

# Future arrangements for the electricity system operator: its role and structure

## Response on behalf of the Solar Trade Association

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### About us

We are a not-for-profit trade association representing both the solar heat and solar power sectors in the UK. We are funded entirely by our membership, which includes installers, manufacturers, distributors, large-scale developers, investors and law firms.

### Respondent details

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Would you like this response to remain confidential?	No

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### Consultation submission

This response is a short submission of support. As a comment while we welcome any opportunities to accelerate smart power, we would note that the consultation period is too short, particularly given it comes during a particularly dense period of consultation on smart energy related issues.

For this reason we are unable to submit a detailed response.

However, we are keen to submit that we broadly support the objectives set out in the future electricity system operator consultation. We strongly support the System Operator (SO) taking a whole-system view – not only a whole-system but a *long-term* strategic perspective will be essential to deliver smart power and to realise potentially large future savings for consumers.

A whole-system perspective is overdue and warmly welcome. The SO will develop an informed view over time as to the adequacy of the wider regulatory framework for delivering a smarter and more flexible system. We hope that wider regulatory reforms to the DNO models (and the TSO) will be expedited to enable the SO to operate a truly intelligent system.



We strongly support the creation of competitive markets as quickly as possible, particularly in network deferral (non-build solutions). In our view this will also require much more emphasis on operational incentives at the DNO level.

Naturally we agree with the separation of the NG as the SO from National Grid Group. There is obviously potentially a serious conflict of interest. However, in practice there are few organisations with the skills and experience to deliver this function. We are also impressed with National Grid Groups corporate commitment to sustainability and carbon reduction, and indeed the leadership shown by National Grid in some areas of smart power.

Networks and network operation generally lag behind technological advances, particularly for solar and increasingly storage, so there is an urgent need to expedite progress, particularly to open up markets. Solutions may not be perfect but we are pleased to see Ofgem and National Grid develop pragmatic solutions to expedite progress on the vital smart energy agenda.