

## Appendix 2- Strategic planning and the role of RESP

This appendix details some real-life examples of where the RESP could generate additional value, by presenting existing strategic planning processes and examples and highlighting the role RESP could undertake. Note this complements existing functional mapping, such as that in the Regen ENA report<sup>1</sup>, and those presented by NESO and Ofgem at industry groups. We believe these mappings can be a helpful starting point, and the specific touchpoints below are aligned to what Regen, NESO and Ofgem have presented.

### Building on our load planning process

We have identified 4 key interactions between our load planning process and RESP:

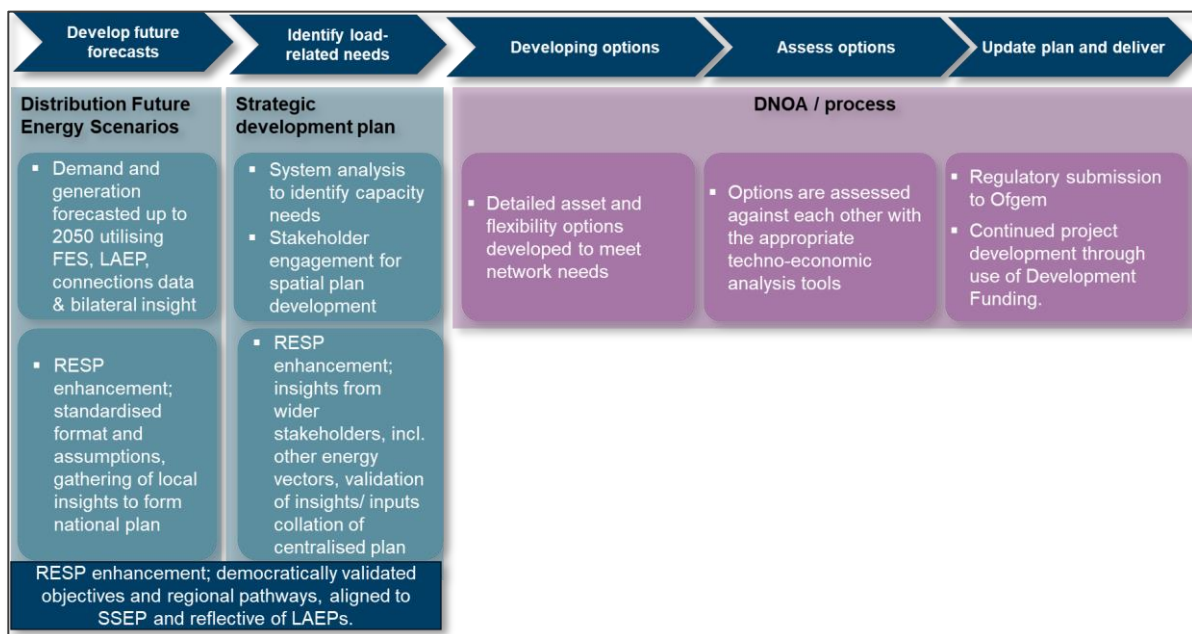


Figure 1- Future planning process from Distribution perspective

1. The RESP can readily enhance the strategic elements of our planning process
2. In turn our strategic planning process can inform each RESP through gathering of local insights and generation of detailed electricity network specific plans
3. Potential role for RESP in supporting setting a framework for economic analysis and understanding wider consumer value
4. Greater standardisation of the DNOs' DFES modelling

The RESP will have a much broader remit than interacting with DNO load related planning, however- and we see significant value to DNOs in RESP also acting as a **central repository of detailed regional decarbonisation plans**.

<sup>1</sup> [Regional Energy Strategic Planners \(regen.co.uk\)](https://www.regen.co.uk)

This facilitates two-way exchange of information and co-ordination of programmes allowing stakeholders to continue to engage directly. Moreover, the regional steering board comprises stakeholders from all these groups responsible for the development of their plans, ensuring those who will deliver the plan have a stake in its creation.

**Strategic Development Plans are a key channel for us to bridge regional strategies with local plans**, while demonstrating what electrical needs specifically are likely to be. SDPs therefore use LAEPs, and key available inputs from SDP equivalents in other sectors- like Industrial, Gas networks, Heat network, and Hydrogen plans.

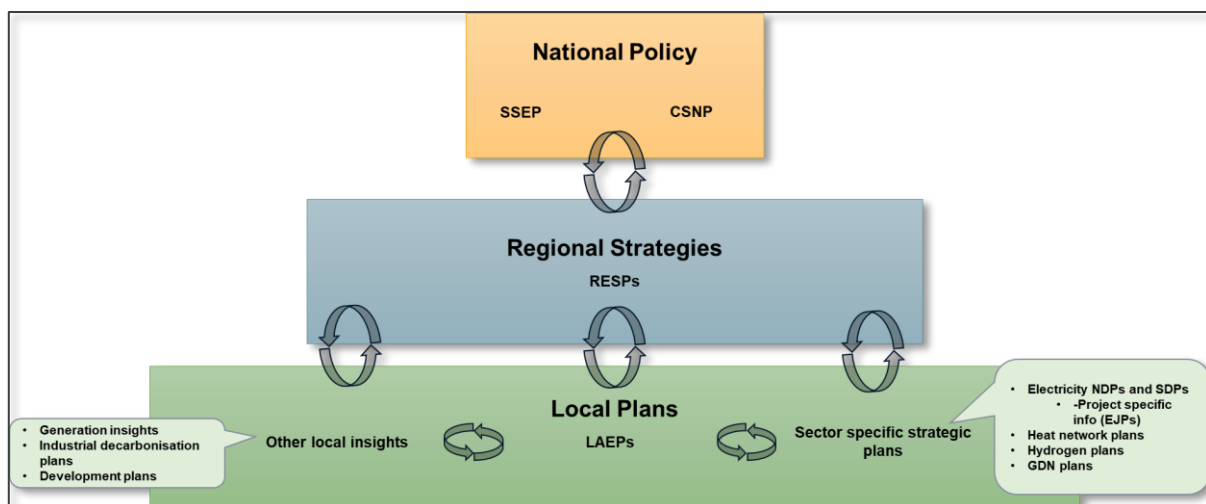
We have developed and consulted on an SDP methodology, and published 2 SDPs for consultation- all of which can be found in our DSO consultation library<sup>2</sup>.

### RESP structure can fit into existing industry frameworks

An intuitive way to understand the energy planning landscape is in terms of 3 layers- national, regional and local. Different energy vectors interact with all 3 layers, and plans iterate between the layers as bottom-up evidence and top-down priorities and targets are aligned.

In the middle layer, the RESP would cover individual sector strategies and plans, gathering evidence such as LAEPs from the local layer of planning, and providing a regional strategy that feeds into SSEP at the national layer.

The regions will each cover a wide geographic area; thus local plans will need to be fed in from parties planning at the local level, such as LAs and distribution networks. In the electricity distribution sector, SDPs will provide more detailed electricity context on an individual GSP basis. SDPs feed into and are informed by RESP on an iterative basis, as do LAEPs- but LAEPs are also represented in SDPs, so there are interactions both within and between layers to be fully mapped out.



*Figure 2- layered structure of local, regional and national energy planning*

### Strategic plans and RESPs role- SSEN case studies

The following three examples are intended to illustrate our current practices for delivering strategic plans that are cognisant of whole system considerations. In the tables, we outline what the value of our current processes is to stakeholders, and propose where the RESP can add further value.

#### 1. Hebrides and Orkney Whole System Uncertainty Mechanism

Through the HOWSUM project we have developed strategic plans for Scottish island groups to 2050. These have brought in a number of system needs including long term resilience and asset condition as well as load related

<sup>2</sup> [DSO Consultation Library - SSEN](#)

changes. **It is vital that the RESP recognises the efficiencies in developing strategies that consider these multiple needs cases.**

Demand forecasts have been built from our DFES projections but enhanced to consider local industries and specificities. Through working with the whisky industry we have been better able to understand their decarbonisation plans. **A framework that would allow more standardised and easier sharing of such insights could be of great benefit in improving this process.** This should also involve ensuring insights are robust and evidence-based

We have worked across energy vectors to develop whole system plans for HOWSUM. This has included discussions with SHE-T, SGN and hydrogen developers. **The accessibility to information and stakeholders, as well as more standardised data sharing would help make this process more informed and efficient.**

|                                 | Modelling supply and demand   | Identifying system need   | Technical coordination   |
|---------------------------------|---|---|--|
| What we deliver today           | <p>Demand forecasts were built from our DFES projections but enhanced to consider local industries and specificities.</p> <p>Through working with the whisky industry we have been better able to understand their decarbonisation plans</p>        | <p>Developed Strategic plans (SDPs) for Scottish island groups <b>to 2050</b></p> <p>These brought in system needs beyond capacity including <b>long term resilience</b> and <b>asset condition</b> as well as load related changes</p> | <p>We have worked across energy vectors to develop whole system plans for HOWSUM</p> <p>This has included discussions with SHE-T, SGN and hydrogen developers</p>  |
| What have stakeholders told us? | <p>Additional insights on plans for using system out to 2050 uncovered</p>  | <p>Validated the needs HOWSUM plan is setting out to address</p>  | <p>More coherent overall plans welcomed across T, Gas, Hydrogen</p>  |
| What can RESP add?              | <p>A framework that would allow more standardised and easier sharing of such insights could be of great benefit in improving this process</p> <p>Regional pathways that are aligned to SSEP, reflective of LAEPs, and democratically validated.</p> | <p>Recognition of an even broader set of needs cases</p> <p>Support identification and validation of strategic investment</p> <p>Definitions supporting how price control treats resultant investments/evidence requirements</p>        | <p>The accessibility to information and stakeholders, as well as more standardised data sharing would help make this process more informed and efficient</p> <p>The aggregation of the insights found here to broader regional and national fora and plans</p> |

## 2. West London

We have worked with the GLA over a number of years to facilitate more efficient connections for customers in West London. These relationships have been helpful in developing our strategic plans for West London. **The RESP needs to leverage and support existing relationships between stakeholders creating additional pathways for engagement where there is demonstrable value.**

Engagement with different stakeholders can vary and it is sometimes challenging for stakeholders to provide the information needed to develop best view plans. **The RESP can help standardise these approaches and increase stakeholder participation.**

|                                 | Modelling supply and demand   | Identifying system need   | Technical coordination  |
|---------------------------------|---|---|---|
| What we deliver today           | <p>GLA and borough councils feed information, including LAEPs into our DFES development work.</p> <p>We achieve this through formal data requests as well as targeted engagement through bilaterals, workshops, roadshows, and consultations.</p> | <p>We are developing Strategic plans (SDPs) for West London GSP to <b>2050</b>. The first of these, for Ealing GSP, is now published.</p> <p>These documents are beginning to generate consequential discussions on the spatial implications of future system needs allowing us to collectively form strategic plans.</p> | <p>Discussions with Transmission company to identify and alleviate queue issues.</p> <p>Engagement with neighbouring DNO on potential options to gather efficiencies.</p> |
| What have stakeholders told us? | <p>Engagement has highlighted additional projects/initiatives the council is seeking to drive. Discussions around the nature of planning scenarios have highlighted need for framework around inputs.</p>   | <p>Consultations on SDP and methodology have garnered significant engagement and feedback, demonstrating the accessibility of the SDP as an engagement tool.</p>  | <p>The local government stakeholders are aware of a wide array of energy projects including considerations around heat networks.</p>                                      |
| What can RESP add?              | <p>Provision of framework around inputs- how are they assessed, what data formats and repositories are used.</p>  | <p>Support identification and validation of strategic investment.</p>   | <p>A cross-vector convenor could help all develop common, coherent plans.</p>   |

### 3. Oxfordshire

Oxfordshire and related district councils have been really proactive in pulling together relevant stakeholders to help the county decarbonise. **RESP needs to learn from and leverage best practice and enhance rather than replace.**

There has been a need to facilitate greater understanding of the electricity sector amongst non-energy stakeholders. **The RESP can help through provision of support material and expert advice spanning multiple sectors.**

Oxfordshire, and other LAs have embraced LENZA and are using the tool to help build their LAEPs. **It is critical that the NESO facilitates such developments to allow GB to meet its 2030 ambition.**

|                                 | Modelling supply and demand  | Identifying system need  | Technical coordination  |
|---------------------------------|--|--|---|
| What we deliver today           | <p>Oxfordshire County Council and district councils feed information into our DFES development work.</p> <p>This is moving towards a greater LAEP focus through engagement and use of the LENZA tool, with associated training and support.</p> <p>Participation in a active space with many actors.</p> | <p>The LAs are really keen to see a more proactive approach to system development.</p> <p>We are now producing our first SDP involving Oxfordshire.</p>        | <p>We've Facilitated greater understanding of the networks sector amongst non-energy stakeholders. This includes roadshows, webinars and bilateral conversations. It also involves our work to get LAs onboarded onto LENZA and us it to develop LAEPs.</p> |
| What have stakeholders told us? | <p>Oxfordshire County Council and related district councils have been very proactive in involving other stakeholders in decarbonisation discussions. This allows for rounded whole system discussions.</p>   | <p>We've been informed that Oxfordshire is an area of considerable economic growth and that we need to take a more proactive view of future network needs.</p> | <p>Stakeholders really value a greater appreciation of the energy industry,</p>   |
| What can RESP add?              | <p>Learn from and leverage best practice and enhance rather than replace.</p>  | <p>Providing the governance channels to coordinate and validate energy needs for networks to address.</p>  | <p>The RESP can help through provision of support material and expert advice spanning multiple sectors.</p>   |