



Innovate
UK



Innovate UK

Connections Reform

Consultation response on behalf of the Net Zero Living Programme

The views and opinions expressed in this consultation response are those collated from and curated by Regen on behalf of the Net Zero Living programme participants, a collection of 52 local authorities, partners and communities working to deliver net zero projects in their local areas funded by Innovate UK.

Innovate UK does not endorse the content of this consultation response, and the document does not reflect the opinions or views of Innovate UK or its affiliate organisations.

About Net Zero Living

Net Zero Living is a programme of work run by Innovate UK. The programme provides support to local authorities, their partners and communities to overcome non-technical systemic barriers to the scaling and adoption of net zero solutions.

Within the programme there are 52 local authorities, the Net Zero Living participants, or NZL participants, at various stages in the development and delivery of their local net zero plans.

This consultation response brings together views and aspirations of the local authorities' participants and their partners on the areas related to Clean Power 2030 and connections reform.

This response has been supported and curated by Regen, which provides expert support on policy and regulation to the Net Zero Living programme. The views in this were collected during a meeting of the Local Energy and Infrastructure policy working group – set up by Regen within the programme for local authorities with this specific interest, and through conversations with individual local authorities across the programme.

About Regen

Regen provides evidence-led insight and advice to transform the UK's energy system for a net zero future. We know that a transformation of this scale will require engaging the whole of society in a just transition. We have 20 years' experience in transforming the energy system for net zero and delivering expert advice and market insight.

If you have any questions or feedback about this consultation response, please email thrivingplaces@regen.co.uk, or matherton@regen.co.uk.

Overview

Net Zero Living participants welcome the Clean Power 2030 plan and recognise that it helps meet an urgent need to accelerate decarbonisation of the energy system.

The success of the Clean Power 2030 plan will hinge on reforming the current grid connections process to streamline and prioritise how energy projects secure connections.

Currently, the queue of projects waiting for a grid connection is more than 700GW, far greater than is required to achieve clean power. We recognise the challenge that NESO faces in reforming the connections process to enable better prioritisation and management of this queue.

However, we are concerned that community and local energy could risk being locked out from securing connection offers as an unintended consequence of Clean Power 2030 plan and connections reform. This would make the government's manifesto commitment to a Local Power Plan challenging to deliver.

Added value of local and community energy

Local and community energy provides extensive benefits above and beyond typical commercial developments. It delivers social and economic value through community investment, democratic participation, local climate outreach and targeted retrofit and fuel poverty programmes. Importantly, local and community energy offers an opportunity to engage people in the UK's net zero effort by giving them a direct stake and benefit in the transition.

Connections reform risks locking out local and community energy

NESO's proposed reforms to connections will see the development of new processes to prioritise projects in the connections queue that are 'ready' to be delivered and 'align' with the targets set out in CP30. The current queue has most of the projects that will be required to meet CP30.

Local authorities across the UK are currently producing plans for developing energy infrastructure, enabling warm and low-carbon homes and linking this vital transition to local economic development. Alongside this, GB Energy's Local Power Plan has a target to deliver 8GW of local and community energy.

However, the delivery of these local energy and net zero plans and the Local Power Plan risk being blocked as grid capacity will already have been allocated.

Solutions that could secure local and community energy within connections reforms

There are also several options that could help secure local and community energy are 'needed' within the CP30 and connections reform process, that complements the need to accelerate the big projects that can connect the vital GW of energy to the network to meet clean power targets.

- Give local and community-owned energy status within the project designation methodology. This would help ensure that local and community energy could be given priority in the connections queue alongside the projects that are 'ready' and 'aligned' with CP30.
- Government could give 8GW local and community energy status as 'needed' within the CP30 plan. NESO would then need to ensure that grid capacity for this target is allocated as part of the connection methodology.
- Raise the threshold at which distribution network projects trigger a transmission network impact review from 1MW to 5MW. Local and community projects tend to be on a smaller scale. By raising the threshold, most local and community energy projects would be excluded from the transmission connections queue process.