



REGIONAL ENERGY STRATEGIC PLAN POLICY FRAMEWORK CONSULTATION

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WRITTEN BY GEMSERV





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BACKGROUND

Gemserv is pleased to provide our response to Ofgem's 2024 consultation on the Regional Energy Strategic Plan Policy Framework. Gemserv has a 25-year long history of providing services to the electricity and gas markets. We are currently providing code management services for the Smart Energy Code, Retail Energy Code and the Independent Gas Transporters Uniform Network Code. Gemserv have a consistent history of engaging with and advising upon energy policy and frameworks across Great Britain, the Republic of Ireland and Northern Ireland, with strong capabilities in Low Carbon Technology and Net Zero initiative. Gemserv also provide data protection, information security and digital transformation capabilities to the Utilities industry, and we feel these broader combinations establish Gemserv as well placed to comment on Regional Energy Strategic Planning.



GEMSERV RESPONSE

Q1. What are your views on the principles (in paragraph 2.8) to guide NESO's approach to developing the RESP methodology? Please provide your reasoning.

Gemserv broadly agrees with the principles laid out in paragraph 2.8 and is wholly supportive of a place based and whole system approach being vital to the success of Great Britain's future energy system.

However, there are a couple of areas that could potentially be clearer or warrant a more specific reference within the principles.

We would propose an addition or mention with respect to 'fairness', or another appropriate adjective. Fairness being with respect to the socio-economic conditions in a particular region or locale, that region's relative ability to undertake and benefit from changes to its local energy system, inclusive or additional natural factors, such as a regions geography and access to space (i.e. landlocked localities, highly urbanised localities, retrofit heavy localities). Whilst the 'vision led' principle notes a region's characteristics, we feel that the relative impact upon populations and communities needs to be noted as being balanced and respectful to socio-economic conditions, ensuring that all people within a locale have reasonable opportunity to benefit from improvements to the Energy System.

A second proposed addition could be with respect to Local Area Energy Plans (LAEPs). Whilst lightly noted in other areas of this consultation, it is our view that this should feature more in the guiding principles, not least to make it clear how these feed into the regions RESP. It is also important with respect to how Local Authorities and Councils will approach their LAEPs going forward.

Q2. Do you agree that the RESP should include a long-term regional vision, alongside a series of short-term and long-term directive net zero pathways? Please provide your reasoning.

Yes, Gemserv agrees that there should be a tiered approach to a RESP delivery plan, allowing for both short- and long-term outcomes. Clearly, any long-term regional visions should not contradict or stifle any short terms actions, and visa-versa. Therefore, long-term regional visions should certainly be led by a vision, but also be realistic and reasonably changeable to adapt over time.

More specifically on the point of 'being realistic', a long-term regional plan should still respect what is relatively actionable and avoid being overly tied to political statements or overly broad visions. It would also be wise for RESPs to achieve buy-in at the local level (Local Authorities, Councils) in order that there is a smoother lead in to the longer term delivery of plans, as and when they become the more near term plans.

Q3. Do you agree there should be an annual data refresh with a full RESP update every three years? Please provide your reasoning.

Yes, Gemserv agrees with the proposed timelines for data refresh, however it should be recognised that undertaking a data refresh may impact entities and organisations much more than expected, and turn out to be a harder, more onerous activity than envisioned. This may result in failures and inconsistencies in providing up to date data. As such, considerations should be given to how RESPs, and the supporting entities, can keep data refresh processes consistent, simple and well-coordinated between parties, thus mitigating against the risk or significant divergence in the quality or accuracy of data in each RESP.



It may be suitable to establish a specific data approach for RESPs, supported by best practice and supporting structures. In other words, the RESP, and the data sources it relies upon, should be given reasonable, central guidance in how to maintain its data.

Q4. Do you agree the RESP should inform the identification of system need in the three areas proposed? Please provide your reasoning, referring to each area in turn.

Yes, Genserv agrees that the RESP should inform system need via a central hub of common assumptions, a spatial view and a directive role for strategic investments.

It may be suitable to consider how, with the creation of new RESP regions, what controls are established in each of these areas (especially spatial planning and strategic investment) where there is potential overlap between regions, or even the potential for less focus on 'border areas'. Planned activity (or more specifically non-activity) in border areas may impact communities at a region's edge, or those within another RESP region, as is sometimes the case in county planning for non-energy related infrastructure investment, or as a case study in the Broadband rollout. In other words, a RESP should have a requirement to have a reasonable 'whole area' plan that considers how 'Net Zero' can reach/benefit the less urbanised areas.

With respect to how each RESP approaches their roles in each of these three areas, if not already to be the case, it should be considered how consistency, source data, and the provision of data to the networks is maintained.

Q5. Do you agree technical coordination should support the resolution of inconsistencies between the RESPs and network company plans? Please provide your reasoning.

Yes, Genserv agrees that technical coordination is essential, and it should be formalised. The sharing of best practice, model approaches, measured outcomes and shared experiences (such as risks, issues, assumption and dependencies), should also be a feature of the technical coordination.

Q6. What are your views on the three building blocks which come together to form the RESP in line with our vision? Are there any key components missing?

Genserv supports the three building blocks proposed and believe it to be a suitable overarching structure for the long-term governance of RESPs and Local Planning. However, in line with our response to question 1 in this consultation, there could be more specific consideration given (at a building block level) for socio-economic 'fairness' in the way energy plans are deployed on the ground.

Q7. Do you agree with the framework of standard data inputs for the RESP? Please provide your reasoning.

Broadly yes. Genserv would suggest the specific addition of data with respect to:

- Smart Metering (coverage, performance and usage)*
- Electric vehicle charge points installations (public and private)*
- Solar (or Solar inverter) distribution*

Q8. Do you have any suggestions for criteria to assess the credibility of the inputs to the RESP?

As an aside to the assessment criteria (which could consider data quality, data recency, validated sources, consistency), it may be equally as important for this consultation to consider what consistent processes,



structures, templates and guidance should be established with RESPS and their data input providers in order to make it as simple, consistent and measurable as possible to enable the credibility of data inputs in to the RESP.

Q9. Do you agree with the framework for local actor support? Please provide your reasoning.

Yes, broadly GEMSserv agrees with the framework for local actor support. However, there could be more consideration given to the specific energy related skills and knowledge required across local actors. It may be the case that some local entities lack the specific expertise to fully interact with the RESP subject matter. As a result, it may be necessary to ensure that there is a mechanism in place to bridge gaps, develop knowledge and skills, and validate understanding between local actors and the RESP actors. This may even point towards new roles that local actors subsequently have to recruit for and develop within their own entities.

Q10. Do you agree with the purpose of the Strategic Board? Please provide your reasoning.

We do agree with the purpose of the Strategic Board. However, the importance of its role in direct relevance to local communities should not be underestimated. The principles of transparency and democracy in respect of how the Strategic Board operates should be strongly represented in its governance.

Q11. Do you agree that the Strategic Board should include representation from relevant democratic actors, network companies and wider cross-sector actors in each region?

Yes, we agree that local democratic actors should be engaged with the Strategic Board, alongside Network Companies and other relevant actors. As per our response to Question 10, the governance of the Strategic Board should be transparent, and furthermore, non-energy specific actors should be able to show a reasonably advanced understanding of energy systems planning.

Clearly regional business and industry representatives should also be considered a part of a Strategic Board, however, governance should again seek to ensure that there is transparency and protections against any unmitigated or imbalanced commercial motivations.

Q12. How should actors (democratic, network, cross-sector) be best represented on the board? Please provide your reasoning, referring to each in turn.

The current proposals presented in the consultation appear a reasonable starting point. We would suggest that the terms of reference for the composition of the Strategic Board be such that reasonable changes can be made, under strong governance, in order to improve its effectiveness.

Q13. Do you agree with the adaptations proposed for Option 1? Please provide your reasoning.

We have no specific comment on the adaptations proposed, but understand the rationale presented in the consultation.



Q14. Do you agree with our assessment that Option 1 is a better solution than Option 2? Please provide your reasoning.

We have no specific comment on the adaptations proposed, but understand the rationale presented in the consultation.

Q15. Do you agree a single region for Scotland is optimal? If you think a two-region solution is better, do you agree the split should occur at the SSEN and SPEN DNO boundary? If not, please provide your reasoning and alternative option(s).

We have no specific comment on the adaptations proposed, but understand the rationale presented in the consultation.



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