Agenda Item IMD17

INDIVIDUAL EXECUTIVE MEMBER DECISION REFERENCE IMD: IMD 2023/17

| TITLE | Wokingham Response to ESO Connections Reform Consultation |
|--------------------------------|---|
| DECISION TO BE MADE BY | Executive Member for Climate Emergency and Resident Services - Sarah Kerr |
| DATE, MEETING ROOM and TIME | 21 July 2023 FF12 at 11:30am |
| WARD | None Specific; |
| DIRECTOR / KEY OFFICER | Deputy Chief Executive - Graham Ebers |

PURPOSE OF REPORT (Inc Strategic Outcomes)

To agree representations to be made on behalf of Wokingham Borough Council to National Grid ESO's consultation on Connections Reform

RECOMMENDATION

That the Executive Member for Climate Emergency and Resident Services approves the representations to the consultation, as appended to this report and supplementary report update.

SUMMARY OF REPORT

In June 2023, National Grid ESO launched a consultation on its proposed Connections Reform. Consultation responses are requested by 28th July. The targeted questions of the consultation are included at appendix A.

The industry is aligned for and working towards significant reform to the UK Grid Connection process. These industry reforms to grid connection could have significant and positive impacts upon the timely delivery of solar farm projects within Wokingham; such projects as are identified within the Council's Climate Emergency Action Plan. Wokingham Borough Council has already provided a response to an earlier Ofgem consultation on Grid Connection reform (IEMD 2023/13). This current consultation is far more technical and targeted upon the ESO's preferred Target Model Option. It is recommended that Wokingham Borough Council provide a response to the ESO consultation, supporting the reforms and representing the interests of the Council.

A recommended overarching response it included at Appendix B. A full technical response to the targeted ESO questions included at appendix A will be provided as a supplementary paper, to be published on the Council's website.

Background

It is apparent that the industry is aligned for and working towards significant reform to the UK Grid Connection process. It has been advised that all of this work will culminate in the publication of a joint action plan between Ofgem and the Government in the Summer, which "will represent a key milestone in the next phase of connections reform and set the direction for future action to deliver the progress needed".

These industry reforms to grid connection could have significant and positive impacts upon the timely delivery of solar farm projects within Wokingham; such projects as are identified for delivery within the Council's Climate Emergency Action Plan. Wokingham Borough Council have already previously made representations to an Ofgem Consultation on the electricity connection process (16 June 2023 – IEMD Ref: 2023/13).

In June 2023, National Grid ESO launched a consultation on its proposed Connections Reform. National Grid ESO are the electricity system operator for Great Britain, tasked with making sure that Great Britain has the essential energy it needs by ensuring that supply meets demand. The consultation documents set out the range of options they have considered, including their preferred model for a proposed new connections process for generation and large demand connections, which, in their words, "will fundamentally reform and future proof grid access". They assert that the initial recommendations they include in this consultation will deliver significant overall cost savings for consumers through coordinated network design and significantly reduced times to connect through more efficient management of contracts and capacity. They also state that their recommended new connections process would be future-proofed to the outcome of a number of other reform programmes across the energy sector.

Responses to the ESO consultation are requested by 28th July.

The consultation is very technical with targeted questions pertaining to 'Target Model Options' and 'Target Model Add Ons'. The consultation questions are included at Appendix A.

It is recommended that Wokingham Borough Council provide a response to the ESO consultation, supporting the reforms and representing the interests of the Council. A recommended overarching response it included at Appendix B. A full technical response to the targeted ESO questions included at appendix A will be provided as a supplementary paper, to be published on the Council's website. Such technical responses can thereafter be appended to the Wokingham consultation response.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.

| | How much will it Cost/ (Save) | Is there sufficient funding – if not quantify the Shortfall | Revenue or Capital? |
|--------------------------------------|----------------------------------|---|------------------------|
| Current Financial Year (Year 1) | 0 | Yes | R |
| Next Financial Year | 0 | Yes | R |
| (Year 2) | | | _ |
| Following Financial Year (Year 3) | 0 | Yes | R |

Other financial information relevant to the Recommendation/Decision

The making of representations to the consultation will not of themselves have a direct financial implication for the council; but the reforms, if enacted, could have a positive impact upon the delivery of the Barkham Solar Farm and other solar farm projects within the borough.

Cross-Council Implications

The making of representations would not of themselves directly impact other council services; but the reforms, if enacted, could have a positive impact upon the delivery of Barkham Solar Farm and other solar farm projects within the Borough.

Public Sector Equality Duty

The making of representations to the consultation will not of themselves negatively impact upon persons with protected characteristics.

| SUMMARY OF CONSULTATION RESPONSES | | |
|-----------------------------------|------------|--|
| Director – Resources and Assets | No comment | |
| Monitoring Officer | No comment | |
| Leader of the Council | No comment | |

Reasons for considering the report in Part 2 N/A

List of Background Papers

Appendix A – ESO Consultation Questions Appendix B – Draft Overarching Response

| Contact David Smith | Service Commercial Property |
|---------------------------------|-------------------------------------|
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