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Consultation on Eastern HVDC project Initial Needs Case and initial thinking on its suitability for competition

About RenewableUK

RenewableUK's members are building our future energy system, powered by clean electricity. We bring them together to deliver that future faster; a future which is better for industry, billpayers, and the environment. We support over 400 member companies to ensure increasing amounts of renewable electricity are deployed across the UK and to access export markets all over the world. Our members are business leaders, technology innovators, and expert thinkers from right across industry.

RenewableUK welcomes the opportunity to comment on the Ofgem's Eastern HVDC consultation on project's Initial Needs Case. The links are a key enabler for delivering both UK Government and Scottish Government 2030 offshore wind targets. It is therefore critical that the progress of these works is not delayed beyond the current target commissioning dates.

We are supportive of the outlined position and welcome Ofgem's intent to allow TOs to progress work further given the clear consumer benefit from the project. Although we welcome the reference to the Offshore Transmission Network Review in the consultation, and the potential implications this work could have on Eastern HVDC deliverability, we do not think the outputs of the review should cause delays to the link's deliverability.

The renewables industry will play a key role in delivery of net zero, and in particular this means higher volumes of generation capacity in Scotland. We therefore strongly support efforts to improve network infrastructure development where a clear benefits case has been made. However, quality of service of strategically significant transmission lines such as this is not one of the metrics that TOs are incentivised under RIIO-2; we see a strong need to be able to hold TOs to account when things go wrong. It is critical that the project delivery plan

is robust enough so that it can provide greater reassurance to industry that project specific reliability targets are part of TOs obligations. In this vein, we hope that Eastern HVDC delivery plan will adopt the learnings from Western HVDC process. We are looking forward to engaging further with Ofgem and companies on the delivery plans.

RenewableUK and our members would like to reiterate our support to Ofgem's decision on Eastern HDCV Initial Needs Case, which will be one of the key pieces of infrastructure that would unlock the contribution from renewables and flexibility to meeting GB net zero target.

We agree that GB consumers benefit from the Earliest In Service Date (EISD) of the HVDC links compared to the alternative onshore overhead line solutions through lower constraint costs. Therefore, the extra costs associated with the HVDC links should not be reflected in higher TNUoS tariffs paid by generators located in northern zones.

We would welcome the opportunity to discuss further with Ofgem or other interested stakeholders any of the comments raised in this letter. If this is of interest, please do not hesitate to get in touch.

Yours Sincerely

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