|  |  |
| --- | --- |
|  |  |

**Transport East response to the ‘Regional Energy Strategic Plan (RESP)’ policy framework consultation**

**08 October 2024**

**Submission by:** Dan Johnson, Principal Strategic Transport Planner

This consultation seeks views on the detailed policy design of the Regional Energy Strategic Plan (RESP), which were confirmed in Ofgem’s decision on the future of local energy institutions and governance, published on 15 November 2023. The [consultation document](https://www.ofgem.gov.uk/sites/default/files/2024-07/Regional_Energy_Strategic_Plan_policy_framework_consultation.pdf) outlines the purpose and scope of the RESPs and details a series of questions for consideration.

This paper sets out Transport East’s response to the proposed policy framework and seeks endorsement by the Transport East Board.

**Introduction**

Transport East, the Sub-national Transport Body (STB) for Norfolk, Suffolk, Essex, Thurrock, and Southend-on-Sea, welcomes the opportunity to provide input into the Regional Energy Strategic Plan (RESP) policy framework consultation. As an STB, we are committed to supporting the delivery of a sustainable, decarbonised transport system in alignment with the government's broader net-zero objectives. Transport East’s region encompasses key energy infrastructure with an overarching strategic priority to decarbonise transport by 2040, details of our Transport Strategy can be found [here.](https://www.transporteast.gov.uk/strategy/transport-strategy/)

Our response focuses on the integration of transport and energy systems, emphasising the importance of whole system planning and investment to unlock transport decarbonisation across the region. We support the RESP's objective of enabling investment ahead of need and ensuring coordination across multiple vectors, including electricity, heat, hydrogen, housing and transport. Below, we address the key aspects of the consultation, emphasising the synergies between transport and energy planning.

**Support for Whole-System Strategic Planning (Chapter 2)**

***Section summary***

*This chapter describes the design process to develop our proposed policy framework, including the significant stakeholder engagement programme. We set out our vision for the RESPs and proposed principles to guide the RESP methodology. We outline that we expect NESO will deliver the RESPs using a hub and spoke model. This chapter also considers the RESPs interactions with the wider planning landscape, including price control arrangements, local planning and national transmission level planning.*

We strongly support the RESP’s focus on whole-system planning, particularly its alignment with regional and local transport priorities. Noting the government’s ambition for increased housing growth and prioritisation of key infrastructure such as data centres. Our region hosts key transport infrastructure such as ports, airports, road and rail networks, all of which will require robust decarbonisation strategies and energy infrastructure development, particularly for the electrification of vehicles including cars, vans, HGVs, buses and rail, and the potential use of hydrogen for freight and maritime transport; as well as the need for alternative fuels to support the decarbonisation of aviation.

We agree with the guiding principles outlined for the RESP, including the emphasis on place-based and whole-system approaches. These principles are critical for ensuring that the unique characteristics and needs of our region are fully reflected in the RESP. Transport East believes that the RESP should facilitate strategic coordination between energy and transport infrastructure, particularly in areas where transport decarbonisation will drive increased electricity demand, such as electric vehicle (EV) charging and rail electrification.

**Recommendation:** We propose that the RESP methodology explicitly consider transport decarbonisation as a core vector in energy planning, with strategic investment in electricity grid infrastructure to support the widespread deployment of EV charging networks and hydrogen refuelling stations.

**Modelling Supply and Demand for Transport Energy Needs (Chapter 3)**

***Section summary***

*This chapter sets out our proposals for the key building blocks of the RESP - modelling supply and demand, identifying system need and technical coordination. We also propose a framework of support to enable local government to participate in strategic energy planning.*

Transport East recognises the importance of accurately modelling supply and demand to inform strategic energy planning. The growth in EVs, rail electrification, and hydrogen infrastructure support the delivery of housing and economic growth but place significant demands on the region’s energy system. We support the proposal for NESO to develop long-term regional energy pathways and believe that these pathways must incorporate detailed projections for transport energy demand.

The proposed timescales for short and long-term pathways are noted and these should be sufficient to accommodate the current variability in local plan periods and government funding for the Strategic Road and Rail networks, and infrastructure funding. This will also accommodate the governments targets to end the manufacture of petrol/diesel cars and HGVs (up to 26 tonnes) by 2035.

Transport East is keen to understand the long-term energy requirements of our regional transport network. In particular, the RESP must address:

1. The growing need for electricity to power EVs and electrified public transport.
2. Hydrogen as an emerging solution for heavy goods vehicles (HGVs) and maritime transport.
3. The need for alternative fuels to support the decarbonisation of aviation and delivery of public transport in rural areas, where preferred fuel types have not yet been established.
4. The role of local and regional authorities in planning for transport energy infrastructure, such as EV charging stations and hydrogen refuelling.

**Recommendation:** The RESP should model transport-related energy demand as a key component, with pathways reflecting regional transport decarbonisation targets. Local authorities should be supported in developing transport energy infrastructure aligned with net-zero pathways, ensuring that the grid can accommodate increased demand.

**Strategic Investment in Energy Infrastructure to Support Transport (Chapter 3)**

The Transport East region requires significant investment in energy infrastructure to support transport decarbonisation, including grid upgrades, EV charging infrastructure, and hydrogen production and distribution facilities. The region is already a hub for offshore wind, and we believe that the RESP should capitalise on this potential to deliver renewable energy for transport and wider uses in the region.

**Recommendation:** We encourage Ofgem and NESO to prioritise investment in energy infrastructure that will support the decarbonisation of transport networks in Norfolk, Suffolk, Essex, Thurrock, and Southend-on-Sea. This should include strategic investments in grid capacity, particularly in areas with high transport demand, such as ports, airports, major road and rail networks, and logistics hubs.

**Engagement and Governance (Chapter 4)**

***Section summary***

*This chapter sets out proposals that each region should have a Strategic Board to facilitate transparency, heighten visibility of regional priorities and provide oversight of the RESP. The Strategic Board is proposed to be made up of local democratic (upper tier authorities) and network company representatives. Alongside the Strategic Board, forums such as working groups are considered vital to gathering place-based views and data, weighing-up technical feasibility and cross-vector optimisation.*

Transport East supports the creation of a Strategic Board to oversee the development of the RESP. Given the critical role that transport plays in the energy system, we propose that STBs like Transport East have a formal role in this governance structure. The representation of transport bodies on the Strategic Board will ensure that transport decarbonisation is fully integrated into regional energy planning.

**Recommendation:** Transport East recommends that Sub-national Transport Bodies (STBs) be formally represented on the Strategic Boards for their respective regions. This will ensure that transport decarbonisation objectives are aligned with energy system planning, and that transport priorities are reflected in strategic decisions about energy infrastructure investments.

More detail is needed on the approach and decision-making process for RESPS to navigate ‘trade-offs’ and how this will be managed across the public/private sector demands and impacts on the delivery of government policy; in addition to the need for a transparent process by NESO in determining the final decision. Also, whether this is solely within or between regions.

**Regional Governance Boundaries (Chapter 5)**

***Section summary***

*This chapter sets out proposals for regional boundaries: one region covering Wales, one covering Scotland, and nine in England. Two options are provided for England, with explanatory text evidencing preference for Option 1 – adaption of earlier proposals based on the Sub-national Transport Body (STB) boundaries.*

We welcome the alignment of RESP boundaries with existing STB boundaries, as this will facilitate integrated planning across transport and energy systems. The decision to align RESP regions with Transport East’s boundary will enable more coherent and effective planning for both transport and energy decarbonisation across the region.

**Recommendation:** We support the proposed regional governance boundaries and emphasise the need for continued collaboration between energy and transport stakeholders to ensure that regional plans are aligned and mutually reinforcing.

**Conclusion**

Transport East is committed to working closely with Ofgem, NESO, and other stakeholders to ensure that the RESP delivers a robust, coordinated strategy for the decarbonisation of both transport and energy systems in Norfolk, Suffolk, Essex, Thurrock, and Southend-on-Sea, in addition to supporting housing and economic growth across the region. By integrating transport energy needs into the RESP and ensuring strategic investment in supporting infrastructure, the transition to net zero becomes deliverable and will secure long-term benefits for the region’s economy and environment.

More detail is needed on the approach and decision-making process for RESPS to navigate ‘trade-offs’ and the need for a transparent process by NESO in determining the final decision.

We look forward to continued collaboration and are happy to provide further input as the RESP policy framework evolves.