Renewable Power Capital – Call for Evidence on Planning and Infrastructure Bill

Renewable Power Capital (RPC) is a London-headquartered pan-European renewables company established in 2020, with the backing of CPP Investments. RPC invests in the development, construction, and long-term operation of onshore wind, solar, and battery storage projects, enabling the energy transition and driving stable long-term, risk-adjusted returns.

Since its inception, RPC has committed more than €1.5 billion in investments and has ~310MW of operational wind farms, in addition to 553MW of wind and 3.8GW of solar in development or construction across Europe. We have also built up a portfolio of more than 4.5GW of storage projects in the UK. Together, these projects represent ~5% of the total capacity of the UK BESS sector.

Our flexible investment mandate allows us to structure projects that recognise the changing market dynamics in Europe. By providing innovative commercial solutions and forging long-term relationships designed for decades rather than months, RPC can effectively manage risk, deliver stable returns, and lower the overall cost of projects.

At RPC, we encourage a post-subsidy market for renewables as we believe there are enough investors in the sector to meet the capital needs of achieving CP2030 and our decarbonisation goals without relying on government subsidies. We encourage the Government to support the right conditions for post-subsidy investment, allowing the merchant market to invest and take on risk, and ultimately deliver value for billpayers.

Response to the Planning and Infrastructure Bill

RPC welcomes the Government's ambition to accelerate the delivery of key infrastructure for achieving CP2030 and its other targets aimed at bolstering growth across crucial sectors of the UK economy. As an investor, owner and operator of renewable energy projects, we are pleased that the Bill lays the framework for reforming grid connections and planning processes that for too long have been protracted and unpredictable. Addressing these barriers is essential to decarbonising the grid while lowering bills and delivering energy security and independence.

Ahead of Committee Stage, we wanted to share our views on some key elements of the Bill relating to NSIPs and energy infrastructure. We hope the Committee scrutinises these points as it looks at the Bill in finer detail.

Should you have any questions, please do not hesitate to contact Jenn Humphries at Seahorse Environmental, jhumphries@seahorseenvironmental.co.uk.

To take the sections of the Bill in turn:

Part 1, Chapter 1: Nationally Significant Infrastructure Projects

RPC welcomes the Bill's intention to streamline and accelerate planning processes for NSIPs, particularly as we have 2 BESS projects in the UK that will be co-located with solar and qualify as NSIPs. We will therefore be required to go through the Development Consent Order process.

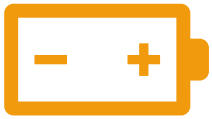
As a broad point, RPC would like the Committee to seek clarity on some key areas which currently impact timelines for approving NSIPs, as well as smaller projects in the UK, and how the Government will address these to ensure the Bill's reforms are effective.

1. How the Government intends to fund and resource Local Planning Authorities (LPAs) and other involved actors to ensure that the major projects we need to achieve a decarbonised grid receive planning permission within the statutory 13-week timeframe. Our experience so far has shown that LPAs are understaffed and unable to process these applications in time.

2. RPC welcomes Clause 6, which states that the Secretary of State will have to provide reasoning for why a planning application has been rejected. In addition, the Government should indicate how LPAs will be held accountable for making consistent decisions in relation to Green Belt designations.

Case study

Name: Project Sacketts Hill
Technology: BESS
Size: 22MW
Location: Birmingham



Problem: This project was rejected planning by the LPA because of fire safety concerns and its position on the Green Wedge, despite other comparable sites having previosuly been granted permission. This inconsistent decision-making has led to a costly and time-intensive appeals process, leading to additional resourcing requirmenets and delays.

Solution: Ensure that LPAs are being consistent in their determination process for designations on the Green Wedge and generally to ensure that investors aren't deterred by the risk of expensive and burdensome appeals processes.

Part 1, Chapter 2: Electricity Infrastructure – *Connections to the electricity transmission and distribution systems*

It is positive that the Bill provides the legislative framework to support NESO's connections reform process which has been instigated to help achieve CP2030. The move to a "First Ready, First Connected" approach is a push in the right direction and it's encouraging that planning permission status will be taken into consideration to determine a project's position in the connection queue. This will stop 'zombie projects' holding up those that are ready to deliver benefits for people and the transition.

However, as the Bill progresses through Parliament, it's important that key issues with the reform process are highlighted and scrutinised.

1. The NESO connections reform process has identified regional technology caps which are used to inform how projects are prioritised in strategic alignment align with CP2030. For investors and developers, the introduction of caps which have not been through consultation with industry will act as a deterrent. Firstly, because these groups cannot have confidence that existing projects in the queue, even if they have full planning consents, will go ahead. Secondly, because there is no incentive to invest in certain technologies where caps are in place, creating a barrier for renewables development across the UK.

a. DESNZ and NESO should invite industry to comment on the methodology for the technology caps before proceeding.

2. There is not enough transparency in the connections queue. With the technology caps in place, this could mean that investors and developers proceed with projects that will never go ahead or conversely miss the opportunity to accelerate projects that could play a vital role in achieving CP2030.

    a. DESNZ, Ofgem and NESO should commit to transparency in the connections queue so that investors and developers can make informed decisions on both existing and potential projects.

3. There is also an issue with resourcing in National Grid, with a lack of alignment on decision-making across different teams and limited capacity to progress projects quickly. This risks significant delays to projects and a loss of investor confidence.

    a. National Grid should be allocated more resource to reach decisions promptly and ensure joined-up thinking internally and with NESO, helping projects to secure connections at the speed required.

Case study

Name: Project Carnegie
Technology: BESS
Size: 57MW
Location: Liverpool

Problem: National Grid provided us with a connection date for our Carnegie project with the expectation that 2 separate pieces of work could proceed in parallel in their substation. Subsequently, a separate team within National Grid vetoed this approach. This has caused a delay in connection of that project of almost 18 months.

This had a significant effect on the value of the project and undermined our confidence in connection dates provided. Conversations with other investors and developers in the space tells us this kind of delay is common.

Name: Projects Tredington & Steventon
Technology: BESS
Size: 62.8MW (combined)
Location: Gloucester, Shropshire (respectively)

Problem: In 2023, we acquired two projects with an estimated capacity of 83MW as part of our development partnership with Greenfield. Whilst we have secured planning permission for both projects, they are not expected to be connected to the grid until the second half of 2030 at the earliest. This may be delayed further by National Grid's Statement of Works process and assessment of the impact on the transmission system.

Solution: Greater accountability and resource allocation across National Grid Electricity Transmission (NGET) and NESO capacity.

Part 1, Chapter 2: Electricity Infrastructure – *Long duration electricity storage*

LDES has an important role to play in providing flexibility to the energy system, so we can harness the UK's strength in renewables generation. However, without clarification on the prices being set by the cap and floor scheme, there will be a delay in investor appetite.

Further ambiguities include the degree of planning consent required, as well as the likelihood of a second submission window opening in 2026.

We would urge the Committee to highlight the need for clarification on the above issues, to ensure that the new scheme is successful and kickstarts the necessary growth in this important market.

Part 1, Chapter 2: Electricity Infrastructure – *Consumer benefits*

RPC is pleased that the Government is considering options to ensure communities hosting the infrastructure we need to decarbonise can benefit from this transition in the short term.

As the Government's defines its approach under the Planning and Infrastructure Bill, the sector needs to understand more about the obligations and expectations for developers to deliver community benefits alongside these financial payments. RPC is proud of its track record in delivering community benefits with its projects and makes understanding communities' needs a priority.

To ensure that developers understand their role:

1. The Government should work at pace to provide clarity on who is funding the financial payments for nearby communities. Currently this is expected to be the energy suppliers but there has not been confirmation.

2. The Government should provide clarity on the obligations (/expectation) for developers to deliver community benefits during the development phase, alongside the financial payments that communities will receive either during or after development.

RPC has significant experience working with communities in key renewables markets like Sweden and Finland where they have explored innovative approaches for investing in communities that play a key role in the transition. This includes local authorities reinvesting a portion of business rates collected from local projects directly into local services.

3. It would be beneficial for communities and energy customers if the Committee explored whether the scheme proposed within the Bill is sufficient and highlight other innovative approaches that could be explored in collaboration with DESNZ, HMT, MHCLG and local authorities. RPC would be happy to provide examples from our experience in other markets.

Part 3, Development and nature recovery

RPC and its partners recognise the important of protecting and restoring nature and biodiversity alongside its projects. For example, we have 2 BESS projects with

our partner Greenfield in Warwickshire. Both projects were designed with a commitment to improve the natural habitat at the sites, including a Biodiversity Net Gain of 30.73% habitat units at our site in Tredington and 62.36% at our 22MW site in Steventon. With that in mind, we are supportive of ensuring there is a mechanism for developers to meet their environmental obligations.

To ensure clarity for developers, it would be helpful for the Committee to scrutinise:

1. Whether the Nature Restoration Levy will apply to NSIPS, as well as BNG obligations, or whether the Levy will be focused on smaller projects, capturing all the infrastructure needs covered in the Bill.
2. Given that Environmental Development Plans (EDPs) are estimated to take up to three years following Royal Assent to have meaningful effect, whether developers will need to pay for both existing BNG commitments and into the Levy.
3. Whether Natural England is sufficiently resourced to implement and monitor the EDPs that will form the basis of the Nature Restoration Levy, given the risk to investment that delays would entail.
4. How the funds from the Nature Restoration Levy will be used to ensure they are allocated most effectively and fulfil their intended purpose.