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16 June 2023

Akshay Kaul
Interim Director of Infrastructure and Security of Supply

By email: connections@ofgem.gov.uk

Dear Sir,

RE: Open letter on future reform to the electricity connections process

Thank you for the invitation to review and respond to the Open letter dated 16 May 2023, please see herein Lightsource bp initial feedback to the letter.

About Lightsource bp

Lightsource bp is a global leader in the development and management of solar energy projects, started and headquartered in the United Kingdom. We are a 50:50 joint venture with bp with a mission to help drive the world's transition to net zero. We have spent over a decade driving solar forward, from development right through managing and operating solar projects across our global portfolio. Since 2010 the company has expanded its presence to 19 countries across the world and to date has developed hundreds of solar projects, with a total energy capacity of 8.4GW.

The company are firmly committed to contributing to the achievement of the climate and clean energy objectives of the United Kingdom, which is evidenced by its current growth ambition as it is now aiming to deliver 25GW of developed projects by 2025.

Lightsource bp Response

General comments

- Ofgem should consider how to optimise the quicker solar project development cycles and how solar can be prioritised;
- Further, we are currently experiencing significant issues with communication with the DNO's; we implore Ofgem to focus on improved communication between the DNOs and developer;
- The delays with DNO connection offers could also be improved with greater communications between the DNO's and National Grid;
- There are resourcing issues across the sector, however the DNO's desperately need more resources so that they are better equipped to deal with the net zero challenge.

Annex A – Proposed objective, outcomes and guiding principles for reform;

- We support Ofgem's overall objective that is to shorten the average connection dates.

Annex B – Illustrative reform stages and options for consideration;

- In order to achieve the above, we encourage Ofgem to closely monitor the actions from the network companies. We think it is beneficial to introduce additional regulatory incentives/penalties for the DNOs/TOs/SO for their works in this area; based on mandatory timeframes that are reported to and monitored by Ofgem;

- Ofgem needs to ensure a consistent definition of milestones across the board; eliminating inconsistencies across the DNO's is critical, this includes definition of a shovel ready project, it's important that this definition is consistent across the networks and operators.
- Data provision is key particularly when the way storage is treated is changing. Rules/clear guidance must be set to mandate the network companies to provide adequate network data for customers to carry out their due diligence and DNOs/TOs/SOs compelled to resource, monitor and report on responses to such data enquiries. We also encourage the implementation of existing smart monitoring tools by the DNOs on their networks assets, this would enable the DNOs to more accurately understand their networks and thus release further generation capacity;
- While making the best use of existing assets is top priority, it is inevitable to build new assets to accommodate new connections. We urge Ofgem to work with DESNZ and other stakeholders to speed up the construction timescales particularly from the planning/consent perspective. Ofgem should consider, relevant to RIIO, that budgets are increased and the timescale between RIIO rounds are decreased; this would ensure more networks assets are reinforced/ built in a shorter timeframe in order to accommodate new generation. In order for the Net Zero generation capacity targets to be reached new grid capacity is of paramount importance;
- We strongly believe having consistent Transmission and Distribution application processes is crucial. This is with respect to the land requirements at the application stage, queue positions, Project Progression/Mod App etc. We welcome the work NG ESO is carrying out on reviewing the modelling assumptions and we strongly urge the distribution companies to follow suit as we are experiencing inconsistencies between the DNOs in this regard.

Annex C – Key dependencies and longer-term outlook;

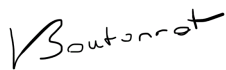
- We support the short-term, medium-term and long-term outlooks however we would like to emphasise speed is of the essence here. The short-term actions need to be implemented as quickly as possible to stand a chance for a net zero power system by 2035, this might include reviewing present contracted milestones to identify stalled capacity.

Annex D – Support for Distribution Queue Optimisation.

- Whilst conceptually we agree with the requirement to manage the existing queue and deprioritise projects that are holding up genuine projects from progressing we would recommend that clear direction is communicated as soon as possible for developers to review and input to this initiative.

We would welcome the opportunity to further engage on this critical moment.

Kind regards,



Kareen Boutonnat
Lightsource bp CEO EMEA & APAC