



Department for
Energy Security
& Net Zero

Department for Energy Security & Net Zero
3-8 Whitehall Place
London, SW1A 2AW
T: +44 2072 153008
E: Johanna.Cowan@energysecurity.gov.uk

gov.uk/guidance/contact-desnz

www.gov.uk/desnz

Julian Leslie
National Energy System Operator NESO
Faraday House
Warwick Technology Park
Gallows Hill
Warwick, CV34 6DA

2 December 2025

Dear Julian,

I commend NESO on its work so far in developing the Strategic Spatial Energy plan (SSEP), following the joint commission by the UK, Scottish and Welsh governments in October 2024. This has included the publishing of the SSEP methodology in May 2025, and groundbreaking work which has been undertaken throughout the spring and summer.

Since the publication of the methodology, evolving modelling inputs and policy interdependencies have led us to recommend using updated cost inputs, with a resulting impact on the SSEP timeline. While DESNZ previously worked to provide inputs to NESO within the original timeframe, the pace of updates has meant that some refinements have been necessary to ensure the robustness of the outputs and allow alignment with new, externally published data. In particular, we consider it is necessary for the SSEP modelling to reflect recent updates to generation costs (including cost of capital) estimates and more recent expectations on demand. This will also allow greater transparency of data inputs, which we appreciate has been challenging with the confidentiality restrictions on the previous data we provided. I recognise that this will lead to a delay of several months to the modelling process and therefore the overall timelines. I also appreciate this impacts NESO's Licence and other regulatory milestones.

We remain aligned on the importance of maintaining momentum while ensuring the SSEP reflects a robust view of future energy infrastructure. I acknowledge the potential effect this will have on NESO's regulatory deliverables with Ofgem for the Centralised Strategic Network Plan (CSNP) and Regional Energy Strategic Plans. In particular, on the CSNP, given the SSEP is setting out the spatial context for energy infrastructure which the CSNP will translate into network infrastructure requirements. Whilst a delay is regretful, I believe it is a proportionate step to strengthen the quality and credibility of the SSEP.

Alongside this, it is key that we ensure that the SSEP analysis is as robust as possible to uncertainty and the pace of change in the sector. I know our teams are working closely so that we can understand how you are approaching this.

I am confident that NESO will develop robust, credible, pathways for the long-term future of the energy sector and it is important that you provide ministers with your independent advice, allowing them to make informed decisions. As part of this, I appreciate NESO's continued engagement with DESNZ in the development of the SSEP and ensuring that we continue to work well together as part of the wider work on our respective roles and responsibilities.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Cowan'.

Johanna Cowan
Strategy Director, DESNZ