

T: 0300 244 2947  
E: leigh.rafferty@gov.scot

RIIO-ED1 team  
By email only:  
[RIIO-ED1@ofgem.gov.uk](mailto:RIIO-ED1@ofgem.gov.uk)

24 June 2019

Dear Colleagues,

I am responding on behalf of the Scottish Government to Ofgem's informal consultation on SPENs proposed RIIO-ED1 price control reopener to fund the 'Accelerated Electric Vehicle Investment High Value Project'. **We support the principle of investing ahead of need, where appropriate, in order to facilitate the growth of electric vehicle numbers. We believe this is a critical aspect of delivering an electricity distribution system capable of supporting our energy and transport ambitions.**

We believe that, given the global climate emergency and the need for a co-ordinated response, we all have a duty to act accordingly. The Scottish Government has already amended its Climate Change Bill to set a net-zero target for 2045. A key element in delivering this will be decarbonising transport; it is crucial that the electricity network is able to support the increasing demand for electricity created by the increasing uptake of electric vehicles.

We are conscious of the need for innovative approaches to reduce the need for investment in grid upgrades, and the benefits that this approach will bring consumers. However, we are equally conscious of the potential damage to consumer confidence that any network reliability issues could cause, and which could arise if the grid is not fit-for-purpose and is unable to support real-time increased demand for electricity as a result of electric vehicles.

The Scottish Government has clear ambitions for Scotland to take a lead role in promoting electric and other low-emission vehicles,<sup>1</sup> and is taking specific actions to support the delivery of an accelerated rollout of electric vehicles in Scotland – I set out further detail on

---

<sup>1</sup> This ambition is set out in *The Scottish Energy Strategy*, December 2017. Available here: <https://www.gov.scot/Publications/2017/12/5661/downloads>.

this in the annex to this letter. We think that the evidence SPEN presents fairly and accurately reflects our position, and the actions we are taking to deliver our ambition.

To achieve this transition seamlessly, we believe it is crucial that Ofgem recognises, and appropriately takes in to account, Scotland's accelerated timetable when assessing proposals from Scottish network owners. This means considering very seriously the request submitted by SPEN; network companies must be able to secure the funding required to develop the infrastructure in a timely manner in order to support the level of consumer uptake of electric vehicles north of the border.

Kind regards,



**Leigh Rafferty**

Head of Electricity Markets and Regulation Policy

## Annex – The case for accelerated investment in Scotland

### *The Scottish Energy Strategy*

**The Scottish Energy Strategy** (our Strategy)<sup>2</sup> sets out the Scottish Government’s ambition for Scotland to take a lead role in promoting electric and other low-emission vehicles, **with a target to phase out the need for new petrol and diesel cars and vans by 2032**. In meeting this commitment, we will:

- Expand our electric charging infrastructure between now and 2022, making ‘range anxiety’ a thing of the past in Scotland;
- Work with each of our delivery partners to create Scotland’s first ‘electric highway’ on the A9, with charging points along the route;<sup>3</sup>
- Accelerate the procurement of ULEVs in the public and private sectors, transforming car and van fleets by the mid-2020s and commercial bus fleets by the early 2030s;
- Introduce large scale pilots across the country, removing barriers and encouraging private motorists to use ULEVs;
- Address the particular challenges to expanding the charging infrastructure in Scotland, such as charging in tenement properties; and
- Take steps to better integrate electric vehicle policy within wider energy systems policy including renewable generation and energy storage systems.

To enable this, we must also develop and manage the necessary charging and other network infrastructure, while building confidence on the part of consumers – failure to deliver the former could have a severe and adverse effect on the latter.

### *Actions we are taking to support EV uptake*

We regularly discuss these issues with Scotland’s network operators, and there are a number of specific actions that the Scottish Government, Transport Scotland and other Scottish stakeholders are doing to support the uptake of EVs, over and above activity at a UK level. It is important for Ofgem to be aware of these when considering proposals from Scottish network companies:

- **ChargePlace Scotland** – ChargePlace Scotland is a national network of electric vehicle charge points available across Scotland. We have developed this through grant funding to of Local Authorities and other organisations to install publically available charge points.<sup>4</sup>
- **Domestic funding** – on top of the £500 OLEV grant currently available to fund the installation of a home charge point, the Energy Saving Trust will provide an additional £300 grant, funded by Transport Scotland,<sup>5</sup> towards installing home charge point.<sup>6</sup> Interest-free loans, again funded by Transport Scotland, are also available to cover

---

<sup>2</sup> The Scottish Energy Strategy, Scottish Government, December 2017. Available here: <https://www.gov.scot/Publications/2017/12/5661/downloads>.

<sup>3</sup> More information on the ‘Electric A9’ is available here: <https://chargeplacescotland.org/electrica9/>

<sup>4</sup> More information on ChargePlace Scotland is available here: <https://chargeplacescotland.org/>.

<sup>5</sup> Transport Scotland is an agency of the Scottish Government.

<sup>6</sup> Detail on funding available can be found here: <https://www.energysavingtrust.org.uk/scotland/grants-loans/domestic-charge-point-funding>.

the cost of purchasing a new electric or plug-in hybrid vehicle, or a new electric motorcycle or scooter.<sup>7</sup>

- **Race to net zero** – Scotland’s largest two cities, Glasgow and Edinburgh,<sup>8</sup> have recently unveiled ambitious plans in a race to become the UK’s first net-zero city – decarbonising transport will be a large part of this.

In order to achieve our goals, we need the actions that we can take within our devolved powers to be supported by a regulatory regime that recognises the different level of ambition and pace of change that exists in Scotland.

---

<sup>7</sup> Detail on funding available can be found here: <https://www.energysavingtrust.org.uk/scotland/grants-loans/electric-vehicle-loan>.

<sup>8</sup> Edinburgh has set a target of 2030, whereas Glasgow, the UK’s third-largest city, has pledged to be first.