

## **ESO RESP Licence Condition**

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Condition C19

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## **Condition C19**

### **Introduction**

C19.1 The purpose of this condition is to set out the obligation of the licensee to develop a Regional Energy Strategic Plan (RESP) for each RESP Region and a RESP Methodology, including setting out:

- (a) in Part A, the requirement to create RESPs and a RESP Methodology;
- (b) in Part B, the process for the Authority to issue and amend RESP Guidance;
- (c) in Part C, the development and approval process for the RESP Methodology;
- (d) in Part D, the approval process for the RESPs; and
- (e) in Part E, the publication of the RESPs.

### **Part A: Requirement to create a Regional Strategic Energy Plan and a RESP Methodology**

C19.2 The licensee must, in accordance with the RESP Guidance:

- (a) develop and publish a RESP Methodology;
- (b) develop and publish a RESP for each RESP Region; and
- (c) carry out assurance activities following the creation of the RESPs in line with C19.10.

C19.3 The licensee must, in accordance with the RESP Guidance:

- (a) establish a National Steering Committee to provide strategic oversight and national-level coordination of strategic energy planning; and
- (b) establish a Strategic Board for each RESP Region and seek its recommendation and approval in line with C19.26 at key decision-points in the RESP development process.

C19.4 In the development of each RESP and in accordance with the RESP Guidance, the licensee must:

- (a) draw from relevant datasets and undertake stakeholder engagement to develop a Regional Context;
- (b) conduct spatial modelling of future energy supply and demand to develop a single short-term Pathway over a 10-year time horizon and multiple long-term Pathways;
- (c) produce an accessible geospatial tool to show Pathways against network capacity data to develop a Spatial Context;
- (d) identify and develop a Specification of Strategic Investment Need; and
- (e) develop a set of Consistent Planning Assumptions.

C19.5 To support the development of each RESP and in accordance with the RESP Guidance, the licensee must:

- (a) actively seek to resolve gaps and inconsistencies in plans within and between RESP Regions and identify opportunities for whole-system optimisation; and
  - (b) develop structured, transparent and accessible routes for stakeholder engagement in each RESP Region and develop proportionate forms of support for local government to engage in the development of the RESP.
- C19.6 During the development of the RESPs and in accordance with the RESP Guidance, the licensee must use best endeavours to operate in an efficient manner when requesting the provision of Intelligence, including providing reasonable requirements regarding the timescale, format, and quality of the Intelligence.
- C19.7 During the development of the RESPs the licensee must maintain the confidentiality of any Intelligence provided to it by a stakeholder.
- C19.8 During the development of the RESPs and in accordance with the RESP Guidance, the licensee must consult;
  - (a) the Authority;
  - (b) holders of an Electricity Distribution Licence;
  - (c) holders of a Gas Transporter Licence with Distribution Networks;
  - (d) persons as set out in the RESP Methodology;
  - (e) publicly, other persons and parties that might be interested in the development of the RESPs;
  - (f) the relevant Strategic Board; and
  - (g) the National Steering Committee.
- C19.9 The consultation in accordance with paragraph C19.8 must be of such a form and duration to reasonably allow all parties set out in paragraph C19.8 to provide representations.
- C19.10 Following the creation of the RESPs, the licensee must, in accordance with the RESP Guidance, carry out a targeted review of relevant gas and electricity distribution networks' load-related investment plans to assure alignment with the relevant RESPs.

## **Part B: Regional Energy Strategic Plan Guidance**

- C19.11 The Authority may issue and amend the RESP Guidance by direction.
- C19.12 The RESP Guidance will contain, but not be limited to:
  - (a) instructions and detailed guidance on the process, content, governance arrangements and timeframe for publishing the RESP; and
  - (b) instructions and detailed guidance for the process, content, and publication of the RESP Methodology.
- C19.13 Before directing that the RESP Guidance comes into effect, the Authority will publish:

- (a) the text of the proposed RESP Guidance; and
- (b) the period during which representations may be made, which will not be less than 28 days.

C19.14 Before directing any amendment to the RESP Guidance, the Authority will publish:

- (a) a consultation on the text of any amendments to the RESP Guidance;
- (b) the date on which the Authority intends the amendments to come into effect; and
- (c) the reasons for any amendment.

C19.15 The consultation in accordance with C19.13 and/or C19.14 must be of such a form and duration to reasonably allow all parties set out in paragraph C19.8(b)-(g) to provide representations.

C19.16 The requirement of paragraph C19.13 may be satisfied by actions taken before or after this licence condition comes into effect.

### **Part C: Development and Approval of the RESP Methodology**

C19.17 By 30 April 2026 and by 30 April of every third year thereafter, unless otherwise directed by the Authority, the licensee must publish the RESP Methodology.

C19.18 During the development of, and prior to submitting the proposed RESP Methodology to the Authority pursuant to paragraph C19.21 and C19.22, the licensee must consult:

- (a) the Authority;
- (b) the Secretary of State;
- (c) holders of an Electricity Distribution Licence;
- (d) holders of a Gas Transporter Licence with Distribution Networks; and
- (e) publicly, other persons and parties that might be interested in the development of the RESP Methodology.

C19.19 The consultation in accordance with paragraph C19.18 must be of such a form and duration to reasonably allow all persons and parties set out in paragraph C19.18 to provide representations.

C19.20 The requirement of paragraph C19.18 may be satisfied by actions taken before or after this licence condition comes into effect.

C19.21 By 31 January 2026 and by 31 January of every third year thereafter, the licensee must (unless otherwise directed by the Authority) submit to the Authority and the Secretary of State for approval the proposed RESP Methodology.

C19.22 Submissions made under paragraph C19.21 must include:

- (a) a detailed explanation of the consultation process undertaken in the development of the RESP Methodology;
- (b) a summary of views from all parties and an explanation of how these were considered in the development of the RESP Methodology; and
- (c) copies of any formal responses submitted to the licensee as part of its consultation process.

C19.23 The Authority and the Secretary of State may on receipt of a submission under paragraph C19.21 either:

- (a) approve the proposed RESP Methodology (or any revised version); or
- (b) give a direction to the licensee that the new (or revised) RESP Methodology requires further development, and the date by which the licensee is required to submit a revised RESP Methodology to the Authority and the Secretary of State for approval.

#### **Part D: Approval of the Regional Energy Strategic Plans**

C19.24 By 30 September 2027 and by 30 September of every third year thereafter, the licensee must submit each proposed RESP to the relevant Strategic Board for approval.

C19.25 Submissions made under paragraph C19.24 must include:

- (a) a detailed explanation of the consultation process undertaken in the development of the RESPs;
- (b) a summary of views from all parties and an explanation of how these were considered in the development of the RESPs; and
- (c) copies of any formal responses submitted to the licensee as part of its consultation process.

C19.26 The licensee must, in accordance with the RESP Guidance, use reasonable endeavours to ensure the Strategic Board on receipt of a submission under paragraph C19.24 either:

- (a) in the event of a clear representative majority approve the proposed RESP;  
or
- (b) in the absence of a clear representative majority submit the proposed RESP to the Authority for consideration.

C19.27 The Authority may on receipt of a submission under paragraph C19.26(b) either:

- (a) approve the proposed (or revised) RESP; or
- (b) give a direction to the licensee that the proposed (or revised) RESP requires further development, and the date by which the licensee is required to submit a revised RESP to the Authority for approval.

## **Part E: Publication of the Regional Energy Strategic Plans**

C19.28 By 31 December 2027 and by 31 December of every third year thereafter, the licensee must publish a RESP for each RESP Region in accordance with the latest RESP Methodology unless another date has been directed by the Authority.

C19.29 The licensee must publish the RESPs and supporting material as described in C19.25 on its website in an accessible format.

## Interpretation and Definitions

**Consistent Planning Assumptions** means a component of each RESP developed by the licensee which provides consistent network planning assumptions to ensure consistent derivation of network requirements resulting from the RESP Pathways.

**National Steering Committee** means a governance body that involves, at a minimum, the Authority, the licensee, and the Secretary of State who together provide strategic oversight, expertise and advice during development of the RESP Methodology and the RESPs and to assure national-level coordination.

**Pathway** means a component of each RESP which provides a spatially modelled projection of energy demand and supply over the RESP Region developed by the licensee in line with the RESP Guidance.

**Regional Context** means a component of each RESP which provides a long-term view of regional conditions and priorities in the RESP Region developed by the licensee in line with the RESP Guidance.

**Regional Energy Strategic Plan (RESP)** means a whole-system energy plan developed for a RESP Region by the licensee comprised of a Regional Context, a single 10-year Pathway and multiple longer-term Pathways, a Spatial Context, a Specification of Strategic Investment Need, and Consistent Planning Assumptions. The plural acronym RESPs is used to refer to multiple Regional Energy Strategic Plans.

**RESP Guidance** means the document of that name issued by the Authority from time to time pursuant to condition C19.11.

**RESP Methodology** means the methodology of the name describing how the licensee will develop RESPs, approved by the Authority, in accordance with condition C19.17.

**RESP Region** means a geographic area, as defined in the RESP Guidance, for which a RESP is developed.

**Spatial Context** means a component of each RESP which provides a geospatial view of RESP Pathways against network data indicating network capacity requirements over the RESP Region developed by the licensee in line with the RESP Guidance.

**Specification of Strategic Investment Need** means a component of each RESP developed by the licensee in line with the RESP Guidance which provides itemised specification of areas of strategic network investment need within the RESP Region which are of high economic and/or system value and necessary to the delivery of regional priorities as defined by the Regional Context.

**Strategic Board** means a governance body for the delivery and approval of each RESP that involves Distribution Network Operators (DNOs), Gas Distribution Networks (GDNs), devolved and local governments, and



regional cross-sector bodies to provide oversight and steer to the RESP development process.