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ESO Response to Ofgem queries on Yorkshire Green project Final needs case consultation

Dear James,

Thank you for the opportunity to respond to your consultation on the Yorkshire GREEN project's Final Needs Case.

As the Electricity System Operator (ESO) of Great Britain's electricity system, our position in the industry gives us a unique insight, particularly with our economic assessments, on electricity transmission questions, such as the Yorkshire GREEN proposals (referred to as OPN2 in the Network Options Assessment – NOA).

Yorkshire Green was submitted by National Grid Electricity Transmission (NGET) to be assessed as an option in the NOA 2019/20 alongside 4 other variations – OPN1 to OPN5 (as laid in Table 1 of the consultation document).

Yorkshire Green (OPN2) was recommended to *proceed* as it was the most economical solution providing the highest benefit to consumers when delivered on its earliest in-service date of 2027 (submitted by NGET). We found that OPN2 enabled significant power flows in the north of England and north Midlands (B7a) and, it worked together with other major transmission network reinforcements such as the Eastern subsea HVDC link from Torness to Hawthorne Pit (E2DC), to facilitate much needed north to south power flows in GB. Therefore, we agree with the technical need for investment and confirm that OPN2 was assessed against a number of variations tested within the NOA.

The project was also as part of a submission by NGET in August 2022, under the Large Onshore Transmission Investment (LOTI) process. As part of the LOTI submission, ESO undertook an independent cost benefit analysis, which considered a range of reinforcement options for Yorkshire Green, consisting of new and upgraded infrastructure in Yorkshire. Our CBA recommended Yorkshire Green as proposed in this consultation the most cost-effective solution.

In 2022, the ESO published the Pathway to 2030 Holistic Network Design which provided a coordinated offshore and onshore network design to facilitate the Governments ambition to connect 50GW of offshore wind, The NOA refresh published in July 2022 recommended the Yorkshire Green project as *essential* to meet this ambition, subsequently becoming one of Ofgem's Accelerated Strategic Transmission Investment (ASTI) projects. As a result, we support Ofgem's rationale in exempting Yorkshire Green from competition to ensure a timely delivery of the project.

We look forward to engaging with you further. Should you require further information on any of the points raised in our response please contact Griffin John, Technical Economic Assessment Manager. Our response is not confidential.

Yours sincerely

Paul Wakeley

Head of Strategic Network Development