

**Submission in response to OFGEM's Minded-to consultation on Needs Case and Delivery Model for the Orkney Transmission Project**

**Submitted by:** XXXXX

**Submitted to:** Lina Apostoli

Heavy Scrutiny Projects Team  
OFGEM

via e-mail to: [RIIOElectricityTransmission@ofgem.gov.uk](mailto:RIIOElectricityTransmission@ofgem.gov.uk)

**Submitted on:** 31<sup>st</sup> March 2023

The main concern with the proposed Orkney Transmission Project is the cost which is significant and unnecessary. Orkney has produced around 130% of its energy requirement for some time now, and does not need the interconnector for energy provision. The cost associated with the interconnector is purely to export power, and therefore to the benefit of developers, but not a capital cost to them. It is the consumers who will bear the cost of the project, and is therefore not value to the consumer given that is not required for their energy provision. At a time when energy costs are at an all time high and the level of fuel poverty in the Islands are one of the highest in the UK, it is wrong to allow this development to increase these.

There are more beneficial projects being developed in and around Orkney that will have little or no cost to the consumer and should ultimately bring long term benefits, unlike the projects that will benefit from a new interconnector. There are several offshore windfarms that are in stages of development around Orkney at present, that will generate several gigawatts of power, and none of these require the new interconnector as they will have their own links to the national grid. There is also a proposed hydrogen generation plant being developed at the Flotta oil terminal, which will use power from the West of Orkney wind farm and also excess power from onshore generation, without the necessity to spend hundreds of millions on a new interconnector.

Another concern is that one of the factors stated by OFGEM is that there has to be necessary finance and funds in place to develop the projects that were approved to reach the threshold set by OFGEM, however there are no firm financial commitments in place for these developments. The Scottish Government approved 5 of the proposed generation projects to meet the threshold requirement, all of which went against planning regulations and 3 of which went against the Scottish Government Reporters recommendations. There is a strong possibility that some of these projects will not be developed and were only applied for so as to achieve the OFGEM generation threshold.

The above issues go against parts of the Electricity Act 1989, specifically Section 3A(1) “to protect the interests of existing and future consumers in relation to electricity conveyed by distribution systems or transmission systems...” as it is not value to the consumer.