

Fiona Campbell
Ofgem
10 South Colonnade
Canary Wharf
London
E14 4PU.

Green GEN Cymru response to Regional Energy Strategic Plan policy framework consultation

Dear Fiona,

Thank you for the opportunity to reply to this important consultation. This response can be published in full on your website.

In addition to our responses below, we were delighted to participate in the Wales Government hosted event on the morning of Tuesday 17th September in Cardiff.

Executive Summary

We are very supportive of this initiative and would be delighted to play a role in the proposed Wales Region RESP group and also stay well engaged with the Strategic Spatial Energy Plan (SSEP) and the Centralised Strategic Network Plan (CSNP) noting - RESP is 1/3 of a three part planning process as outlined by you within the consultation document

“At a national level, the Strategic Spatial Energy Plan (SSEP) and the Centralised Strategic Network Plan (CSNP) and at a distribution level, the RESP. All three are to be delivered by the system operator and must coherently interact with one another.”

The proposed 3 part planning process outlined within this consultation MUST feed into the Planning and Consenting decision making process of the Wales and UK Governments. There are some good principles contained within this consultation but if Planning and Consenting is not joined up to the principles of SSEP, CSNP and RESP; they will ultimately be a waste of time and effort.

Green Generation Energy Networks Cymru (Green GEN Cymru) is part of the Windward Energy Group which was founded in 2018. The group is looking to invest over £3.6bn to unlock over 3GW of renewable energy in Wales by 2030.

Proudly based in Wales, Green GEN Cymru has been granted an Independent Distribution Network Operator (IDNO) Licence from Ofgem and is developing around 300km of new grid infrastructure to unlock Wales' energy capability and meet the future needs of its' people, communities, and businesses.

There's endless potential for renewable energy in Wales. We need to get it to the homes, hospitals, schools, businesses, and communities that require it. Green GEN Cymru's proposed green energy network responds to this challenge by supporting, accelerating and enabling Wales' net zero transition.

Connecting local generation to the National Grid is crucial for improving our energy independence and reducing our vulnerability to UK energy supply disruptions. As an IDNO, Green GEN Cymru will design, construct and maintain a new 132kV (132,000-volt) electricity distribution network which would allow direct connection of community and other renewable projects, while reducing pressure on the existing electricity grid, supporting energy resilience and enabling the rollout of green heating and electric vehicles.

The remainder of this document provides responses to the consultation questions and should you have any comments, queries or want to follow up please contact me as below.

Yours sincerely



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Consultation Questions & Responses

1. 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.

The 4 principles of (1) Be Place Based (2) Be Whole System (3) Be Vision Led and (4) be Proactive are sensible and should be consistent with the other two planning arms of the Strategic Spatial Energy Plan (SSEP) and the Centralised Strategic Network Plan (CSNP). To deliver the objective of a Whole System approach all three elements need to be joined up.

The proposed 3 part planning process outlined within this consultation MUST feed into the Planning and Consenting decision making process of the Wales and UK Governments. There are some good principles contained within this consultation but if Planning and Consenting is not joined up to the principles of SSEP, CSNP and RESP they will be a waste of time and effort.

2. 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.

Green GEN Cymru would support a long term regional vision alongside a series of short term and long term net zero directive pathways as this will allow IDNOs such as Green GEN Cymru to plan and invest for the long term with confidence and ensure minimal regret.

To inform the regional vision and net zero pathways, we must get regional stakeholders together to understand what existing information and data sets they have to support the vision principles.

There are two key challenges here.

First, local communities / regions may not support infrastructure to benefit the national net zero pathways and second, regardless of RESP, the planning and consenting processes will ultimately dictate the pace and nature of infrastructure to be built.

These two key challenges must be overcome for RESP to be a valuable contributor to our Wales and GB Net Zero ambitions.

Following on from these points, the definition of a region and the robustness of the inputs to that region are critical.

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

In principle, Green GEN Cymru would support the annual data refresh with a full RESP update every three years to ensure we capture timely and relevant inputs. However as a stakeholder and IDNO who may have to provide data to support the refresh, we would like to understand in more detail the procedure around this to understand resourcing requirements.

As stated earlier there should be a joined up approach to the other two pillars (SSEP and CSNP) of this planning process.

We are aware that the local authorities have developed Local Area Energy plans (LAEPs) and that the two Wales based DNOs have a lot of existing data and information already place. We recommend using these data sources plus information from us as an IDNO as a start point. This may improve the efficiency of data inputs for the Wales region.

4. 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

The expanded role of NESO should support a holistic view of power, transport and heat (whole energy system). It is best placed to inform identification of system need and co-ordinate responses, recognising that the NESO must take time to work with stakeholders who traditionally are not the DNO or TO such as IDNOs like Green GEN Cymru to ensure representation of the Wales region. In summary, The SSEP, CSNP and RESP should be key inputs to the NESO whole system requirements.

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

It is sensible that the NESO will provide technical co-ordination considering whole system engineering as this role would align with the NESO responsibilities. However as noted due to the expanded NESO role, the governance, accountability and areas such as dispute resolution would require to be set out in terms of reference.

6. 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?

The 3 building blocks of (1) modelling supply and demand (2) identifying system need and (3) technical co-ordination are a sensible starting point for the RESP.

In terms of modelling supply and demand, it is critical that “Peak” daily and seasonal demands and supplies are modelled which can be more important than “annual” analysis.

Our expectation is that as the framework develops, sub components will be developed within these main three areas that will be consulted on as next stages of the framework design.

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

Yes, we agree that the data inputs should be provided within a standard format to ensure cohesion. Incumbent on the NESO to provide clear instruction to the stakeholders regarding data types at an early juncture.

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

We have a few suggestions that should help the credibility of the inputs into the RESP

- a. A key requirement must be for the “source” of inputs to be documented.
- b. The capability and expertise the governance boards will be a key check to the credibility of the inputs and there should be accountability from the Board
- c. Always use data/inputs from a verifiable source
- d. Peer reviews of data could help the credibility of the inputs

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

In principle the framework of transparent, accountable, representative and co-ordinated is a sensible framework for local actor engagement. From an IDNO perspective which is planning to invest significantly in the Wales region, it would be useful to understand how we and other key Net Zero investors in Wales will be engaged to support the framework. As mentioned in our response to question 2, we need to make sure that the holistic outcome for GB Net Zero is front and centre of the aims so that local NIMBYISM does not prevent progress.

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

The outline principles and purpose were clear however it was unclear which groups would be included in the Strategic Board and what the responsibility of this board would be. It was suggested by NESO at the workshop on the 17th September that the Strategic Board wouldn't be able to decline a recommendation.

The roles and responsibilities of this board must be clear to ensure it then has the correct level of knowledge and experience on the board. This will promote robust outcomes for the region and the country as a whole.

11. 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 GGC would agree there should be democratic representation as outlined within the question. As a Wales based IDNO investing heavily to deliver the accelerated 2030 net zero ambitions, it is critical that the local actors are not just the regional DNOs and local authorities. We recommend that NESO arrange a workshop at the RESP to bring together the regional actors to aid in agreeing democratic representation.

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

There needs to be representation from the four main sectors, electricity, gas, heat and transport and policy representation of these areas. Building on our response to q11 above, there must also be representation outside of DNOs and Local Authorities. Specific responses for a Wales region are:

- Democratic – there are now Corporate Joint Committees - “CJCs” that are regional aggregations of several local authorities. We would not recommend 22 representatives for Wales (based on the number of local authorities. Perhaps 4 representatives; 1 for each CJC is the best way forward
- Network – there should be representatives from the 2 electricity DNOs and Wales and West Utilities (Gas). In addition, there must be a representative from an IDNO / disruptor who can add value to the RESP. We must not just limit network representation to the traditional DNOs.
- Cross Sector – There is a cross over here as Wales & West Utilities is the regulated Gas Distribution network for Wales but their Network provides heat and power. We must have representation from Power, Heat and Transport and there could also be relevant Gas “Independent” Networks that may add value. Transport is a tricky one as much of this is delivered by Non Network solutions but the aim is to get to Net Zero. We wonder if there is a role for a body like National Infrastructure for Wales, CBI Wales, Net Zero Industry Wales or Renewable UK Cymru to play a role here?

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

We were not part of the detailed workshops but the adaptations for England based on the narrative within the consultation appear sensible. We are not able to comment further on this.

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

We were not part of the detailed workshops but the adaptations for England based on the narrative within the consultation appear sensible. We are not able to comment further on this.

15. 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)

Green GEN Cymru is operating in Wales therefore no comment on this point.