

Sent by email to:
resp@ofgem.gov.uk

Fiona Campbell
Local Governance and Flexibility Strategy
Ofgem

Date: 8 October 2024

Dear Fiona,

Regional Energy Strategic Plan (RESP) policy framework consultation

Energy Networks Association (ENA) represents the companies that operate the electricity wires in the UK and Ireland. This response is written on behalf of the Distribution Network Operators (“DNOs”) and Transmission Owners (“TOs”) listed at the end of this letter, each of whom may be providing their own company specific responses on the detailed questions contained in the consultation.

ENA welcomes this opportunity to respond to Ofgem’s RESP policy framework consultation and the opportunities Ofgem has provided for engagement during the consultation period, to share our developing thinking and to explore areas of the policy design where additional details will need to be developed. In reading this consultation response, we would highlight the collaborative work undertaken by ENA with Regen, the purpose of which was to provide constructive input to the future design and function of the RESP with focus on the interaction between RESPs and DNOs¹.

The DNOs have responsibility for the development, maintenance and operation of ‘fit for purpose’ electricity networks, in accordance with their licence and statutory duties. These networks are undergoing their biggest ever upgrade and sit at the heart of enabling decarbonisation. Achieving net zero will require the timely availability of sufficient capacity whilst ensuring customers continue to receive a safe and reliable service and the networks remain resilient to the changing climate.

Collaborative Working

ENA members recognise the role RESP can play in defining an accelerated pathway to net zero, complementary to existing network planning practices. Further, we recognise the need for collaboration between the energy networks, NESO, local authorities and other relevant actors to ensure its success. To achieve this, greater clarity of respective NESO and DNO responsibilities will be required, avoiding unnecessary duplication and ensuring RESP focuses on customer needs to inform network requirements, rather than prescribing them.

¹ [Regional Energy Strategic Planners \(regen.co.uk\)](https://www.regen.co.uk)

We view the introduction of the RESP as an important middle layer, linking ‘top-down’ and ‘bottom-up’ energy planning. The DNOs are committed to working closely with NESO to ensure top-down and bottom-up data inputs are aligned and understood. To develop the whole system RESP, NESO will engage on a regional and national level. To understand and forecast local electricity needs, DNOs will engage with local authorities and other local stakeholders. Together, the outputs of this work will help to inform a clearer understanding of what will be required to deliver national and regional decarbonisation targets and subsequently inform the required investments in energy networks.

RIIO-ED3

ENA members recognise the positive impact RESP outputs could have in facilitating more agile and improved Ofgem decision-making of DNO investment proposals, informed by RESP whole system regional energy pathways. There must however be a clear strategy for the development of the RESP, with such transitional arrangements as are necessary for RIIO-ED3 being timely and deliverable. Agreeing a feasible approach for RIIO-ED3 will therefore be a priority. Introducing the RESP as a feature of the price control process midway through the RIIO-ED3 planning process will be disruptive given the need for DNOs to undertake wider consumer engagement to inform their RIIO-ED3 plans ahead of final submission to Ofgem in December 2026.

DNOs are currently preparing for RIIO-ED3 and will be carrying out significant consumer engagement and engineering development to inform their RIIO-ED3 plans ahead of their draft business plan submissions to Ofgem in the summer of 2026. DNOs need RESP outputs significantly earlier than the proposed Q1 2026 to achieve this; time must be allowed for DNOs to build demand forecasts and conduct network impact analysis to inform their business plan submissions. DNOs are keen to work with Ofgem and NESO to achieve earlier delivery of the RESP outputs.

RESP Strategic Boards

We believe the Strategic Boards should be representative of the democratically elected authorities in each RESP area, and other relevant key stakeholders. We welcome and support the inclusion of the energy network companies on these Boards, helping to fulfil network accountabilities and aid consistency of approach and shared learning across RESP boundaries.

The ENA’s response to the consultation questions is attached and explores the areas touched upon in this letter in more detail. We look forward to continued engagement with Ofgem in this area of work which we believe has a significant role to play in meeting national and regional decarbonisation targets.

If you have any questions on the points raised in this response, please contact Paul McGimpsey, Director Markets and Regulation: paul.mcgimpsey@energynetworks.org

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Slade', is written over a light blue horizontal line.

Lawrence Slade, CEO

Energy Networks Association

On behalf of:

1. Electricity North West Limited
2. Northern Powergrid (Northeast) plc
3. Northern Powergrid (Yorkshire) plc
4. SP Distribution plc
5. SP Manweb plc
6. Scottish Hydro Electric Power Distribution plc
7. Southern Electric Power Distribution plc
8. Eastern Power Networks plc
9. London Power Networks plc
10. South Eastern Power Networks plc
11. National Grid Electricity Distribution (East Midlands) plc
12. National Grid Electricity Distribution (West Midlands) plc
13. National Grid Electricity Distribution (South West) plc
14. National Grid Electricity Distribution (South Wales) plc
15. National Grid Electricity Transmission plc
16. Scottish Hydro Electric Transmission plc
17. SP Transmission plc