**Community Benefits for Electricity Transmission**

**Network Infrastructure Consultation**

**Executive Summary**

The UK Government is publishing this consultation alongside our plans for Powering Up Britain, which set out how we are taking bold action to achieve our energy security and net zero objectives.

Following Putin’s illegal invasion of Ukraine, the British Energy Security Strategy1 (and

Powering Up Britain - Energy Security) set out bold plans to speed up our deployment of low-

carbon and renewable electricity generation technologies to address the global energy crisis,

with an approach that is pro-growth, pro-business and pro the investment we need for energy

security. Moving away from dependency on the global energy market, the government has

committed to a fully decarbonised electricity system by 2035, subject to security of supply

considerations, and net zero by 2050. In the nearer term, the government has an ambition for

up to 50GW of offshore wind and to progress up to eight new nuclear reactors by 2030, and an

expectation for a fivefold increase in solar deployment, up to 70GW, by 2035.

Electricity networks play a critical role in connecting cheap, green energy which is generated

where it is best located, and transporting it across the country to where it is needed. The roll

out of the onshore network infrastructure to meet net zero is also an opportunity to deliver

investment and growth within Great Britain, with government analysis suggesting that

investment could support 50,000–130,000 full time equivalent (FTE) jobs and contribute an

estimated £4-11bn2 of GVA to the economy in 20503.

As supply and demand increase, we need more electricity network infrastructure, both offshore

and onshore, requiring a transformation of the electricity network at unprecedented scale and

pace. Communities that host this network infrastructure therefore play a vital role in supporting

the delivery of cheaper, secure and low-carbon energy and it is only right that they can benefit

from developments in their area. If the rollout of electricity network infrastructure is to be

successful it must be developed in a way that is truly sustainable – not only economically and

environmentally, but also socially.

Whilst benefits to communities are already offered by industry, given the scale and rate of

change required for the transformation of the electricity network, now is the right time to review

how community benefits are delivered. We want to introduce the necessary measures to

ensure communities feel they are positively benefitting from hosting electricity transmission

network infrastructure that is supporting the delivery of national objectives.

This consultation sets out potential ways in which community benefits could be delivered. It

focuses on what network infrastructure should be in scope for community benefits, the type of

benefits that could be delivered, for example direct or wider community benefits, and also the

level of funding for such benefits.

This consultation sets out the government’s preference for a voluntary approach to community

benefits underpinned by government guidance. This will retain the flexibility necessary to

ensure benefit packages best reflect local preferences, while guidance will set expectations for

both industry and communities to take a fair and consistent approach to the development of

community benefits for eligible communities. The guidance could set out key principles that

industry and communities are encouraged to follow, roles and responsibilities, minimum

recommended benchmarks that all benefit schemes should meet and highlight best practice

that should be aspired to. We expect guidance to cover eligibility, consultation and

engagement, governance and delivery and a recommended level or range of funding.

Following feedback from this consultation, we propose to engage with industry and community

representatives and Ofgem to develop the guidance, which will be published in 2023.

The proposals in this consultation would affect the Electricity Transmission Operators of Great

Britain and developers of offshore wind and interconnectors who will be responsible for

working in close consultation with communities that host network infrastructure to deliver

community benefits. We are seeking to ensure communities that host network infrastructure

feel that they positively benefit from hosting network infrastructure, and we welcome their

views on the proposals in this consultation. Finally, these proposals will also affect electricity

bill payers who will ultimately fund community benefits, but who will also benefit from overall

reductions in electricity consumer costs if the proposals help to avoid delays to the

development of electricity transmission network infrastructure.

The responses to this consultation will inform the development of the proposed guidance on

community benefits. We therefore welcome views that will assist in understanding the

perspectives of different stakeholders involved in developing and delivering communities

benefits, those who may benefit and those who will fund community benefits. We would also

welcome views on the practicalities of implementing the proposals.

Closing date: 25 May 2023

**References:**

1. UK government, British Energy Security Strategy (2022)

<https://www.gov.uk/government/publications/british-energy-security-strategy/british-energy-security-strategy>

1. Gross value added (GVA), undiscounted, 2020 prices. Estimated by applying a value (£) per job as set out in:
2. BEIS (2019), Energy Innovation Needs Assessments, https://www.gov.uk/government/publications/energy-

innovation-needs-assessments

1. Department for Business, Energy and Industrial Strategy, Electricity Networks Strategic Framework (2022)

https://www.gov.uk/government/publications/electricity-networks-strategic-framework 4 For example, projects can bring opportunities for environmental enhancement in a local area.

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