deliver maximum benefits to GB consumers?

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You can find the relevant information at **Section 7 – Further variables and options to align connections reform with strategic energy planning**

Please insert your answer here

Connections Network Design Methodology

You can find the relevant information in the **Connections Network Design Methodology – Detailed Document chrome-extension://efaidnbmnnnibpcajpcgclefindmkaj/https://www.neso.energy/document/346666/download**

9. Do you agree with the approach to applying the Gate 2 Readiness Criteria and the Gate 2 Strategic Alignment Criteria to the existing queue and future Gate 2 Tranches?

Grace periods should be granted to those projects ready to build with acquired land that fall outside of the permitted volume by technology for each region.

10. Do you agree with the approach to managing advancement requests?

Yes, the approach seems sensible. What is uncertain is how the potential financial implication of an advancement is managed. For example, an advancement to a new POC further away could impact the connection cost.

11. Do you agree with the approach to reserving Connection Points and Capacity at Gate 1?

This should be done on the basis that the project can prove it is progressing to avoid reservation capacity and connection points for projects that are not moving forward.

12. Do you agree with the approaches to reallocating capacity when 2030 pathway projects and 2035 pathway projects exit the queue?

Yes, again, the criteria for which projects benefit from the relocated capacity needs to be consulted on and made clear.

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Gate 2 Criteria Methodology

You can find the relevant information in the [Gate 2 Criteria Methodology- Detailed Document](#)

13. Do you agree with the following elements of this Gate 2 Criteria Methodology?
a. Gate 2 Readiness Criteria – Land (Chapter 4)
b. Gate 2 Readiness Criteria – Planning (Chapter 5)
c. Gate 2 Criteria Evidence assessment (Chapter 8)
d. Self-Declaration Templates (Chapter 9)
Please insert your answer here for a). Yes
Please insert your answer here for b). Yes
Please insert your answer here for c). Yes, however clarity on strategic alignment is required
Please insert your answer here for d). Yes

14. Do you agree that the alternative route of meeting the Gate 2 Readiness Criteria should be only limited to projects that seek planning consent through the Development Consent Order route?
<i>Please insert your answer here</i>

Project Designation Methodology

You can find the relevant information in the [Project Designation Methodology - Detailed Document](#)

15. Do you agree that the categories of projects that we have identified are the appropriate ones to potentially be designated?
Yes

16. Do you agree with the proposed criteria for assessing Designated Projects?
Yes, however there should be a route for assessing and prioritising current projects that can show they are ready to connect.

17. Do you agree with the indicative process NESO will follow for designating projects?
Yes

Additional Questions

18. Do you have any other comments (including whether there was anything else you were expecting to be covered in these documents)?
RPC is disappointed that such a significant change is being proposed and seemingly consented through formal CP2030 recommendations from the Government without formal consultation on the assumptions made for the appropriate mix of technologies by area.

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This will have a significant effect on the investment environment here in the UK and will result in considerable sunk costs, particularly for the storage environment which, by current interpretation of the documents, may never be permitted to come online despite market appetite and planning consent.