

Appendix 1: Consultation question responses

Q1. What are your views on the principles (in paragraph 2.8) to guide NESO's approach to developing the RESP methodology? Please provide your reasoning.

We are supportive of the principles set out, and agree they are important to the functioning of the RESP.

A principle with additional relevance to our network in Scotland, is the need for greater whole system collaboration between distribution and transmission. While distribution voltage levels in England & Wales includes the 132kV network, in Scotland, the DNO limit is 33kV, meaning 132 kV design in Scotland risks not being explicitly covered in regional plans. Transmission Owners in Scotland will help to bridge the gap between the work done by DNO's/RESP and the tCSNP.

We would suggest some potential additional themes, noting that these are somewhat implied in the text of the existing principles, however some explicit emphasis could be helpful. See also the principles in the Roadmap to RESP report¹, which had some additional stakeholder testing.

- **Being additive:** Mapping the planning landscape and ensuring functional design focusses on gaps and enhancements, and doesn't duplicate existing processes as far as practicable
- **Transparency and collaboration:** Emphasise wherever possible how decisions are made with stakeholder input and subsequently explained to stakeholders
- **Iterative and dynamic:** Ensuring the methodology can readily react to frequent industry change- external factors such as policy reviews, technology change, supply chain shocks and other external factors and sources of uncertainty while maintaining momentum
- **Focussed on democratic legitimacy:** leverage the stakeholders involved to ensure the plan has the most weight with key decision makers across all levels of planning and delivery

Q2. Do you agree that the RESP should include a long-term regional vision, alongside a series of short-term and long-term directive net zero pathways? Please provide your reasoning.

We are broadly supportive of a multiple horizon approach, which gives agility and recognizes that the different levels of uncertainty between horizons necessitate different approaches. This aligns to our own approach to strategic planning, as outlined in our DNOA methodology².

Looking at different time horizons allows different kinds of strategic planning- short term pathways should align to an 'investment' period where go/no-go decisions are valuable- when you combine substantive lead times with resource planning. For SSEN Distribution proceeding with investment decisions up to 7 years ahead of commissioning is sometimes efficient – these are the timings we use for our Distribution Networks Options Assessment (DNOA) process and is potentially a better horizon for RESPs short-term pathways.

A significant area of value in RESP is in setting a clear vision and strategy over the longer term, allowing uncertainty to be managed and synergies found where there's most opportunity and scope to change spatial and energy plans. plans do not necessarily interface well with other vectors- for example housing & heat pump plans- which form part of the broader regional energy picture.

¹ [regen.co.uk/wp-content/uploads/Roadmap-to-RESP-v2-Regen.pdf](https://www.regen.co.uk/wp-content/uploads/Roadmap-to-RESP-v2-Regen.pdf)

² [ssen-dnoa-methodology-final-march24.pdf](https://www.ssen-dnoa-methodology-final-march24.pdf)

**Q3. Do you agree there should be an annual data refresh with a full RESP update every three years?
Please provide your reasoning.**

The three-year refresh aligns to FES & SSEP processes which work reasonably well- it offers planners stability but can adapt to major trends at the framework refresh. Flexibility in these timescales may be helpful- the ability to change the framework outside of this cycle in light of major policy decisions, or the ability to maintain a framework after 3 years if still fit for purpose- could ensure planning remains as coordinated as possible with wider policy. This does not, however, align with price control timings, which could drive baseline funded load plans being built on older regional pathways, or the 'best view' of the future changing significantly early in the price control.

An annual data refresh is sensible; in terms of our own publications, such as SDPs, we would continue to publish annual updates to our plans in response to stakeholder feedback and needs- for example, it may be inappropriate to disregard specific connection requests that arise until the next 'full refresh'. These will draw on the annual data refreshes.

Whatever cycle is selected, agility and flexibility will be required where price controls interact with RESP pathways such that we can always respond to what is happening 'on the ground'.

**Q4. Do you agree the RESP should inform the identification of system need in the three areas proposed?
Please provide your reasoning, referring to each area in turn**

Our vision for the role of RESP is that it acts as an independent voice that validates the democratically supported energy system needs of each region. As such identification of system need is critical to its effectiveness. It should identify needs across vectors and different network layers, and ensure these are coherent in aggregate (both across vectors and in meeting top-down national expectations).

Area 1- providing consistent assumptions: yes, we agree this should be a role for RESP. The next stage of development will require understanding nuance around what an assumption is.

As an illustrative example in the forecasting space, solar panels in Northern Scotland have a different profile to those in South England, so a consistent assumption in how domestic solar affects network does not mean the same profile is applied when calculating impact on peak or minimum demand. This nuance in *how* assumptions are consistent across different network areas extends to network topographies affecting load forecasting at specific nodes. Consistency therefore must be applied in a way that respects specific regional factors.

At a higher level, the RESP could provide the assumed scenario for baseline load planning- but again, there's nuance around what this means in practice. Currently the scenarios available for this purpose are the DFES, so this could mean probing each DNOs own forecasts to find the one best aligned to the RESPs view, or directing DNOs to use a DFES that was developed from a particular FES in line with a common methodology.

Area 2 - setting out the spatial context: Yes, focussing on additionality- DNOs provide network heatmaps as part of ED2 licence conditions- but a cross-vector tool would be additional to that. LENZA as a platform can already factor in cross-vector data, but DNOs does not necessarily have visibility of or access to these inputs. RESP could have a very valuable role as a repository for data, that can populate tools like LENZA, for use by interested stakeholders including network planners.

Area 3 - Informing strategic network investment: Yes. Validation is a useful role here, to open the door to more streamlined processes that unlock the efficiency benefits of being strategic- for example providing the certainty in strategic programmes of work that allow early mobilisation of supply chain. Note this is a priority area for SSEN D (i.e. where we see the RESP could add greatest value, and this could avoid some of the challenges at RIIO-ED2). In Appendix 3 we have included our current working definition of strategic investment as an indication of the types of projects RESP could inform or validate.

For our Scotland network area, in particular, the timing of communication with transmission on proposed network plans and RESP validation, will be an important consideration. Without co-ordination with transmission, there is a risk that works beyond the T/D interface may not be aligned; this may lead to a lack of whole system efficiency and distribution customers unable to connect until the transmission system is ready. This is also important in terms of the 132kV system design, which is considered part of the transmission system in Scotland.

Q5. Do you agree technical coordination should support the resolution of inconsistencies between the RESP and network company plans? Please provide your reasoning.

Yes, cross vector coordination is a key area of adding value. It is the most additive component of the design, in that while there are planning functions dispersed across many organisations, no body currently holds an accountability for this level of cross vector coordination.

This coordination should:

- Support identifying synergies and conflicts across energy vectors and spatial plans
- Promote more frequent and constructive engagement between key organisations
- Leverage different vectors competing or conflicting plans to mitigate uncertainty- for example there may be cases where it is 'too early' to foreclose a particular heat strategy for a region, but a convener can flag these situations and identify appropriate timing, criteria and mechanism for decision making

Q6. What are your views on the three building blocks which come together to form the RESP in line with our vision? Are there any key components missing?

We are broadly supportive of these 3 blocks which provide a sensible, simple structure for understanding the function of the RESP. In organizing methodology development against these headings, NESO will need to be mindful of:

- Including stakeholder engagement and a 'convening' role as a key function in delivering all three building blocks
- There are numerous potential interactions between the blocks- so processes underpinning the three blocks will have iterative relationships that should be captured.
- An exploration of how each block is delivered in the 'hub' versus the 'spoke'. Each component will need to be undertaken at the regional working level to deliver the desired outcomes; however the central hub will have a role in gathering national insights for each component, and standardising where appropriate. For example in the forecasting component, the central hub role would be building a coherent national picture that delivers on targets and gives insights into factors such as national supply chains, in contrast to regional forecasting activities more focussed on collating and validating more granular datasets.

Q7. Do you agree with the framework of standard data inputs for the RESP? Please provide your reasoning.

The framework provided is sensible, however actioning some components will require complex methodologies in their own rights:

- Transparently aggregating top-down national inputs with regional data
- Establishing a feedback process that drives place-based outcomes
- Defining assumptions in the absence of a LAEP and
- Setting and applying criteria on the credibility of inputs

These obligations will create valuable inputs if well executed, and developing and testing solutions for each should be done in a collaborative, iterative, practical way. These methodologies should also build on existing processes and best practice- there has been significant work done to date to harmonise the DFES process across DNOs which could work as a starting point for the framework.

Additionally, the data inputs listed is a useful list, and as stated not exhaustive. Community energy groups and other active stakeholders could add useful inputs and should be explicitly called out.

Q8. Do you have any suggestions for criteria to assess the credibility of the inputs to the RESP?

We suggest this is explored through trial-based work in the short term- for instance, aligning to the 'pre-development' register concept in Regen's Roadmap to RESP report (p. 22 [here](#)).

This will be a challenging area- while criteria can be identified on specific projects as in ongoing connections reform (where project milestone definitions have been proposed), doing this in a way that manages stakeholder expectations across all aspects of supply and demand will be a challenge that should build on DFES methodologies. Transparency will help build trust; stakeholders should be able to see how their inputs are considered and used.

As with other components NESO should build on existing work to benefit from best practice and avoid duplication of effort; projects that have looked at- or will look at- criteria for establishing credibility of inputs include:

- Regen's Roadmap to RESP report³
- The IoW Net Zero Network Investment Study⁴
- Zero Carbon Oxford⁵
- Seachange innovation project⁶

Q9. Do you agree with the framework for local actor support? Please provide your reasoning.

We agree with the principles included, and would flag that being 'additive' should again be a principle or theme- local actor support has been provided through a variety of channels in recent years.

It should also be cognisant of existing stakeholder relationships- as acknowledged in 3.58, an adaptable approach based on local needs is required. It should be noted that ED2 has set some requirements for DNOs to support local planning, which we undertake through extensive engagement and tools like SSEN LENZA- building on these successes, and a clear understanding/visibility of who engages on what topics with what stakeholders is important to mitigate stakeholder fatigue.

DNOs are already in their communities and are already making good progress with LAEP despite the inconsistent funding of LAs in this area. It is crucial for this to be retained within the new RESP environment to ensure support is delivered by the most appropriate body. For example, as we deliver increased volumes of network capacity, working with communities directly minimizes disruption caused, and adding another layer of coordination through the NESO would be inefficient and likely ineffective.

³ [regen.co.uk/wp-content/uploads/Roadmap-to-RESP-v2-Regen.pdf](https://www.regen.co.uk/wp-content/uploads/Roadmap-to-RESP-v2-Regen.pdf)

⁴ <https://www.regen.co.uk/wp-content/uploads/SSEN-Isle-of-Wight-Net-Zero-Network-Investment-Study-FINAL-FOR-PUBLICATION.pdf>

⁵ [SSEN RESP Consultation response- October 2024- Appendix 1.docx \(zerocarbonoxford.org\)](https://www.zerocarbonoxford.org/SSEN-RESP-Consultation-response-October-2024-Appendix-1.docx)

⁶ [SeaChange01 | ENA Innovation Portal \(energynetworks.org\)](https://www.energynetworks.org/SeaChange01)

Another principle to apply is transparency- there should be clarity on exactly what support NESO is able to offer, to ensure stakeholder expectations are appropriately managed given resource constraints.

Q10. Do you agree with the purpose of the Strategic Board? Please provide your reasoning.

Yes, one of the key areas for RESP to add value is to introduce a formalised, consistent path for local authorities to have a voice in setting strategic energy requirements to be met by networks. The Strategic Board should set the strategic direction and objectives for a particular region.

We agree the board should not take on formal powers held by Ofgem in directing NESO or network companies; the legal framework underpinning existing price control and licence agreements gives clear, legally binding accountabilities and responsibilities to Ofgem and licensees that are well established, effective, and should remain in place.

The boards' response to the RESP should however be a key input and steer- within the existing legal and regulatory framework it should be a key consideration for NESO, Ofgem and relevant licensees when developing or approving relevant plans.

Q11. Do you agree that the Strategic Board should include representation from relevant democratic actors, network companies and wider cross-sector actors in each region?

Yes, we generally agree with the proposed Strategic Board representation. The proposal strikes the right balance between keeping the board manageable in size and representing a range of views and perspectives, and the appropriate authority to endorse and progress aspects of energy and spatial plans.

The use of working groups to support the board is critical to allow much wider participation- for example from LAs not represented on the board directly, but also a wide range of non-LA actors such as community energy groups (without precluding having some community energy representation on the boards itself).

The board and working group composition may differ from one location to the next, and care will need to be taken to ensure fair representation in line with regional stakeholder needs. This implies a need for flexible board and working group structures. Trialling board structures will therefore be an important step as we transition towards this model to find what board makeup works effectively, as well as the right terms of reference and accountabilities.

Q12. How should actors (democratic, network, cross-sector) be best represented on the board? Please provide your reasoning, referring to each in turn.

Regional representation will need to be considered on a case-by-case basis, to reflect region specific characteristics and ensure appropriate and fair local representation. That being said, we agree with the general discussion within the consultation; there should be well defined channels to participate in the working groups and be represented at the board level, albeit without universal participation.

In terms of democratic representation, specific regional structures should be taken into account. The general rule of higher tier authorities being direct participants is sensible, however other structures such as council fora could be considered to represent their memberships; clarity on how lower tier authorities are being explicitly represented should form a part of the boards' terms of reference or equivalent.

In terms of network representation, it is critical that all relevant networks are represented on the board: for example, if a RESP region crosses across a number of DNO networks, then all DNOs should be offered the opportunity to be represented.

In terms of cross-sector representation, specific regional groups should be accounted for as each regional board is developed. While adequate network representation will in itself touch multiple vectors, industry groups that have a role in decarbonisation could be effective members given their memberships impact on strategic energy planning. A nuanced and flexible approach to membership can build on guidelines provided to ensure each regions energy characteristics are reflected in board composition.

Q13. Do you agree with the adaptations proposed for Option 1? Please provide your reasoning.

We are broadly comfortable with the boundaries suggested in Option 1 recognising there is no perfect solution and other stakeholders are better placed to provide considered feedback on the ability of local actors to engage appropriately with the process.

Once the primary boundaries are confirmed it may be a useful exercise to assess where network infrastructure (at a GSP level) crosses these boundaries and set out a process for cross-RESP interaction.

Finally, and as noted in answers above, where boundaries cross more than one DNO area there should not be a 'lead' DNO and, as such, each DNO has the same level of input to the process.

Q14. Do you agree with our assessment that Option 1 is a better solution than Option 2? Please provide your reasoning.

We agree with the rationale for Option 1 as stated in the consultation.

Q15. Do you agree a single region for Scotland is optimal? If you think a two-region solution is better, do you agree the split should occur at the SSEN and SPEN DNO boundary? If not, please provide your reasoning and alternative option(s)

Our preference would be for two regions covering Scotland, with the split as suggested at DNO boundaries, however we consider that the perspective of other stakeholders, particularly those with a democratic mandate, is critical to building an institution with buy-in.

We believe a two region solutions benefits include being able to directly represent more of the 32 unitary authorities in Scotland at board level, and support more targeted activities relevant to the different characteristics of the potential northern and southern regions.

That said, if a single region option is chosen for Scotland, as proposed, then the number of stakeholders involved will be significant, inc. the volume of local authority involvement, and this could prove difficult to manage and coordinate. Therefore, consideration should be given to the RESP operating two sub-groups within the Scotland-wide structure that allows appropriate assessment and input at a sub-regional level, including two sets of working groups, and two complementary plans being facilitated by one NESO-led RESP management structure.

Another consideration for Scotland, is the increased engagement that will be required between Transmission and Distribution for both SPEN and SSEN, due to the 132kV system being considered transmission in Scotland, however, outside the scope of CSNP.