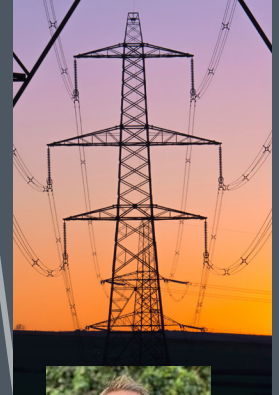


Roundtable on Development and Grid Connectivity

with Paul Branston, Director of Regulation at National Grid Electricity Distribution

Online via zoom



Paul Branston

Introduction

The PLG's recent meeting focused on the pressing issues surrounding housing delivery and grid capacity. The meeting saw key industry experts discuss the challenges around grid connection, planning system frustrations, and the need for significant investment in infrastructure to support renewable energy projects. Paul Branston provided insights on the role of the National Grid in supporting high voltage transitions, the impact of decarbonisation, and the steps being taken to address the current queue for grid connections. The meeting highlighted the importance of planning reforms, collaboration with regulatory bodies, and the need for a skilled workforce to meet the ambitious targets set for the future of the UK's energy infrastructure.



Key Takeaways

- The meeting highlighted the significant frustration with the current planning system and its impact on grid capacity. Even after clearing hurdles presented by the planning system, developers still face grid capacity issues that can delay projects for years. In addition to this, the meeting placed focus on the need for upscaling network infrastructure quickly to meet housing demands.
- Managing the queue for grid connections is also a pressing issue. It was noted that almost a gigawatt of new capacity is added to the queue every week, with the current queue standing at 600-700 gigawatts. Focus was placed on identifying and removing speculative or non-viable projects, which at one point constituted around 90% of applications. Paul Branston mentioned that 50 unviable projects have already been removed, and efforts are ongoing to raise entry requirements to join the queue to ensure that only viable projects proceed.
- The need for significant and continuous investment in the grid was emphasised. National Grid is committed to investing over £7 billion in the first year of their five-year price control period. This investment is crucial for expanding the network's 200,000km of infrastructure and ensuring it can support the projected 25% growth in total energy volume. The goal is to prevent grid capacity from becoming a blocker for new housing and infrastructure projects.
- The integration of renewable energy sources is essential for meeting the Government's net-zero targets. 43% of the UK's total energy use now comes from renewable sources, and there has been a 500% increase in renewable energy capacity over the past five years. The discussion stressed the need to reform distribution networks to accommodate new sources like wind farms and solar panels, which are crucial for powering electric cars and heat pumps.
- Effective collaboration with regulators such as Ofgem and policymakers was deemed critical for achieving the necessary reforms. The meeting underscored the importance of a unified approach to tackling grid capacity issues, with regulatory frameworks needing to align with the Government's policy priorities. [The Energy Network Association's nine-point plan](#) was exemplified as a step towards finding solutions to planning and connection challenges.

Issues raised

- Concerns were raised regarding the mismatch between areas with available grid capacity and regions with the greatest housing need. This geographical disconnect poses a challenge for aligning infrastructure development with Government housing agendas and ensuring that new homes can be adequately powered.
- Participants also raised the challenge of balancing socialised costs with the costs of new connections. This includes ensuring that the cost burden is fairly distributed while still providing the necessary capacity for new developments, especially for smaller SME developers, which is crucial for maintaining affordability and encouraging investment.
- There is a need for better alignment between the strategic plans of infrastructure providers and government policy priorities. Regulatory frameworks and investment programmes often do not align perfectly with current government agendas, creating potential delays and constraints in delivering on ambitious housing and energy targets.

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