

**Response to Ofgem consultation on the Centralised Strategic Network Plan:  
framework for identifying and assessing transmission investment options**

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Dear Ofgem

I am responding to the above consultation in a personal capacity but drawing on my experiences as Chair of the [Linear Infrastructure Planning Panel](#). The purpose of the Panel is to develop good practice in the use of new tools and techniques, such as AI and digital twins, in planning infrastructure such as electricity transmission lines.

The response also builds on my insights in energy network planning and price controls from my time as CEO of Sustainability First and as a member of the expert panel for LCNF/ENIC and Challenge Group for DPCR5 and RIIO1.

**General comments**

It is still not completely clear from the proposals set out in this document what the interface will be between the FSO's work on technical systems planning and the work of those engaged in spatial planning. Questions remain around the roles and responsibilities within and between TOs/delivery bodies, the FSO, Ofgem, DESNZ, DLUHC, the Planning Inspectorate, statutory consultees etc. This is particularly the case regarding environmental assessments and stakeholder engagement.

In addition to this, the distinction between high-level desk top designs and detailed delivery body designs is probably not as clear cut in practice as outlined in the consultation document. In the face of technological change, this difference is perhaps already being blurred.

Unless these issues are clarified and transparently communicated, stakeholders will not know where each actor's responsibilities and decision-making powers begin and end. This could lead to further confusion, duplication, and complexity rather than the streamlining of the overall planning system (technical and spatial) that is urgently needed.

The proposals in the document represent a significant step change in the work of the ESO/FSO and raise questions in terms of FSO capabilities, particularly regarding environmental assessments and stakeholder engagement. Although this issue is acknowledged in the document, it will clearly take time and resource to build up expertise, and gain access to sufficient robust data, to make decisions in these areas. A phased approach may be needed.

The companion report for the Electricity Network Commissioner's recent proposals adds some potential clarity to the above issues but until the Government has responded to these, their status is uncertain.

## **Detailed comments**

### **Qn 1. Do you agree with our broad regulatory approach to establishing the FSO's obligations to deliver the CSNP products?**

The approach outlined would seem to make sense from a technical system planning point of view. However, to deliver stage 5 of the CSNP and to be able to assess whether this has 'acceptable impacts, in planning terms, on environment and communities,' will require strategic engagement with spatial planning bodies (DLUHC, PINS, statutory consultees). It is not clear whether these groups have been involved in the development of the proposals to date and, if so, how their views have been incorporated.

This whole area is exceptionally complicated. The CSNP Governance Document will need to be clear and accessible so that all stakeholders (including spatial planners) know what its purpose is and the outcomes it is seeking to drive, and where its roles and responsibilities begin and end.

Developing a set of values and behaviours to sit alongside the Governance Document could help the FSO navigate this difficult and dynamic landscape.

### **Qn 2. What are your views on the types of system need that we have proposed are covered by the CSNP? Are there any gaps?**

I agree in principle with the need for the FSO to expand the scope of its system need so that it can proactively anticipate the implications for load-related network planning. I don't know whether the areas outlined in Table 1 are the right areas to include in the CSNP. What is crucial is that all sides need to be able to provide a clear and accessible explanation as to why each party does what. To build confidence, any areas of contention should be identified and accompanied by explanations of why they have been resolved in the way put forward.

### **Qn 3. Do you agree that the time horizon for system need assessment should be extended to 2050?**

Yes. However, extending the time horizon could potentially pose issues in terms of lack of policy clarity in terms of technology choices, pathways etc. The CSNP will need to proactively identify problem areas and seek to address these through adaptive planning and discussion with appropriate government / regulatory bodies. It will be vital that the CSNP transparently and systematically records and highlights potential issues in the assumptions underpinning its need assessment.

### **Qn 4. Do you agree that the FSO should move to a year-round nodal assessment of system need as part of the CSNP?**

Yes. This should be beneficial in terms of flexibility and smoothing the assessment process. New technologies such as AI and digital twins can help in these assessments and enable a more dynamic and iterative approach to planning.

**Qn 5. We welcome stakeholders' views on how the FSO can communicate effectively about future system needs?**

Transparent and accessible FSO communications will be important to ensure stakeholders understand future systems needs and can engage with them as appropriate.

Given the complexity, it will be imperative that the FSO **undertakes strategic stakeholder mapping** (including of spatial planning stakeholders) and makes it clear in its communications which groups of stakeholders may potentially have an interest in a document and who the intended audience is. Explaining why the document is important for them and what the implications of it may be for their work can help build understanding. Communications may need to be **tailored to different audiences** and stakeholder groups.

To enable innovation, it will be important that stakeholder mapping and the resulting communications extend beyond existing industry players and includes technology providers and other interested third parties. These groups may need more explanations in terms of terminology, legal and regulatory frameworks, timelines, the size of opportunities, availability of supporting data sources etc.

When FSO communications relate to communities, the environment and wider stakeholder engagement processes, a different approach will be needed. The Linear Infrastructure Planning Panel's recent briefing is relevant here [Engagement in linear infrastructure planning: why is it important and what makes a good process](#). This explains the importance of front-loaded early engagement and the principles that need to underpin a good engagement process, ensuring it is: open and fair; flexible; inclusive; and supportive.

For stakeholder groups outside existing industry players, accompanying documents with FAQs, explanatory webinars and interactive presentations can be helpful.

**Qn 6. What are your views on the FSO establishing minimum design requirements for high-level option designs and are there areas where exceptions are needed?**

When it comes to transmission routing, the distinction between high-level desk top designs and detailed delivery body designs is probably not as clear cut in practice as outlined in the consultation document. In the face of technological change, it is perhaps already being blurred.

In terms of environmental design requirements and transmission infrastructure, for example, new technologies such as AI can already include almost any spatial environmental characteristics in a desk top exercise, except for things like micro environmental impacts (e.g., the locations of badger sets); assuming the data is available.

When it is possible to include minimum design requirements at this early desktop stage, this would seem advisable as it can help in terms of the objective of **'getting it right first time.'** Considering engineering systems requirements in terms of corridor and route design at the

**same time** as environmental and less controversial community impacts (e.g., those relating to health and safety issues), **rather than sequentially**, can avoid spatial planning delays down the line. It can also enable earlier and wider engagement whilst options are still open which can be vital for building support.

Impacts such as visual amenity can also be modelled with **3D visualisations** earlier in the process than at present; providing the surrounding messaging doesn't lead to this being seen as a 'foregone conclusion'.

More controversial community impacts, particularly those that are difficult to quantify or unique to a particular place, may not easily be included in desk top work and may be more suitable to the detailed design phase.

At its September meeting, the Linear Infrastructure Planning Panel will be examining the social, environmental, and economic impacts that are relevant in terms of linear infrastructure and considering how these can best be dealt with in terms of planning tools. These points are clearly relevant to the proposals in terms of minimum design requirements and the Electricity Transmission **Design Principles** proposed in the Electricity Network Commissioner's companion report.

It would make sense if these minimum design requirements (and the Commissioner's proposed principles) are **aligned** together and with the National Infrastructure Commission's [Design Principles](#) (climate; people; places; and value). This is the approach being taken in water, where the [All Company Working Group](#) is developing design principles for the development of Strategic Resource Options which set out what the National Infrastructure Commission's design principles mean for the water sector. **Consistency** in these areas, with clear explanations of the reasons for any sectoral differences, can be important to build public support for change.

#### **Qn 7. Do you have any views on our proposals for considering environmental and community impacts as part of high-level design of options?**

Spatial planning law and regulations require developers to consider a wide range of **environmental and community impacts** in their work. These are not simple homogenous categories. For the September Linear Infrastructure Planning Panel meeting we have mapped the 11 groups of impacts, and three cross-cutting impacts, that are required to be assessed under EIA and SEA rules and other relevant laws and regulations to existing and evolving policy frameworks (noting national differences).

Whilst strongly supporting the inclusion of environmental and community impacts as part of high-level design options, it is vital that the FSO works with DLUHC, PINs, statutory consultees etc to ensure that the CSNP treats these impacts in a manner **consistent** with spatial planning requirements so that the technical system and spatial planning requirements are coherent and roles and responsibilities for assessment etc are clear. This will require a systematic approach to metric measurement and reporting.

One of the main challenges of applying metrics in practice is how to rank and weigh different social, environmental, and economic impacts. At the Panel meeting we will be exploring the **criteria** that could be used when incorporating metrics in these areas into planning tools. These are likely to include:

- Where that metric/impact sits in the mitigation hierarchy;
- The clarity of existing law and regulation surrounding that impact;
- The availability of guidance on priorities or trade-offs in relevant existing policy frameworks (e.g., through the NPS, HMT Green Book etc) relating to that impact;
- How to deal with evolving policy requirements relating to the impact and whether the impact is seen as controversial; and
- Whether sufficient robust data, or accepted valuation guidance, is available on that impact.

The consultation proposes that a SEA should form part of the CSNP process. This will require a significant step up in terms of **FSO capabilities**. Although this issue is acknowledged in the document, it will clearly take time and resource to build up expertise, and gain access to sufficient robust data, to make decisions in these areas. A phased approach may be needed.

The consultation states that **stakeholder engagement** in consideration of environmental and community impacts at the high-level design stage should not be mandated by Ofgem but that it will remain a substantive part of the detailed design stage - which is out of scope of the CSNP. This is disappointing for two reasons.

Firstly, stakeholder engagement will be critical to chart a way through the complex and evolving landscape around community and environmental impacts and to build public support for change amongst the people who will be impacted by it and will ultimately pay for it.

Secondly, as outlined in response to Q6, the distinction between the high-level design stage and the detailed design stages may not always be clear cut in practice.

The need to prepare the public for change and 'roll the pitch' has been rightly recognised in the Electricity Network Commissioner's report. To do this effectively, however, will require a significant shift from engagement that is top down and focused on technical information sharing to engagement that builds long-term relationships and entails listening and responding to legitimate concerns. To fulfil its role at the macro level, the FSO will need to be plugged into the engagement work that TOs and DNOs have done at the regional and local levels (e.g., through Local Area Energy Plans).

The consultation proposes that the CSNP Methodology should also include the FSO's stakeholder engagement plan. This plan should address how the FSO will learn from, and build on, the key themes and issues identified by TOs and DNOs in their regional and local engagement activity.

**Qn 10. Do you have any views on our proposals on data exchange to enable the implementation of CSNP?**

I would strongly support the sharing of network and asset data to enable participation of third parties in the CSNP.

Information used by the FSO for the SEA should also be presumed open and be made accessible for third parties to use.

**Qn 11. Do you have any views on our proposals regarding the principles to be followed in the CSNP decision-making framework?**

Yes. However, the principles of transparency and open stakeholder engagement need unpacking.

Ofgem needs to be clear about what the FSO is being asked to be transparent about. Explaining the reasons for its decisions and the basis of its assumptions is important.

Stakeholder engagement needs to be not only open but also meaningful. For this to occur, it needs to be timely and responsive (i.e., explain why stakeholder in-put has / hasn't been taken into account and what has changed as a result). As noted in response to question 5, the Linear Infrastructure Planning Panel's recent briefing is relevant here [Engagement in linear infrastructure planning: why is it important and what makes a good process](#). This outlines the principles that need to underpin a good engagement process in planning linear infrastructure such as transmission networks (i.e., ensuring it is: open and fair; flexible; inclusive; and supportive).

**Qn 12. Do you have any views on our proposals on the decision-making framework for selecting potential projects to address longer-term system needs?**

I would support the use of the adaptive planning approaches outlined.

**Qn 15. Do you have any views on our proposal on inclusion of environmental and community impacts in the CSNP CBA?**

I support the FSO considering the factors outlined in section 6.37 in the CSNP CBA. However, this list, and the preceding analysis in paragraphs 6.32 to 6.36, does not really give a clear steer as to how different factors should be balanced and weighted; beyond an overall need to keep costs low.

The Linear Infrastructure Planning Panel will be considering some of these issues in its meeting in September.

**Qn 23. Do you agree that the FSO should evaluate the climate resilience of the long-term whole-system CSNP?**

I strongly support this proposal.

Kind regards

Sharon Darcy

