

Email to:

RIIOElectricityTransmission@ofgem.gov.uk

06 September 2022

Dear RIIO team,

Consultation on accelerating onshore electricity transmission investment

Scottish Renewables is the voice of Scotland's renewable energy industry. The sectors we represent deliver investment, jobs, social benefits and reduce the carbon emissions which cause climate change. Our members work across all renewable energy technologies in Scotland, the UK, Europe and around the world. In representing them, we aim to lead and inform the debate on how the growth of renewable energy can help sustainably heat and power Scotland's homes and businesses.

Scottish Renewables welcomes the opportunity to provide our view on this consultation. **Overall, we strongly support the acceleration of electricity transmission upgrades. These are essential to meet our net zero targets and the connection of 50GW of offshore wind by 2030.** Additionally, accelerated transmission build would help to reduce current high constraints costs.

We have not responded to your questions in detail, but we would like to draw your attention to the following points:

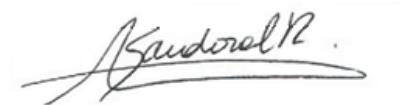
- We fully support accelerating the speed of network build and agree that Transmission Owners (TOs) need upfront certainty to deliver the investment needed by 2030. Otherwise, they will face difficulties mobilising the supply chain to deliver the work on time.
- It is our view that competition in onshore ET infrastructure is likely to benefit consumers and we favour it at all stages of transmission delivery. However, we acknowledge that given the tight timeline we have ahead, there might be benefits of exempting some projects from competition. We suggest exempting a short list of 2030 critical transmission projects, as a one-off option only.
- We support streamlining the current regulatory approval process and believe it is in the interest of consumers. Current high constraints costs are already increasing consumers' bills, therefore any regulatory change that accelerates network build will turn out to be a net benefit for consumers.
- Regarding the options for streamlining the regulatory process, we believe that approach 2 and 3 have merit. Both options provide certainty for early construction activity which is essential for accelerating transmission build.

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- Overall, we agree with the conclusion of the cost-benefit analysis. However, we believe that the 'abandoned cost risk' is exaggerated as we are not aware of any stranded strategic transmission delivery anywhere in GB. Additionally, we can see from the current and forecast volume of constraints, particularly over the B6 boundary, that strategic transmission delivery has not kept pace with the need, as the consultation document rightly points out.
- Regarding the measures to protect consumers, we strongly support the alignment of incentives proposed in sections 7.11, 7.12, 7.13 of the consultation, i.e. that the penalty or reward for TO delivery bears relation to the impact on constraints cost.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Angeles Sandoval', with a long horizontal flourish underneath.

Angeles Sandoval
Policy Manager | Grid & Systems