

Doc Type: Cover email/response to RIIO-2 Framework Consultation 2018
(with attachment)

Organisation/Company: Liverpool City Council

Please find attached a collective response from the Core Cities group in response to the above consultation.

As the Core Cities Energy and Low Carbon Group, representing Birmingham ,Bristol, Cardiff, Glasgow, Leeds, Liverpool, Manchester, Newcastle, Nottingham & Sheffield, we supported the original Ofgem discussions with Treasury, DECC, GLA and No 10 Policy Unit that lead up to this consultation. The attached position paper was our collective review of the current position in February 2015. We would now wish to formally submit this paper to Ofgem as background information to support your consultation.

In summary, our position taken from the position paper is:

THE CORE CITIES PROPOSAL TO DECC, TREASURY AND OFGEM

Core Cities is a unique network of cities in the UK. The Core Cities, individually and collectively, provide the opportunity to deliver progress at significant scale. The Core City Low Carbon and Energy Portfolio Group are keen to see real and rapid action to realise working solutions to the problems of Distribution Connections. We do not believe that effective solutions can be negotiated or trialled solely with the District Network Operators.

The Core Cities group wishes to develop a programme of work to:

- 1. Work with Ofgem and others to take through a number of worked examples to the next stage of pre- operational development and establish the criteria by which:**
 - a. A RAV type model could be developed, in particular to better understand the financial benefits to the DNO businesses of an improved asset base and whether the DNO could therefore justifiably offset any residual risk to consumers.**
 - b. The development of a DEVCO example, outside of London, to determine whether the financial value to a local developer is sufficient to justify the premium on connection charges and special connection regime required in the DEVCO model.**

- 2. Subject to funding and licensing requirements, trial the current Liverpool Anticipatory Automated Planning model with one other Core City and with a different DNO to determine how acceptable and robust criteria for the incorporation of Local Authority forward planning data can be developed.**
- 3. Subject to funding being available, commission expert advice to enable a fuller understanding the overall anticipated investment need of the DNO networks within the Core Cities.**

We remain keen to work with you to find solutions to those areas where Distribution Connections are seriously limiting economic regeneration aspirations and would welcome a formal response to these proposals.