nationalgridESO

Via Email

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National Grid Electricity System Operator (ESO) response to the Planning for New Energy Infrastructure (Draft National Policy Statements for Energy Infrastructure) Consultation

Dear Colleagues,

We welcome the opportunity to respond to BEIS's consultation on Planning for New Energy Infrastructure.

The ESO is the electricity system operator for Great Britain. We move electricity around the country second by second to ensure that the right amount of electricity is where it is needed, when it is needed – always keeping supply and demand in perfect balance. As Great Britain transitions towards a low-carbon future, our mission is to enable the sustainable transformation of the energy system and ensure the delivery of reliable, affordable energy for all consumers. The ESO holds a unique position at the heart of the nation's energy system. We use our unique perspective and independent position to facilitate market-based solutions which deliver value for consumers. Our response is not confidential, and we are happy for it to be published.

Given the nature of our role, we do not have planning process expertise and so are not best placed to comment on the details of the specific policy-driven text amendments in relation to the overarching policy intent. On that basis, we have not answered the more detailed questions in relation to each aspect of the proposed changes to these NPSs, although where we have specific views or queries we have noted them in this response.

As referenced within the consultation, the cost-benefit analysis we carried out last year indicated the potential benefits of greater co-ordination of the onshore and offshore transmission networks needed to connect offshore wind and interconnectors. Therefore, we are generally supportive of the offshore wind and associated network infrastructure policy intent behind these proposed changes, including in relation to there being more emphasis on applicants exploring and, where feasible, progressing options for greater co-ordination in future.

For example, we support the amendments stating that *'a more co-ordinated approach will be adopted wherever possible'*, in Paragraph 3.3.51 of *Draft Overarching National Policy Statement for Energy (EN-1)* and stating that in future radial offshore transmission solutions *'should only be proposed where these can be demonstrated to be the only feasible solution and a co-ordinated solution is not possible'* in Paragraph 2.5.5 of *Draft National Policy Statement for Electricity Networks Infrastructure (EN-5)*. However, it is important that how 'feasible' is to be interpreted is clear and that there is an appropriate balance between different factors in its interpretation e.g. we not believe that this change is intended to suggest that co-ordinated solutions which might be 'possible' should always be progressed irrespective of the cost to consumers, etc.

Whilst noting the potential for alternatives to new electricity infrastructure[1], we are also particularly supportive of Paragraph 3.3.55 and Paragraph 3.3.56 of *Draft Overarching National Policy Statement for Energy (EN-1)* as it is important that relevant consideration can be given in the planning process to longer-term network infrastructure requirements, as well as those of a more immediate nature e.g. offshore wind connections.

As a point of clarity, Paragraph 4.10.2 of *Draft Overarching National Policy Statement for Energy (EN-1)* refers to applicants liaising with 'National Grid' to secure a grid connection. Whereas National Grid owns and manages the transmission network in England and Wales, via National Grid Electricity Transmission, applicants apply to and contract with National Grid ESO in relation to their connection to the national electricity transmission system.

[1] As is considered in Paragraph 3.3.9 to Paragraph 3.3.14 of *Draft Overarching National Policy Statement for Energy (EN-1)*.

In addition, Paragraph 1.6.1 of *Draft National Policy Statement for Electricity Networks Infrastructure (EN-5)* refers to transmission systems being 400kV or 275kV, but they can also comprise elements at lower voltages and offshore transmission systems are anything at 132kV or above. There may also potentially be transmission infrastructure comprised of different voltages in future. Therefore, further clarification on these points may be beneficial to ensure the correct interpretation by stakeholders.

Transitional Arrangements

Although we are generally supportive as above, BEIS will need to remain mindful of the potential impact of these policy changes on offshore developers where projects are already at an advanced stage of development i.e. developers being able to demonstrate that they have adequately considered co-ordinated options if not pursuing a co-ordinated solution. In addition, BEIS will need to remain mindful from a policy implementation perspective, particularly the intended timing for the implementation of these changes. We are therefore supportive of the proposed transitional arrangements as described in the consultation document and repeated here as follows.

'The Secretary of State has decided that for any application accepted for examination before designation of the amendments to the NPS, the original suite of NPSs should have effect. The amended NPS will therefore only have effect in relation to those applications for development consent accepted for examination after the designation of those amendments.'

Project Speed

Due to the potential for increased offshore wind and interconnection to drive (even if co-ordinated) increased network infrastructure, both offshore and onshore, the planning process for associated network infrastructure will be critically important to the achievement of the Government's target of 40GW of offshore wind by 2030, and subsequently the increased levels of offshore wind likely to be needed to achieve the net zero targets. Therefore, Project Speed and its *'ambition to cut timescales by up to 50% for some projects entering the NSIP regime from September 2023'* is important in relation to the achievement of these key targets. Indeed, it is imperative that this ambition is achieved and ideally by an earlier date due to the current long development timescales for network infrastructure.

Pathway to 2030 and Enduring Regime

We do not currently believe that the holistic network design being undertaken within the OTNR Pathway to 2030 workstream should have a formal role in the planning process. However, as acknowledged in the consultation, further consideration should be given to the potential interactions between the NPSs and the development of the Enduring Regime. Potential interactions with Ofgem's Electricity Transmission Network Planning Review should also be given further consideration. For example, in future, if a competent authority is able to formally designate certain network infrastructure as being strategic, whether onshore or offshore transmission driven by onshore or offshore network needs, should this perhaps then be given a specific significance in the planning process i.e. all things being equal, the designation carries weight in the planning process when compared to the current and proposed arrangements.

In respect of Pathway to 2030 and the holistic network design, which is periodically referenced throughout the NPSs, it may be beneficial to clarify that the responsibilities of applicants in respect of the NPSs will not be reduced by the existence of the holistic network design e.g. in relation to routing and siting, etc. It could perhaps be argued that Paragraph 2.5.4 of *Draft National Policy Statement for Electricity Networks Infrastructure (EN-5)* already provides some of this clarity but this should be further considered by BEIS for assurance.

Should you require further information or clarity on any of the points outlined then please contact Alice Etheridge in the first instance at alice.etheridge@nationalgrideso.com.

Yours sincerely,

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