

Local Governance and Flexibility Strategy Team
The Office of Gas and Electricity Markets

Dear Ofgem,

I am writing as the Managing Director of the North London Waste Authority (NLWA) in response to the consultation on the Regional Energy Strategic Plan (RESP) policy framework. NLWA welcomes the progress that has been made to date on the implementation of the National Energy System Operator (NESO), and this Ofgem consultation on the RESP.


While we do not intend to respond directly to the specific questions posed within the consultation given the Authority is not directly involved in energy system planning, we would like to emphasise that we broadly support the direction of travel outlined in the RESP policy framework. However, we would like to take this opportunity to raise several pertinent points that we believe are important for Ofgem to consider, from the perspective of a local energy generator as we continue to work towards shared net zero goals.

About the North London Waste Authority

NLWA is the joint waste disposal authority for north London established by the Waste Regulation and Disposal (Authorities) Order 1985 and is one of six such authorities in England. As such, NLWA is responsible for disposing of waste collected by seven north London Boroughs: Barnet, Camden, Enfield, Hackney, Haringey, Islington and Waltham Forest.

The area served by NLWA consists of over two million residents making NLWA the second largest waste disposal authority in the country by volume of waste managed. NLWA is the owner of LondonEnergy Ltd (LEL), which, among other waste management infrastructure, operates an energy from waste (EfW) facility at the Edmonton EcoPark in the London Borough of Enfield. NLWA is currently delivering the largest project in its history, the North London Heat and Power Project, to replace the existing EfW facility at the Edmonton EcoPark, which is reaching the end of its operational life.

When operational, the new EfW facility will turn residual non-recyclable household waste into heat and electricity. Once complete, this will provide a heat network for up to 60,000 homes, or electricity for up to 127,000 homes. The heat network, which is being delivered by local company called Energetik (wholly owned by Enfield Borough Council), will be one of the



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largest heat networks in London. Using EfW for district heat networks is a highly efficient way to harness the energy recovered from the non-recyclable waste produced in north London.

In addition to supporting local heat networks NLWA is also actively exploring how to install a carbon capture plant to capture CO₂ which is released as a result of the combustion of the waste. The new EfW facility will generate up to 700,000 tonnes of CO₂ per year and Government is clear that carbon capture is the only net zero compliant technology for residual waste management facilities such as Energy from Waste.

Our in interest in this consultation

NLWA is a provider of secure and consistent baseload power supply and in the future will be a large provider of decentralised heat to a local heat network.

In the UK context, the role of the EfW sector is prominent. UK EfW facilities generate around 3.2% of the nation's total power output but also emit around 3.5% (14.4 MtCO₂) of net annual territorial GHG emissions¹.

From a London regional context London is a net importer of electricity. According to a report commissioned by the Greater London Authority, London's installed generation capacity is equivalent to ~4TWh/year compared to close to 40 TWh electricity consumption. More than 20% of London's installed capacity is generated by energy from waste. As such any London specific pathway to net zero needs to consider energy from waste and from a whole system perspective how infrastructure to support heat networks as well as carbon capture can be facilitated.

Points for your consideration

Alongside enhanced energy security, cost efficiency and, enduring benefits to energy consumers, a coordinated and centralised approach to network planning is fundamental to enable the net zero transition and to fulfil our climate goals.

NLWA is supportive of the vision and guiding principles for regional energy strategic planning to be whole system focused. We agree that the plan should be vision led and provide clear objectives that reflect a region's characteristics. Heat and power through EfW is a low carbon

¹ chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.oxfordenergy.org/wpcms/wp-content/uploads/2024/05/CM09-Carbon-capture-from-energy-from-waste-EfW-Final.pdf



form of energy and in the future our new facility will provide baseload heat to one of London's largest heat networks. We welcome the proposed methodology particularly the inclusion of bottom-up local data inputs including heat network zoning data. However, we believe the crucial role of heat networks in achieving decarbonisation warrants greater emphasis in the plan. We recognise that the RESP is not intended to serve as an all-utility regional master plan however, ensuring heat networks becomes a core element of RESPs can provide more certainty for investment in heat infrastructure, which is critical for expanding and accelerating the development of these low-carbon alternatives.

To fully decarbonise facilities like energy-from-waste plants, the implementation of carbon capture is essential. Within the consultation it is proposed that through modelling of supply and demand RESP take a "*long-term regional vision which sets the thematic priorities for the region and a series of directive strategic net zero pathways*". Recognising Ofgem's statutory net zero duty and the proposal that no pathway that fails to deliver net zero is modelled, NLWA would welcome further reference to how CCUS will be modelled in the various plans to NESO as there remains limited reference to CCUS in the statutory licences of the NESO, and within the RESP consultation.

This is of particular concern to NLWA as we aim to install an operational carbon capture plant at our new EfW facility in the 2030s. However, like many EfW plants across the UK, our facility is located in a dispersed area, away from major carbon capture clusters or ports. To ensure a whole-system approach to energy planning, NLWA urges further clarification on how CCUS infrastructure will be considered into regional energy plans to deliver net zero.

NLWA fully supports the aim of the RESP to act as a key interface between local spatial planning and energy network planning, helping to identify challenges and opportunities to support the transition to net zero. Although it may fall outside Ofgem's direct remit, NLWA respectfully suggests that, to accelerate the planning process, statutory requirements for planning authorities to consider advice generated by NESO through RESPs, SSEPs, and CSNPs should be given further consideration. This could be achieved by incorporating such advice into policy frameworks like the National Planning Policy Framework (NPPF) and legislation where possible.

We believe that the voluntary nature of RESP adoption could create inconsistencies across regions. This could lead to misaligned planning outcomes that hinder the integrated development of energy systems and local infrastructure, including carbon capture projects that are critical to achieving net zero. By making consideration of the RESP a statutory requirement, local planning authorities would have a clearer framework to guide decisions,

ensuring more cohesive and predictable outcomes across energy systems, spatial development, and infrastructure planning.

NLWA welcomes the approach to integrating local spatial planning with energy system planning through the establishment of regional strategic boards and the inclusion of democratic representation. A stronger requirement for local planning authorities to consider the RESP could incentivise greater participation on the strategic boards which as noted in the consultation will be voluntary.

NLWA agree with the rationale of convening strategic boards for proposed regions and potentially the development of working groups where appropriate and representation of cross sector actors as suggested in the consultation. In addition to heat network zones, we believe it would be beneficial for each RESP to account for the likely location of future carbon capture clusters as well as dispersed energy generators such as EfW and would welcome involvement in such working groups in the future where appropriate.

We appreciate the consultation process and Ofgem's commitment to facilitating the transition to net zero through thoughtful, collaborative planning. We trust our suggestions will be carefully considered as part of this important policy development, especially as Ofgem prepares the impact assessment in Autumn 2024 and the subsequent decision in Winter 2024.

Yours sincerely,

Martin Capstick
Managing Director, North London Waste Authority