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Delay of the publication of the Network Options Assessment (NOA) report

Dear Jourdan,

The Electricity System Operator (ESO) as per the *Transmission License - Standard Conditions*, Condition C27 has a requirement to *publish an updated NOA report by 31 January* which is prepared according to the *latest NOA methodology* approved by Ofgem. We are writing to seek a direction from Ofgem pursuant to Condition C27 paragraph 12(b), for publication on an alternative date.

Under BEIS's *Offshore Transmission Network Review*, National Grid ESO was tasked to run an offshore coordination project to assess whether there is a better approach to offshore networks to deliver better outcomes for consumers and coastal communities to meet the government's net zero ambitions. In July 2022, we published "*The Pathway to 2030 Holistic Network Design*" (HND) which sets out a single, integrated design that supports the large-scale delivery of electricity generated from offshore wind, taking power to where it's needed across Great Britain. The HND facilitates the connection of an additional 23GW wind, helping to deliver the Government's ambition for 50GW connected offshore wind by 2030. Part of the package of publication was the NOA 2021/22 Refresh, an update to the NOA published in January 2022 which was delivered in July 2022.

Following the publication of the HND and the NOA refresh, the ESO is undertaking a follow-up exercise known as *HNDFUE*, to consider additional offshore wind connections including the Celtic Sea and ScotWind. This is expected to provide details to connecting parties in March 2023.

Concurrently, Ofgem have launched their *Electricity Transmission Network Planning Review* (ETNPR), aiming to enhance the network planning processes to implement enduring arrangements for the *Centralised Strategic Network Plan* (CSNP). The CSNP is envisaged to take a GB-wide holistic view to develop an optimised plan for taking forward network investment, a significant evolution of the NOA process. Ofgem have also indicated there are roles for the ESO (and the Future System Operator) in the delivery of the enduring CSNP. In addition, ESO has been asked by Ofgem to lead on the development of some of the work packages for the ETNPR and this work is ongoing in collaboration with industry parties.

Ofgem has also indicated that prior to the enduring CSNP being in place, they expect the ESO to deliver a *transitional CSNP* (tCSNP) which will start to evolve our current processes and move towards the enduring CSNP. The Holistic Network Design and the NOA 2021/22 refresh formed the first tCSNP. The ESO is now looking toward delivery of the second transitional CSNP (tCSNP2).

We have, as per our discussions with Ofgem, been prioritising the delivery of the *Pathway to 2030* and the *NOA 2021/22 Refresh*. These projects utilise the same resource pool, within the ESO and with the Transmission Owners (TOs) to undertake the detailed network assessment required. As a result of this prioritisation, the ESO are not able to meet the timescales set out for the publication of the NOA on 31st January 2023.

There is also an opportunity to align the output of the next NOA with the output of the HNDFUE exercise, and the deliver further enhancements to process. We appreciate Ofgem setting out in the letter of 15 September their support of the intention to incorporate the updated offshore network plan into the 2023 NOA analysis as it could impact on the reinforcement recommendations and is likely in the interests of consumers. Therefore, we are proposing to schedule the next NOA publication so that it follows the HNDFUE, and to deliver it as part of the second transitional CSNP. We also intend to include some improvements to the NOA process such as including additional options such as large new demand and storage alongside network reinforcement options.

We therefore seek Ofgem's direction to publish our next NOA publication, as part of the second tCSNP, by 31 December 2023.

Yours sincerely

Dr Paul Wakeley
Strategic Network Development Manager

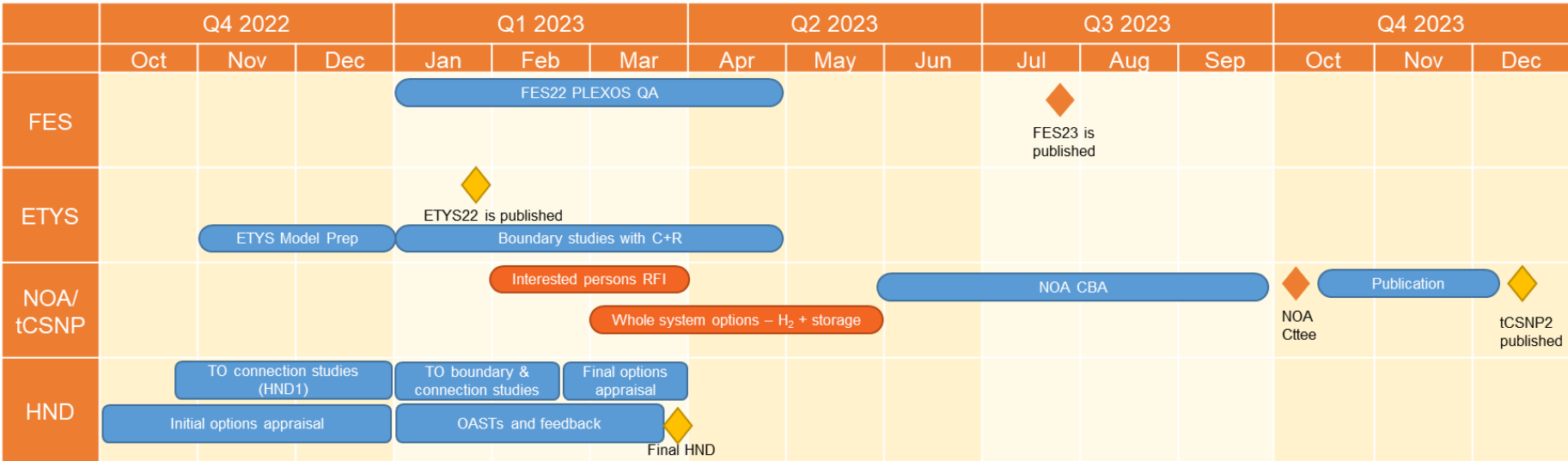


Figure 1: Plan on a page for the tCSNP delivery in December 2023