Email to:

ena.strategic.connections@energynetworks.org

X November 2024

Dear ENA,

**Response to proposal to raise entry requirements for Distribution Network Operator (DNO) connection applications**

*Scottish Renewables is the voice of Scotland’s renewable energy industry. The sectors we represent deliver investment, jobs and social benefits and reduce the carbon emissions which cause climate change. Our 360-plus members work across all renewable energy technologies, in Scotland, the UK, Europe and around the world. In representing them, we aim to lead and inform the debate on how the growth of renewable energy can help sustainably heat and power Scotland’s homes and businesses.*

As the representative of industry, we recognise the overwhelming need to raise the quality of connection applications through reform at the distribution, as well as transmission, level to ensure viable projects are realised for 2030 and beyond. However, there is no robust evidence that the changes proposed by the Energy Network Association (ENA) at the distribution level through this proposal will achieve the desired outcome of reducing the congestion in the connections queue. Rather, the requirements risk excluding legitimate projects from progressing with development via an ill-informed barrier to entry.

Addressing the specific requests within the proposed changes, we would caution that requesting a Letter of Authority (LoA) with a 35-month option agreement is an excessively risk-intensive and challenging requirement for developers to undertake. Developers will be unwilling to engage in an option agreement without the knowledge of their grid connection costs, which have a substantive impact on viability.

Theoretically, developers would have to front costs of up to hundreds of thousands of pounds to agree an Option, depending on site size, in addition to Distribution Network Operator (DNO) and Transmission Application Fees for connections that may eventually prove too costly to accept. Finally, the process for entering into an option agreement can take around a year to complete, further jeopardising a project’s viability and delaying the connection of renewable energy to the system. The more appropriate measure to would be to request Heads of Terms (HoT) which helps cleanse the queue of speculative applications while being more affordable for Small and Medium-Sized Enterprises (SMEs).

Furthermore, we do not see the value to DNOs in requesting a detailed Site Layout Plan including an Engineering Design. The elements provided within the Engineering Design; PV Layout; BESS Layouts; Turbines; Substation; Inverter; Transformer locations; will all be indicative and not site specific until planning is approved. Thus, the engineering design will be highly subject to change and at present, there is uncertainty around ‘allowable change’ within the proposal. Similarly, the request for Part 4 of G99 requires specific data that is again likely to change. Submitting Part 4 is a burdensome request and requires a suitable dynamic model for analysis, which will present a barrier to developers without the aid of specialised consultants. As such, there is a subsequent fee incurred which would likely fall in the tens of thousands for the use of external services.

Finally, we understand the urgency and unprecedented pace of reform to align with Clean Power by 2030 (CP30) timelines but the information on the proposed changes has not been sufficiently widely shared. Aside from the ENA’s recent webinar, there has not been sufficient stakeholder engagement on these proposals, and we would flag that this should be better communicated to allow for industry input and understanding of the changes. Furthermore, greater clarity around how the DNO-level proposals align with those of the wider Connections Reform and CP30 would be valuable.

We are urging you to more closely consider the consequences of the proposed requirements in light of the perceived benefits to ensure objectives are met with the appropriate solutions.

Scottish Renewables would be keen to engage further with this agenda and would be happy to discuss our response in more detail.

Yours sincerely,



Holly Thomas

**Grid & Systems Policy Manager
Scottish Renewables**