

Mr Akshay Kaul  
10 South Colonnade  
Canary Wharf  
London, E14 4PU

14 June 2023

Dear Akshay,

I hope you are well.

I am contacting you as Managing Director of Power Markets at [Renewable Power Capital](#) (RPC), a London-headquartered renewable energy investor and independent power producer, in response to Ofgem's open letter on future reform to the electricity connections process. I would also be happy to arrange a meeting to discuss this feedback in more detail.

RPC has significant backing from the Canada Pension Plan Investment Board to invest for the long term and build the next generation of subsidy-free onshore wind, solar, and storage across Europe. Since our formation in 2020, we have committed almost €1.5 billion, primarily in Iberia and the Nordics, and recently announced a [partnership](#) with Greenfield to develop at least 500MW of battery storage capacity in the UK. We have gained useful insights from our experience operating in Europe and are keen to use them to contribute to any discussions around how to improve the regulatory and policy landscape in the UK.

RPC welcomes Ofgem's and the wider sector's work in this space, given the risk that grid capacity and connection delays pose to network decarbonisation. However, we remain concerned about how the ongoing delays to grid connections are impacting the investment environment in the UK, and the influence this has on investors' decisions to fund projects elsewhere in Europe where the process is more streamlined, and queues are shorter.

Our view is that connection delays are being exacerbated by the time taken to evaluate, gain Ofgem's approval, receive planning consents, and construct grid connections. By way of example, as part of our development partnership with Greenfield we have acquired two initial projects with an estimated capacity of 83MW. Whilst these projects are on track to be fully permitted by the second quarter of next year, they are not expected to be connected to the grid until the second half of 2027 at the earliest. This may be delayed further by National Grid's Statement of Works process and assessment of the impact on the transmission system – we have seen delays of several years in the past. UK investors and developers need confidence that there will be sufficient infrastructure in place in time to support the transition.

Secondly, the open letter does not include any new decisive measures aimed at accelerating anticipatory investment. Anticipatory investment must be made a priority, including the establishment of a clear and detailed plan of action. Whilst Ofgem's ongoing Consultation on the Early-Stage Assessment for Anticipatory Investment is a positive start, the focus of this must be extended from offshore networks to the broader energy system, so that network operators can invest in connections infrastructure ahead of need. Sweden has successfully implemented an approach whereby the network operator can build the connection infrastructure required to accommodate all projects being developed in an area, even if some of those

projects are not consented, meaning projects are not held up in the queue and consumers are able to benefit from new projects quicker while keeping costs lower.

To streamline new projects, developers would also benefit from greater transparency and access to information concerning spare capacity at a more granular level, including information regarding what the limiting factors are, so that projects can be developed with the demand on grid connections in mind and executed in a timely and cost-effective manner.

I would welcome the opportunity to discuss the high-level implications of the issues outlined above and how Ofgem could address them, particularly through more focus on anticipatory investment. Do let me know if you would be available for a virtual meeting in the coming weeks and I would be happy to arrange.

Best wishes,



Steve Hunter, Managing Director of Power Markets at RPC

Please contact: [jhumphries@seahorseenvironmental.co.uk](mailto:jhumphries@seahorseenvironmental.co.uk)