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ESO Response to Ofgem's consultation on the assessment of initial needs case submissions of two 2023 Medium Sized Investment Projects from NGET

Dear Eliska,

Thank you for the opportunity to respond to your consultation on the assessment of initial needs case submissions of two NGET 2023 Medium Sized Investment Projects. These are the Leiston 132kV substation customer connection and three new shunt reactors for the Pennine pathfinders high voltages control project.

Who we are

As the Electricity System Operator (ESO) for Great Britain, we are at the heart of the energy system, balancing electricity supply and demand second by second.

Our mission, as the UK moves towards its 2050 net zero target, is to drive the transformation to a fully decarbonised electricity system by 2035, one which is reliable, affordable, and fair for all. We play a central role in driving Great Britain's path to net zero and use our unique perspective and independent position to facilitate network and market-based solutions to the challenges posed by the trilemma.

Our transformation to a Future System Operator (FSO) is set to build on the ESO's position at the heart of the energy industry, acting as an enabler for greater industry collaboration and alignment. This will unlock value for current and future consumers through more effective strategic planning, management, and coordination across the whole energy system.

Our key points

We support investment in the electricity transmission network that meets customer requirements and provides best value to end consumers. We respond to your questions in more detail in the attached appendix.

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, at griffin.john@nationalgrideso.com.

Our response is not confidential.

Yours sincerely

Faith Natukunda on behalf of Dr Paul Wakeley
Head of Strategic Network Development

Appendix 1 – Consultation Question Responses

Leiston

Question 1: Do you agree with our initial view on the needs case for the Leiston project?

We agree with Ofgem's view of the initial needs case as described in paragraph 2.15.

Question 2: Do you agree with our initial view on the preferred option proposed by NGET?

We agree with Ofgem's view on the preferred option proposed by NGET as it uses/enhances existing assets to achieve the customer's requirements.

Pennine pathfinders high voltages control project

Question 3: Do you agree with our initial view on the needs case for the Pathfinders project?

Yes, we agree with Ofgem's view of the needs case as the solutions will provide reactive power capability to manage high voltage issues that are expected in the Pennines region over the coming years. The proposals and sites selected in the ESO's assessment are the most cost-effective ways to do this. The locations that Ofgem listed in the consultation match the ones that the Pathfinder tender process evaluated.

The costs requested by NGET in this MSIP need to align with the costs provided by NGET to the ESO as part of the Pennines tender assessment to ensure that the NGET reactors remain the most economic solutions to meet the voltage needs.

Question 4: Do you agree with our initial view on the preferred options proposed by NGET?

Yes, we agree with Ofgem's initial view of the preferred options proposed by NGET.