
Consultation - Draft Centralised Strategic Network Plan Guidance

Response from The Crown Estate

1st September 2025

1. Summary

The Crown Estate welcomes the publication of Ofgem's consultation on the Draft Centralised Strategic Network Plan (CSNP) Guidance. We believe that an effective and deliverable CSNP is one which is firmly established within a coordinated, plan-driven framework that is closely aligned with the outputs of SSEP and wider spatial plans. Given that our seas and coasts are increasingly important in the context of our national electricity transmission system, this should include marine spatial plans.

A comprehensive and deliverable whole-system planning approach will require alignment and coordination across all key organisations, including, regulators, Government, system planners and seabed leasing authorities. This is particularly pertinent as the seabed leasing process is recognized as a catalysing step in the end-to-end delivery of any potential coordinated offshore network development.

Decisions regarding seabed spatial planning and leasing will be most effective if they are informed by, and in turn inform, broader system planning frameworks. This requires an integrated governance model that includes, spatial planning and seabed leasing and for this reason we advocate that seabed leasing authorities are appropriately represented in the CSNP governance arrangements.

Such a model will provide developers, investors, and consumers with increased confidence in the need case, deliverability and cost-effectiveness of offshore transmission networks, while ensuring that environmental and social considerations are integrated from the beginning.

2. The Crown Estate

Who we are

The Crown Estate is a purpose-driven and unique business with a diverse portfolio. We manage the seabed and around half the foreshore in England, Wales and Northern Ireland, playing a fundamental role in the sustainable development of these important national assets and using data and evidence to facilitate co-location and greater spatial coordination between activities.

Our ownership also includes a substantial rural portfolio, including the world-renowned Windsor Great Park. Alongside this, we operate some of central London's best places to work, shop and experience, as well as regional retail and leisure destinations across the country.

Established by an Act of Parliament, The Crown Estate works to create social, environmental and financial value, both now and for the future, for its customers, partners and the nation. We return 100% of our net revenue profit for the benefit of the nation, contributing £4 billion to the public purse over the last ten years.

Our purpose

As a business, we actively deliver against our purpose, which is to create lasting and shared prosperity for the nation. We believe we are well placed to create financial, environmental and social value holistically today and for future generations, by drawing upon our unique attributes to address long-term trends and national needs. Combining our independence and scale of ownership with our ability to convene multiple stakeholders and take a long-term view with patient financial capital, we can play a significant role in creating and accelerating new opportunities – including for the growth of renewable energy. We drive our purposeful activity through three strategic objectives, to:

- Take a leading role in stewarding the UK's natural environment and biodiversity,
- Be a leader in supporting the UK towards a net zero carbon future,
- Help create thriving communities and renew urban centres across the UK and
- Responsibly generate value and financial returns for the country

3. Our response

The response to the questions focusses on those of most relevance to The Crown Estate, this includes the offshore network considerations, for both electrical transmission and future hydrogen networks.

Question 2: Do you agree that Chapter 3 – general requirements applying to all CSNP stages – adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree

The general structure and approach to the requirements applying to the CSNP stages are well considered. However, with regards to the governance and stakeholder engagement, we would welcome a deeper recognition of the seabed leasing authorities throughout the process. The CSNP methodology draft as proposed by NESO, and the SSEP methodology have clear recognition of the seabed leasing bodies in the process, and we would welcome Ofgem review the current Guidance in order to more clearly draw out the role of the seabed leasing authorities throughout the process and the expectation on the licensee to integrate seabed leasing considerations into the CSNP methodology.

In this context, and as raised in our feedback to the Draft CSNP Methodology proposed by NESO, we would welcome Ofgem's Guidance to recommend the specific establishment of sub-groups or Governance equivalent which explicitly cover the offshore and onshore/offshore design elements. This can provide the clear link between NESO, Delivery Bodies and Seabed Leasing Authorities which can give confidence on feasibility and deliverability.

Question 3: Do you agree that Chapter 4 – Stage 1: model future energy supply and demand – adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.

We support the guidance which clearly sets out how the licensee should consider data from other sources to inform the CSNP analysis. The ability for the CSNP methodology to be flexible and adaptable to include emerging spatial and system models and analysis was a key observation we raised in response to NESO's draft CSNP methodology.

The Crown Estate are developing a cross-sectoral Marine Delivery Routemap which looks at the seabed spatial scenarios, including constraints, across sectors out to 2050. This includes energy sectors but also wider sectors such as nature, defence, fishing and shipping. We would see this advanced modelling capability as a key input which can both inform the formation of the offshore elements of the CSNP, and support the Delivery Bodies in the detailed offshore design (post CSNP) and in change control. We believe that a CSNP properly informed by a systemic view of marine constraints will carry materially lower delivery risk.

As such we would welcome the Guidance recognise that other sources of input for the CSNP methodology should include other strategic spatial model sources which may be broader than energy system inputs.

Question 5: Do you agree that Chapter 6 - Stage 3: identifying options - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.

We would welcome explicit reference in the Guidance that the licensee should consider the offshore hydrogen network and storage options as well as the onshore elements. This will support seabed leasing authorities in optimising the spatial design for the seabed to support the energy transition.

We understand that there is appetite for offshore hydrogen storage in salt caverns and geological reservoirs – much of this interest is proximal to current industrial hubs which the draft CSNP methodology identifies as early movers in development of hydrogen transport and storage networks.

Broadening the scope to offshore later in the process or in future iterations of the CSNP may result in inefficiencies or design rework, especially as the potential offshore sites may be relatively proximate to production.

We suggest the Guidance clearly state the methodology for identifying future offshore hydrogen storage opportunities, and specify the trigger points and minimum criteria for expanding the geographical network into the UK offshore.

Naturally, this would unlock a new suite of stakeholders and considerations, which would include seabed rights from The Crown Estate. As such, in the context of identifying the trigger points to expand the scope offshore, we would welcome the Guidance to acknowledge the need for the methodology to consider key offshore spatial and sectoral stakeholders.

Question 8: Do you agree that Chapter 9 - Stage 6: handover to a delivery body - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree

Learning from experiences in the Floating Wind Offshore Leasing Round 5 process, and from the HND and HND FUE exercises, one key parameter for success is the collaboration between, seabed leasing authorities, NESO and network owners/delivery bodies to develop a combined consensus-based technical outcome.

This relies on a collaborative and complimentary approach, especially from NESO and the delivery bodies/network owners. Outcomes of which prevent duplication and ensure a shared approach. Whilst the CSNP Guidance may be a good point to embed the expectation for technical collaboration and appropriate capability development for

the CSNP licensee – a commensurate approach outside of this consultation should also be considered within the Network Owners licence.

As noted earlier in the response, we would welcome a clearer expectation in the guidance and recognition of the role of the seabed leasing authorities in the handover process and change control procedures with delivery bodies. This can ensure the offshore design is deliverable from a seabed leasing perspective. Ideally, as trailed previously, an offshore subgroup would create the conditions for early designs to be discussed and informed by seabed leasing bodies and delivery bodies ahead of handover. This will result in higher confidence from all parties on design feasibility and deliverability.

Similarly, for the change control mechanism specifically, as identified in paragraph 9.24, we would welcome explicit reference for seabed leasing authorities within the minimum expectations for the licensee. This will help ensure any changes are feasible and deliverable from a seabed leasing perspective.

Question 9: Do you agree that Chapter 10 - Other planning roles in CSNP - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree

We are supportive of the Guidance's specific consideration of interconnectors and offshore hybrid assets to inform the licensee's CSNP methodology design. We have two comments which we would welcome clarity in the guidance:

- **Compatibility with European Network Plans and Processes** – we would welcome the Guidance set more specific expectation for the licensee to consider the compatibility of the CSNP (deliverables and timings) with the ENSTO-E TYNP processes and methodologies. This would help inform both processes in the practicalities of integrating across a wider European North Sea approach.
- **Delivery Phase for OHAs** – Given the complexity of OHA projects, practically the evaluation of OHA in the CSNP could disproportionately slow down the CSNP process (with implications for leasing) – as such we would welcome Guidance which frames the CSNP methodology and output as a clear signal to initiate and steer the OHA opportunity (including identifying key spatial (seabed) areas)). Furthermore, we would welcome Ofgem & NESO to consider a separate subsequent Delivery Body phase for OHAs (similar to the pilot MPIs window) which allows OHA opportunities to be identified, further evaluated and coordinated across borders – allowing the multiple complex cross-border factors to be best considered and delivered against.

Question 10: We're proposing that offshore connections should be planned within the scope of the CSNP. We set out our requirements on the licensee with regards to this additional scope (see chapter 10: Electricity - offshore network planning in the CSNP). What are your views on this proposal?

We are highly supportive of Ofgem's changed approach when considering expectation for the CSNP to inform and steer future iterations of strategic generation and demand connection offshore. Learning from the HNDPUE and the grid design considerations for offshore wind Leasing Round 5, we have worked closely with the licensee to continue to inform and develop the offshore approach. We strongly welcome the detailed offshore consideration in the draft CSNP methodology.

We support the inclusion of the consideration for electrical and spatial coordination. We would welcome the Guidance and the CSNP methodology to introduce more specific reference to delivery coordination. This can encompass coordination during the delivery phase, including consenting and supply chain mobilisation. This would be most successful if it was to be codeveloped with NESO, TOs, delivery bodies, regulatory authorities and leasing authorities.

4. Concluding remarks

We trust that you will find our comments on the consultation constructive. We would be willing to engage further and provide additional information on any of the points we have raised.

All of this response may be put into the public domain and there is no part of it that should be treated as confidential.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Chris Gent".

Chris Gent,
Energy Policy Manager, Marine