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The Rt Hon Alok Sharma MP
Secretary of State for Business, Energy and Industrial Strategy
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Via email: alok.sharma.mp@parliament.uk

Dear Rt Hon Alok Sharma MP

We are writing to follow up on the meeting we attended on Monday 2nd March between BEIS, OFGEM, National Grid, Planning Inspectorate, Environment Agency, New Anglia LEP and Local Authorities.

This meeting was a follow up to the meetings that had already taken place between departmental officials and Local Authority leaders on the 20th August 2019 and subsequently between Local Authority leaders and the Energy Minister Kwasi Kwarteng on the 16th October 2019 and the 5th of February 2020. In addition, representations were made by Local Authority leaders to the Secretary of State on the 13th January 2020. Furthermore, community groups have made repeated representations regarding the connection of offshore wind in Norfolk and Suffolk, including most recently their discussions with Local MPs that took place on the 2nd of March.

Whilst we welcome recent indications and publications from Ofgem and National Grid in respect of the issues we raise, we believe that the fundamental change required is in in government policy with regards to delivering a national strategic approach to grid connection. All parties in Monday's meeting acknowledged that the current system and processes for delivering new energy to customers is not fit for purpose. This will only be exacerbated in the coming years as we all try to deliver the necessary capacity (75GW) to meet our net-zero targets. The government needs to invest in a new approach to grid connection which should be reflected in the forthcoming Energy White Paper. Our two councils are willing to support and be involved in helping to develop the new approach.

The meeting with your officials and partner organisations was a welcome opportunity for us to share the issues which our communities face as a result of the very significant energy developments necessary in order for the nation to deliver on its target of net zero carbon emissions. The issues we raised centred on the absence of a strategic, coordinated approach which has driven the use of radial connections and which does not enable the cumulative impacts on the environment and communities to be taken into account and reduced. These comments reflect the reluctant acceptance by the two councils that the projects being considered currently will be delivered prior to the commitment and delivery of a new approach to connection.

We appreciated the opportunity to talk to and hear from colleagues in the different organisations; however, we now need to turn the greater understanding of the issues which officials said they have garnered from the meeting into action to deliver a more effective approach to developing these nationally significant energy projects in both the short term. In our presentation to officials and during discussions, we suggested the following as areas for follow up:

- Need for a commitment from Government to take the lead formulating a new coordinated strategic approach to grid connections supported by relevant stakeholders and undertake the essential policy changes necessary to facilitate this.
- We want to agree with you a framework for effective ongoing engagement about future projects and network connections and reinforcements. We would like that engagement to include Crown Estate, National Grid, Government, Ofgem, the Environment Agency and Planning Inspectorate as well as Local Authorities and the LEP, to focus on strategic issues. This should reflect the approach advocated by National Grid as set out in section 2 of the attached letter.
- We want to see robust guidance from Government on the mitigation, compensation and community benefits, and clear expectations and mechanisms to deliver tangible economic benefit through the delivery/construction of such projects.
- We welcome the confirmation of the existing commitment to communities hosting new nuclear development (initially this commitment was made by Michael Fallon in 2013, and reconfirmed in 2017) based on a funding formula aligned to electricity production over the lifetime of a project but would argue that this should be extended to recognise the local ongoing impacts of Net Zero generation and transmission infrastructure.

In response we are willing to commit to identify the hard and soft infrastructure issues which impede the delivery of Net Zero projects and seek to resolve these where we can, and to create structures at the appropriate scale to facilitate engagement with National Grid, Government and others.

The discussions on the 2nd March, the emerging approach to connections set out in Ofgem's Decarbonisation Action Plan (DAP), Network Options Assessment 2020 and National Grid's response to the DAP indicate a genuine opportunity to develop an improved approach to the connection of offshore for the delivery of Crown Estate leasing Round 4, to eliminate or reduce significantly impacts of multiple radial connections.

However, the Round 4 tendering process is progressing at pace and timely and effective co-ordination between all the parties is essential if these opportunities are to be realised. Our two councils have been informed by some potential bidders that the Round 4 process requires them to secure grid connection offers now to be de-risk the financial costs of bidding as much as possible. Therefore, the time to act is now.

We assert strongly that the Minister and the department officials need to provide clear coordination and leadership to all the parties involved to minimise the potential harm from Round 4 offshore wind and it's grid connections, whilst maximising the potential benefits alongside a government commitment to deliver a new strategy for connection.

As set out above we consider the Energy White Paper is the opportunity to establish this approach and would set a basis for the delivery of an integrated and co-ordinated approach, led by the Government intent on achieving net-zero targets in the most sustainable way possible for the connection of offshore wind.

We look forward to your response to this letter and confirmation of the next steps for this process.

Yours sincerely

Matthew Hicks Leader Suffolk County Council Steve Gallant Leader East Suffolk Council

Cc The Rt Hon Robert Jenrick MP The Rt Hon George Eustice MP The Rt Hon Therese Coffey MP Peter Aldous MP Dr Daniel Poulter MP