



Ein cyf/Our ref JJ/01436/23

Jonathan Brearley
Chief Executive Officer
Ofgem

Jonathan.Brearley@ofgem.gov.uk

31 May 2022

Dear Jonathan,

I am writing in response to the open letter providing Ofgem's position on electricity connections reform. I am pleased to see these proposals to reform the connections process as this will be an important part of ensuring that the delivery of grid infrastructure is able to align with our net zero ambitions.

The Welsh Government strongly supports system planning, demonstrating our acknowledgement of the integral role that infrastructure plays in our ability to deliver a net zero future. We commissioned our Future Energy Networks for Wales project to identify the gas and electricity network infrastructure required in Wales if we are to reach net zero. Additionally, we have supported the development of a suite of energy plans to inform delivery of the transition. Through our Regional Energy Plans and Local Area Energy Plans we are generating a blueprint for how we will support coherent action at the local and the national levels. These plans will provide a clear steer for gas and electricity network operators in their own network planning processes.

However, as you make clear in your open letter, there is a significant amount of generation capacity holding transmission connection agreements. The open letter describes how the current system is currently creating delays for both demand and generation connections at both transmission and distribution levels. This is significantly impacting on our ability in Wales to deliver on our statutory decarbonisation targets for 2030. It is clear that we need a more planned approach, based on an understanding of the demand to be met in future across daily and seasonal fluctuations, if we are to proceed at the pace required.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Gohebiaeth.Julie.James@llyw.cymru
Correspondence.Julie.James@gov.Wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

My officials have attended your stakeholder webinars to discuss this issue further, and I would appreciate a fuller briefing with you once the outcomes of your stakeholder engagement have become clear.

Yours sincerely,

A handwritten signature in blue ink that reads "Julie James". The signature is written in a cursive, flowing style.

Julie James AS/MS
Y Gweinidog Newid Hinsawdd
Minister for Climate Change