

A Commentary on the OTNR Consultations Report published 27 July 2023

SEAS called for the Offshore Transmission Network Review in 2019. It was launched finally in 2020. It has taken nearly four years to be completed. We were calling for Government to devise a master plan for energy infrastructure exploring the cost efficiencies and synergies to be derived from an offshore grid. Radial connections were already deemed to be inefficient and needlessly harmful. The planning process and structure of responsibility were outdated and no longer fit for purpose.

Does this OTNR report give communities hope that Britain will now start to think bigger picture and longer term and adopt sensible, robust processes?

Essentially it is a structural reform report, setting out the consultation research findings and presenting the new structure for responsibilities relating to electricity generation and transmission.

We welcome the structural changes proposed, in particular the establishment of the FSO (due in 2024), and the Centralised Strategic Network Planning (CSNP) replacing the more limiting HND approach. The new CSNP will take a GB- wide, holistic view to develop a new whole-system network with planning arrangements across all of electricity transmission, including scope for interconnectors and MPIs. (Note: no mention of an integrated offshore grid). The diagram on Page 40 shows the increased number of assessments, consultations and research stages within the new process leading up to Finance and we would expect that this new approach will be more thorough in the analysis of suitable sites and any project will be now be part of a bigger picture.

The most encouraging statement is:

“the broader approach envisaged by CSNP has the potential to better consider cumulative impacts from electricity network infrastructure and will consider various options. This would support more anticipatory network build required in the future and ensure that system cost is included as part of overall considerations”.

Reading between the lines, Government cannot ignore those cumulative impacts any longer. National Grid failed to present at the outset its super hub plans in coastal Suffolk. The old process enabled developers not to come clean about their real ambitions for the area. Bear in mind that National Grid was poacher and gamekeeper all in one bundle with the same Plc CEO John Pettigrew presiding over Britain's strategy and its own developer profit. How could this nonsense have carried on for year after year?

The current DCO process allowed the developer to run roughshod over so-called protected countryside disrupting communities along the way. This has been evident in many parts of the country including Norfolk and Suffolk.

One of the iniquities of this approach was that DCO Examinations failed to take account of the true scale of the wider project plans.

Even though cumulative impact was intended to be a consideration, the upcoming projects needed to be in the public domain for them to be considered. National Grid

just happened to present each project with a time gap in between to make such a cumulative assessment difficult for communities and Examiners to grapple with. In such a way cumulative impact of the full gamut of projects in coastal Suffolk was never properly evaluated by the Examiners in the Scottish Power EA1N and EA2 DCO.

We believe that our small patch of coastal Suffolk cannot bear the burden of the current proposed transmission plans where the Heritage Coast becomes a through road for much of the country's electricity and East Anglia in its totality could become the main delivery route for over 80% electricity in the next few decades according to Peter Aldous MP. Yes, we agree with Aldous that this is an exciting "revolution", but it does not need to harm the Heritage Coast and its principal micro economy, essentially Nature based tourism. The various economic objectives can work in harmony not at the expense of one another.

The real revolution would be to throw out the outdated system of quick and dirty onshore infrastructure and replace it with the offshore energy pooling model now advocated by Belgium, Holland, Denmark, Germany and others.

There is as we have consistently stated a far better solution: using the North Sea as Britain's arterial corridor for delivering offshore wind to brownfield sites closer to demand. The cost efficiencies are well documented, with savings of over £2billion if East Anglia is included in the offshore revolution.

This OTNR report avoids referencing any specific master plan recommendations except a brief mention of the current proposed plans for new pylons, which could be reassessed in terms of the new whole-system planning. We believe that East Anglia should now be incorporated into this new world. It is not too late. Vattenfall have just paused the Boreas project. This is another example of how developers can pause projects. So, too, can National Grid, Ofgem and DESNZ if they have the clarity and courage to do so.

Is this report full of new insights and is it illuminating?

The cynics could say that it has taken four years to articulate the obvious.

These reforms are essential if Britain is going to seize the opportunity and achieve over 40 GWs goals by 2030 and by 2035 have hit more ambitious goals. DESNZ needs to reform these rusty systems fast. A developer-led culture would possibly have been good news about ten years ago when the goals were around 10GWs. Developers could be agile and flexible moving swiftly to build radial connections in the cheapest way.

This developer-led culture is however, bad news when Britain needs to achieve over 40 GWs by 2030. Britain desperately needs a master plan, what is now termed the Future Framework taking into account community, environmental and economic impacts. We are not clear from this report as to what the master plan is. We expect that it will unfold in dribs and drabs, termed the transitional phase.

The Government is right to be pressing ahead and changing the ESO to the FSO in 2024. Until we have robust, independent planning for the whole-system we cannot make sound decisions for all stakeholder groups. There is no reason why the future master plan cannot be a win-win for all stakeholder groups.

It's disappointing that it has taken so long for this report to be published. Britain moves at a snail's pace yet again.

Structural reform is long overdue.

The transitional phase should not be a cobbled together mess or a poor compromise. It should lay the foundations for the Future Framework. We suspect that this is the tension and where we will continue to question fudged together plans where no original thinking or initiatives have been brought to the table by the combined efforts of NG ESO/ Ofgem and DESNZ. Instead they appear to have got on the bandwagon of Belgium's dynamic Elia (the nationalised equivalent of NG ESO) and Holland's pioneering Tennet to join up with their interconnectors. Britain simply reacts to other countries' more dynamic and imaginative plans. Let's not kid ourselves that we are world leaders. It's not about the volumes but HOW we achieve those volumes that makes a country worthy of world leadership status. Belgium's Elia is currently a world leader in wind energy infrastructure. It has already implemented the first phase of its offshore grid using subsea cables.

There appear to be zero signs of any new big picture thinking from Britain and whilst we appear to be very agile at drumming up natty acronyms and names for the new committees and task forces there is no evidence of proactive design for the development of brownfield sites closer to demand and an offshore integrated grid. The marketing may be ahead of the substance.

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