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Jack Schuler
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24 May 2022

Dear Jack,

Consultation on Gremista Grid Supply Point Project – MSIP Reopener consultation

We are pleased to enclose a response from SEN Transmission to Ofgem’s consultation on the Gremista Grid Supply Point (GSP) Project MSIP Reopener. We welcome and agree with Ofgem’s assessment of the need, and that our preferred solution seems reasonable to deliver the transmission connection. In responding to the consultation, we have enclosed responses to the questions within Appendix 1.

The consultation notes our intention to submit cost details in January 2023. We agree with Ofgem’s view that a two-stage approach is appropriate for this project to ensure that greater cost confidence can be achieved given the early stage of cost development and we will remain engaged with Ofgem on the development of the cost submission as we progress through 2022.

However, we would note that given the potential number of projects that we expect to be submitted as part of the January 2023 reopener window, it would be appropriate and efficient to conduct an out of cycle cost submission and assessment for Gremista GSP prior to January 2023. This means the focus will be on the new submissions, ultimately allowing for a timely assessment while helping to alleviate potential resource constraints for both Ofgem and ourselves.

Yours sincerely

David Manson
Senior Regulation Analyst

Appendix 1

1. Do you agree with our view on the validity of the needs case for the Gremista GSP MSIP Project?

Yes, we agree with Ofgem's view on the need for investment at Gremista GSP and a circuit to Kergord substation. There is a requirement for a suitable alternative to Lerwick Power Station for meeting local demand on Shetland through the provision of local renewable generation, and when required, wider GB generation via the transmission link. This investment provides network resilience to the island while contributing to net zero ambitions.

2. Do you agree with our technical assessment of the range of solutions to meet the needs case?

Yes, we agree with Ofgem's technical assessment of the range of the solutions explored to meet the need. We support Ofgem's view on the proposed site selection for the GSP, preferred route and technology for the 132kV overhead line (OHL) and underground cable (UGC) sections.

3. Do you agree with our minded-to view on the solution proposed by SHET?

Yes, we agree with Ofgem's minded-to view on the overall solution to provide a demand connection through the creation of a GSP at Gremista and circuit to Kergord substation.