

By email:

eliska.antosova@ofgem.gov.uk

Date

11 April 2022

Contact / Extension

Stephanie Anderson

0141 614 1581

Dear Eliska,

Consultations on the proposed works to enable connection of the Eastern HVDC link and offshore wind generation at Branxton Substation; connection of additional onshore wind capacity at Coalburn Substation; and connection of the Inch Cape Offshore Wind Farm

This response is from SP Transmission (SPT) which holds the transmission licence for the south and central Scotland. SPT is part of SP Energy Networks (SPEN) and the wider Iberdrola group. We welcome the opportunity to respond to the three consultations on SPT's submission under the Medium Sized Investment Projects (MSIP) Re-opener regarding Branxton 400kV Substation, Coalburn SGT4 and Inch Cape Offshore Wind Farm.

In light of last week's Energy Security Strategy set by the UK Government, it is clear that greater regulatory agility is required for future submissions. The single annual window for Stage 2 submissions under MSIP introduces unnecessary delays for MSIP projects, the need for which have already been recognised at the Stage 1 application. Therefore, we recommend that the submission of Stage 2 submissions should be possible more frequently than once per year.

SPT has brief comments and points of clarification to raise regarding the consultation documents, which are included below.

Branxton 400kV Substation

We welcome Ofgem's consultation position that the proposed new Branxton 400kV Substation will be required in line with SPT's re-opener submission. This development will help to reinforce existing transmission network capacity and support the significant forecast growth in renewable generation driven by the UK and Scotland's Net Zero carbon emissions targets.

The consultation refers to the new 21-bay GIS substation that will be required at Branxton. As indicated in our submission of 31st January 2022, the final number of bays to facilitate the Berwick

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Bank Offshore Wind Farm, and other potential offshore connections, is subject to change. The scope of this MSIP Re-opener application does not encompass the six bays noted above to connect the Berwick Bank Offshore Wind Farm. These are expected to be the subject of a separate MSIP Re-opener application at a later date. In addition, the capital expenditure associated with the two Eastern HVDC Link bays forms part of the Eastern HVDC Link LOTI Final Needs Case submission, which SPT submitted to Ofgem in December 2022, and is not included in this MSIP Re-opener application for Branxton Substation.

Coalburn Substation

We welcome Ofgem's consultation position that the proposed new fourth SGT at Coalburn Substation will be required as identified in SPT's re-opener submission. This work will reinforce existing transmission network capacity at the location and support the connection of multiple contracted and consented renewable generation projects driven by the UK and Scotland's Net Zero carbon emissions targets.

The consultation document states at Section 4.11: "*As discussed prior, the ESO analysis proposed intervention is now required. Ofgem's view of the potential solutions*". We would welcome clarification on this point.

Inch Cape Offshore Wind Farm

We welcome Ofgem's consultation position that the connection of Inch Cape Offshore Wind Farm should be facilitated by repurposing the former Cockenzie Power Station bays at Cockenzie 275kV Substation, as outlined in SPT's re-opener submission. This development will facilitate the connection of the 1080MW Inch Cape Offshore Wind Farm, in line with SPT's Licence obligations and consistent with the UK Government's target of connecting 50GW offshore wind by 2030, as set out in the British Energy Security Strategy of 7th April 2022.

The consultation document states that a final submission will be made by SPT in January 2023 for the project to be added to the outputs, delivery date and allowances set out in Appendix 1 to Special Condition 3.14 of SPT's T2 Electricity Transmission Licence. Please note that the Stage 2 submission remains contingent upon the continued development of Inch Cape Offshore Wind Farm in line with the existing contracted position. The final timing of the Stage 2 submission may therefore be subject to change.

If accepted, the three MSIP Re-opener applications will result in the addition of an evaluative PCD to SPT's Licence, as per the operation of the MSIP Re-opener. The consultation documents state: "*Given the potential level of difference in materiality between the delivery modes, we consider it appropriate to protect consumer interests by reviewing the delivery.*". Whilst we recognise the potential benefits of flexible delivery, we would welcome further clarity on this statement given the high certainty of need in the MSIP Re-opener applications.

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Overall, SPT supports the consultation positions set out by Ofgem regarding the MSIP Re-opener applications for Branxton 400kV Substation, Coalburn SGT4 and Inch Cape Offshore Wind Farm. Please feel free to get in touch regarding any of the issues or queries discussed in this response.

Yours sincerely,



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