

nationalgrid

R110-T3

ET3 Atypical Non-Load, Non-Lead Interventions EJP Summary

Early Land Purchase

UKLP



**National Grid Electricity
Transmission's Business Plan**

December 2024

Early Land Purchase: Executive Summary

Background

National Grid Electricity Transmission (NGET) is responsible for the high voltage transmission network in England and Wales, which is crucial for moving energy from its generation point to areas of demand. As part of the UK's commitment to a decarbonised power system by 2030, the infrastructure needs to expand significantly, requiring substantial land acquisition for substation development. The current investment request seeks £X million to secure strategic land, ensuring it is available for future development and reducing connection times by allowing concurrent land purchase and network design processes.

Drivers for Investment

The primary driver for this investment is the anticipated growth in the connections queue, driven by various decarbonisation initiatives. Currently, the connections queue stands at over 730GW, growing at an average rate of 12GW per month. The need to build twice as much transmission infrastructure in the next five years as has been built in the past decade necessitates a shift from traditional processes to more flexible approaches. Securing land in advance is essential to meet these ambitious targets and ensure timely project delivery.

Options Considered

Two options were considered to meet the investment needs:

1. Do Nothing: continue acquiring land post-project sanction, which does not reduce connection timescales and fails to meet the needs case.
2. Accelerate Land Acquisition: decouple land acquisition from substation design, running both processes concurrently to secure land ahead of project sanction.

Preferred Solution

The preferred solution is to accelerate the acquisition of Options or Freehold land. This strategy involves voluntary negotiations with landowners to secure either an Option, providing a future right to purchase land, or an immediate Freehold acquisition. This approach aims to secure land before other potential buyers and aligns with the strategic objective of reducing overall connection timelines.

Timeline

The proposed investment spans the first three years of the RIIO-T3 period, with the following key milestones:

- X: secure land through Options or Freehold purchases, with an average cost of £X million per Freehold purchase and £X per Option.
- X: implement concurrent land purchase and substation design processes to ensure land availability for pre-construction works as soon as projects are ready to mobilise.

Conclusion

This investment proposal for Early Land Purchase is a strategic response to the growing demand for transmission infrastructure required to achieve the UK's decarbonisation targets. By securing land in advance, we can reduce connection timelines, control costs, and future-proof the network. The £X million funding request is a conservative estimate based on current market conditions and expected project materialisation. This proactive approach will enable us to deliver the grid of tomorrow, today, while maximising value for consumers and supporting the transition to a decarbonised power system.