

Call for Evidence on Electricity Distribution Business Plans for RIIO - 2

Scottish Power Energy Networks

RIIO – ED2 Plan

Enabling the path to Net Zero Scottish Power Energy Networks RIIO-ED2 Business Plan for 2023 – 2028

Clyde Gateway, located in the east end of Glasgow and across the River Clyde to South Lanarkshire, is the largest regeneration project in Scotland and has ambitious targets to delivering transformation change in the Clyde Gateway area. Our regeneration agenda to support Net Zero ambitions is reinforced through our designation as the first Green Regeneration Innovation District (GRID) through the Scottish Governments Programme for Government in 2019.

A key element of the objectives of the GRID is to develop and provide for local resilience across utilities to enable this transformation change to be delivered. We have reviewed the key commitments contained in the RIIO – ED2 and we welcome the directional of travel for the plan to address a number of key commitments which will support Net zero objectives.

For ease of reference our response is made in relation to SPEN's "Our RIIO – ED2 Commitments".

Clyde Gateway recognises the importance of support being provided to develop lower carbon emissions and the increased use of renewable energy sources to meet Net Zero as part of the wider RIIO – ED2 commitments from SPEN. (**Commitments 56, 58 & 59**).

Clyde Gateway's welcomes the commitment towards a **Community Energy Strategy (Commitment 56)** to establish a robust approach to engagement with key organisations such as Clyde Gateway to help deliver our ambitions across our operational area.

The proposal to support a significant proportion of funding towards community lead projects and include a **Net Zero Fund** of £30m (**Commitments 58 & 59**) in the RIIO – ED2 Plan demonstrates the importance of leverage funding to help deliver community lead energy projects.

Clyde Gateway has been able to evidence the significance of this type of funding through successful application through the SPEN Green Economy Fund. This fund has been instrumental in creating the environment to deliver its first large scale Community Energy Project by providing an infrastructure first approach to install a large scale district heating network to provide low carbon heat to its 77,000m² mixed use masterplan area in Dalmarnock. Dalmarnock is located within the 5% worst areas for a range of deprivation indices enabling investment to be targeted at communities most in need. The Green Economy funding has also helped secure leverage funding from other public sector partners e.g Scottish Water Horizons and has helped provide the necessary “gap” funding to support sustainable energy projects.

Clyde Gateway therefore welcomes the continued commitment from SPEN through its proposed £30m Net Zero Fund proposal contained in RIIO – ED2. Clyde Gateway also recognises the associated commitments contained in the RIIO – ED2 which complement wider strategic objectives related to the power infrastructure and future development of the network.

A key aspect of Clyde Gateway’s activities has sought to address the historic legacy affecting many of the deprived communities it serves. This has also recognised the impact of older infrastructure and the need to future proof servicing of development sites for new development.

The SPEN commitment (**Commitments 1 - 4**) to prioritise fault level monitoring to support the growth of renewable energy generation and in particular the development of smart substations and associated interventions to make best use of existing assets to help optimise the potential of the network to support regeneration objectives is welcomed.

The proposed increase in LV monitoring will also enhance further optimisation of the existing network to provide greater customer flexibility with a view to avoiding major reinforcement to reduce development constraints on development programmes. The further proposal (**Commitments 8&10**) for a Distribution Service Operator (DSO) directorate, along with the new whole system planning function and the potential step change this can provide in delivering a solutions oriented approach with stakeholders such as Clyde Gateway can offer a robust framework for addressing stakeholder requirements as long as this is adequately resourced. Clyde Gateway acknowledges SPEN’s commitment to this aspect in its objective to “Build a Net Zero Workforce” (**Commitments 92-96**).

Recognising the growing impact that the transition to a low carbon economy has particularly around the introduction of non-fossil fuel based energy solutions e.g heat pumps and the increase in electric vehicles has highlighted the focus on collaborative working e.g PACE Project (**Commitment 12**).

Clyde Gateway welcomes the introduction of specialists (Strategic Optimisers) (**Commitment 13**) to assist with wider energy strategies including LHEES and that the RIIO –ED2 plan will deliver new commitments (**Commitments 27 - 30**) to improve and increase connection timescales.

Clyde Gateway recognises SPEN's objective to be a trusted partner for stakeholders and communities and supports the objective to "Support vulnerable customers and communities to ensure no-one is left behind" in seeking to deliver **Commitments 46-54**.

A key element of working towards Net Zero is the importance of stakeholder engagement to "work with our communities to facilitate the energy system transition". Clyde Gateway welcomes the reinforcement of this new commitment to be delivered through the proposed £30m Net Zero Fund with particular emphasis on the creation and delivery of strong social value, with a focus on the most deprived communities to boost local economic growth (**Commitments 59 & 61**).

CGURC

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