Ofgem

By email

23rd August 2022

To whom it may concern,

We are writing in response to Ofgem’s open consultation on the electricity distribution price control RIIO-ED2.

Briggs Marine is a leading provider of nearshore marine and environmental services, specialising in Subsea cable installation & repair, port and marine operations, subsea and environmental support and vessel charter. Although headquartered in Fife, Briggs Marine is a UK wide company, with additional offices and operational bases spread across the UK. The company’s vessel crews operate on all UK coasts and shore-based staff work in a number of coastal areas as well as inland UK locations. As a contracting entity, Briggs Marine always seeks to put down local roots to support any operation and embeds itself into the local community, recruiting locally and supporting local supply chains wherever possible.

For the last 20 years, Briggs Marine has been providing SSEN with specialist services in support of its subsea cables network. This includes supporting the whole subsea cable lifecycle for RIIO ED1 and ED2, route engineering and design for new and replacement cable installations, reactive repairs to ensure island communities and renewable energy remain reconnected as well as providing cable storage solutions with a capacity for 100km of cable at its storage facilities situated in Burntisland and Nigg.

The global demand for subsea cable operations has increased exponentially and shortages in skill, assets and equipment have resulted in longer lead times and increased cost pressures. It is important that Ofgem takes into consideration the certainty the supply chain needs to be able to efficiently deliver work, invest in personnel, equipment and vessels in order to bring significant benefits to customers.

We would encourage Ofgem to consider this when agreeing the level of investment required in the North of Scotland’s electricity network. Scotland has set a legally binding 2045 net zero target, five years ahead of the rest of the UK. It can only achieve this by accelerating electrification and greater investment is required in both network capacity and reliability to facilitate decarbonisation and support an ever-increasing reliance on the electricity network.

Investment decisions today can help unlock that potential. It is critical that the supply chain and industry work hand-in-hand to help facilitate the net zero ambitions of our island communities, and Ofgem’s proposed determination could inadvertently have the effect of hindering the progress required.

We are supportive of SSEN’s investment plan to proactively replace subsea cables that are critical to maintaining the security of supply for customers and businesses based on the Scottish islands. We are therefore naturally concerned that the funding for this approach has not been approved by Ofgem. The replacement of these cables will bring a significant consumer benefit but this can only be generated if SSEN is able to work with the supply chain to plan and contract for the resources to complete works. Delaying proactive replacements during this five-year period will increase the chances of cables faulting in the future; resulting in more delays and increased costs for consumers.

We agree with SSEN’s approach and would respectfully urge Ofgem to reconsider their position. Not being able to replace subsea cables at the optimal time could have consequences for network reliability. The geography of the north of Scotland is unique and requires a bespoke approach - the island communities are reliant on subsea cable connectivity to thrive.

Yours Sincerely,

Craig English

Director