

REA Solar & Storage Forum, 7th May 2026

Attendees: Matt Parry (Secretariate, REA)
Tom Calver (Island Green Power)
Stephanie Greenslade (REA)
Frank Gordon (REA)
Kritika Pawar (H2CHP)
Mark Nelson (Certi-fi)
Ben Watts (Kilowatts)
Matthew Blackmur (National Grid)
Ben Fawcett (Lightsource BP)
Mark McLoughlin (DLL)
Bruno Roldao (Greenvolt)
Carl Gurney (Gallagher)
Rob Hughes (Cosmic Charger)
Thomas Lilleyman (DRAX)
Michelle Lezama (Lightsource BP)
Sarah O'Donnell (TFL)
Amber Bains (TLT)
Duarte Ferreira (Greenvolt)
Siddharth Puri (Blake Clough)
Arbaaz Nayeem (EY)
Jamie Balbes (DESNZ)
Antonio Rojo (Greenvolt)
Frances Nicholson (Harmony)

Minutes

Matt Parry: Welcome all, and thanks everyone for attending. Let me give a quick reminder of the REA competition law notice – no notes to be taken by attendees and no recording of the session. Minutes will be circulated via the members' section of the website. I'd like to introduce you all to Stephanie Greenslade, who has recently joined

the REA, as a Senior Policy Analyst, working across power markets. Brief review of forum's recent consultation responses, including: National Planning Policy Framework; Ofgem's Demand Connections Reform; Corporate PPAs; NESO's Connections Reform designs and methodologies; Ofgem's long-duration energy storage (LDES) licence conditions; and outlined the pending consultations. Outlined recent policy developments, including:

- Electricity Generator Levy: The excess revenue levy for projects without a CFD is set to rise from 45% to 55%. Voluntary CFDs will be offered. The REA is pushing for favourable terms with DESNZ and awaits further detail.
- Warm Homes Plan: £15bn over five years, broadly supportive of solar, storage and heat pumps. REA's view is that it does not go far enough for households who cannot afford upfront costs. REA is pushing for salary sacrifice schemes to be extended to these technologies.
- NESO / CSNP: The methodology for the long-term plan has been published but the plan itself has not yet been made public. REA continues to chase NESO on this.
- [DESNZ – Reform of National Pricing Delivery Plan](#): Consultation closes 2 June. Members were encouraged to share any comments with the REA for inclusion in the response (mparry@r-e-a.net).
- AR7 outcomes: Good result for solar. Contracts extended to 20 years at a strike price of £65/MWh (2024 prices). AR8 is expected to be a critical round for solar given the Clean Power 2030 target.
- Gas and oil prices: Gas prices have moderated (approximately 30%-40% up) following initial concerns. LNG accounts for only a small share of total gas supply, limiting the impact of recent disruption. Government is exploring measures to protect lower-income households.

Rob Hughes: raised the issue of fire risk from lithium-ion batteries in underground car parks, noting a significant absence of clear government guidance in the EV infrastructure context. He expressed concern that multiple academic papers and industry working groups were each developing their own guidance, risking fragmented rather than coherent industry standards.

Mark Nelson: noted that his technical director, Michael Collins, has been working closely with the UK's Senate Elect Committee and is the UK representative for IEC 62619 (battery safety and propagation testing). He is also actively pushing for a review of PAS 63100, which Mark described as no longer fit for purpose. Mark offered to put Rob in touch with Michael directly.

Rob Hughes: noted he had also engaged with RISE (the Swedish fire research organisation) and with UK academic experts who feed into the wider international ecosystem. He co-chairs a quarterly meeting with the Association of British Insurers (including Zurich, Action Alliance, Aviva and London Fire Brigade), with the aim of

educating insurers and improving the quality of available data. He extended an open invitation to members who wished to attend.

Carl Gurney: offered useful context from an insurance perspective. He noted that building insurers are already covering structures that contain EVs, and that the addition of a charging unit does not change the risk profile in law – existing policies require electrical installations to be maintained to the relevant standards, which already applies. He drew a distinction between this standard property underwriting and the more specialist engineering insurance market, where underwriters are better equipped to assess technical risk.

The broader point of agreement was that well-maintained, professionally installed EV charging infrastructure represents a mitigation of risk – not an increase – compared to ad hoc charging off domestic sockets.

Matthew Blackmur: flagged work being carried out in connection with the Warm Homes Plan around non-ownership tenures such as leasehold. He noted that one social housing provider had indicated that 60% of their buildings could not accommodate battery installations. National Grid DSO is exploring models through which tenants could share in the value of a community-scale battery nearby, most likely through favourable tariffs rather than direct ownership. Social housing providers have funding available to deliver positive outcomes across health, wellbeing and affordability, and energy is one of the most significant levers available to them. Suggested that – for properties where direct installation is not viable – there may be a route to directing that funding into nearby battery projects that deliver equivalent household benefits. The DSO is interested in such schemes from a flexibility markets perspective.

Ben Fawcett: gave a presentation on the UK solar market. Notable positives:

- CFD mechanism is valuable and the move to 20-year contracts is a significant positive for project economics.
- Strong government planning policy for renewables and increasing NSIP approvals adding momentum to large-scale solar.
- Clean Power 2030 targets are ambitious and supportive; AR8 and AR9 in the pipeline.
- UK negative pricing risk is considerably lower than in some European markets (notably Spain and Germany)

Concerns:

- Grid reform is still taking longer than expected; many members awaiting Gate 2 offers
- Cost of capital has risen and the UK has been particularly affected, which will feed through to AR8 strike price expectations
- Supply chain capacity – EPC contractors and network connection teams – may struggle to deliver 5GW+ from AR7, AR8 and AR9 concurrently

- Central government support has not fully translated to local planning level; a number of solar projects are being refused against officer recommendation, increasing costs and timescales on appeal
- Devolved administrations in Scotland and Wales appear less supportive
- Mandatory community benefit and community ownership requirements are likely to come in; while not opposed in principle, they add complexity and will be difficult to govern well
- Uncertainty over CFD rounds beyond AR9 is a barrier to committing DevEx on longer-gestation projects
- A general election is due within three years; some opposition parties have been explicitly critical of solar

Ben's summary view was that the short-term outlook is good, but there are real and growing challenges on the horizon for medium- to long-term projects.

Members discussed mandatory community benefit. There was broad acceptance that a floor on community benefit payments is reasonable and provides clarity for developers. However, concern was expressed about mandatory community ownership: it is complex, only a small number of community energy organisations have the capacity to work well with developers, and it should be encouraged rather than imposed.

Antonio Rojo: gave presentation of UK storage outlook. He also talked about Greenvolt having several BESS and PV projects under construction in Scotland and England. Antonio noted that the UK is regarded within Greenball as a mature, lower-margin but safe and stable market compared to others in Europe where revenue attractiveness can shift quickly with subsidy changes. The intention is to use the UK grid-scale experience as a foundation for expanding into the C&I market. Antonio explained that Greenvolt is more active in Poland, than the UK, as recent Polish capacity market auctions, structured similarly to the UK's, had allowed Greenball to secure approximately 6GWh of contracted projects at very attractive terms around three years ago. Those revenues are secured for 20 years, which justified a larger direct investment programme in Poland. UK investment is ongoing but at a smaller scale.

Mark Nelson: presented a new certification scheme and oversight framework for solar PV, battery storage and EV charging installations above 50kW. The scheme was developed following interest from industry stakeholders at the NEC installer show in June 2024, who noted the absence of any certification scheme covering this scale of installation (MCS covers below 50kW only). The scheme provides a harmonised framework covering: Annex T (comprehensive set of technical and evidence-based requirements aligned with BS 7671, IET Code of Practice and G99/G100); TMOC-1 (an installation-level method of conformity tool taking installers through a structured workflow from survey to handover); installer handbook (role-specific guidance for surveyors, designers, installers and commissioning engineers); golden thread model (evidence integrity maintained across the full lifecycle of each installation, consistent with the Building Safety Act framework). The scheme has been developed with input

from REA and a range of sector stakeholders. It is currently entering a trial phase ahead of a full launch later this year.

Frances Nicholson: The key date for connections reform was August 2025, by which point developers had to demonstrate land secured (predominantly under option) and ideally planning permission in place. The original window had been pushed back from an earlier June/July close date. 2025 was an extremely busy year for development; 2027–2030 and beyond will be equally demanding for delivery. The key reasons for planning refusal are:

- Agricultural land impact - most common grounds for refusal at planning committee level, even where delegated decisions have passed without issue. The Planning Inspectorate is pushing hard for appeals to be handled by written representations, and is becoming stricter about what additional information can be submitted at that stage. The practical implication: front-load everything. Commission a specialist soil and agricultural land expert early and get the full narrative and supporting facts into the original planning submission (even if it risks being disregarded at committee, it must be there for appeal).
- Fire safety - full adherence to the updated NFCC guidance is now non-negotiable. The guidance has relaxed some earlier requirements around secondary access, but two site accesses remain best practice where space allows, along with a full perimeter track around the battery platform. Critically, the independent battery safety management plan must come from a third party. Harmony learned early on that doing it in-house, however experienced the team, does not satisfy planning authorities or insurers.
- Green belt and grey belt – not an insurmountable problem if the site is well-designed and the grey belt argument can be properly justified. Use a planning consultant with specific green belt expertise and, for appeal situations, commission a barrister's legal review of the planning policy assessment upfront.
- Landscape, visual and heritage - invest properly in civils and earthworks design and include it in the submission. Demonstrating to planning officers that sensitivities have been anticipated and designed out from day one — through bespoke ZTVs, photomontages and considered earthworks — materially improves the chances of a positive decision. Where possible, commit to green-coloured batteries in the submission; this is now achievable with most suppliers, though some (notably Tesla) supply white only.
- Alternative suitable sites - there is no legal requirement to assess these, but include a clear constraints map and a technical note from your grid team explaining why proximity to the substation is necessary. This has been a recurring point of contention in recent appeal inquiries.

Frances Nicholson (continued): Battery technology is advancing quickly. Equipment that was consented at 3–3.5 metres in height may not accommodate newer products (Fluence's SmartStack, for instance, stands at 4.3 metres). Where possible, build additional height flexibility and parameter headroom into submissions from the outset — retrofitting consent via non-material amendments or Section 73 applications takes time and money. Similarly, secure the longest implementation window the local planning authority will accept. Five to eight years has been achievable in many cases. LPAs have generally been receptive to this when the reasoning is explained clearly.

Supply chains are going to come under significant pressure as CP2030 delivery ramps up. Start warming up suppliers early, even before Gate 2 offers are in hand.

Transmission-scale projects bring additional complexity around abnormal load planning (400kV and 275kV transformers are large), cable route easements (6 metres wide plus a 10–12 metre working corridor), and the contestable/non-contestable split at transmission substations — in some cases the substation bay itself may require separate planning permission. Engage an abnormal load assessment firm early and factor third-party access works into the programme. Insurers are also asking more rigorous questions at the due diligence stage. Full NFCC compliance — particularly on water supply and spacing — is the baseline expectation.

Kritika Pawar: presented analysis on the intersection between grid-scale curtailment and the EV charging infrastructure bottleneck, arguing these are fundamentally the same infrastructure problem. In 2025, UK curtailment costs were approximately £1.46bn, representing around 22% year-on-year increase. Around 10TWh of clean energy was paid for but delivered nothing. In northern Scotland, 4 in every 10 units of potential wind power were curtailed. Without significant intervention, analysis cited from Octopus Energy's Wasted Wind tracker suggests curtailment costs could reach £8bn per year by 2030. In December 2025, 153GW of storage applications were cut or deprioritised in a single announcement. New storage projects are now looking at 2035 before receiving a transmission connection. Kritika argued this creates a direct contradiction: Clean Power 2030 requires 27GW of new storage, but the connections process is blocking the projects that would deliver it. In November 2025, the government allocated £10m for off-grid EV charging on England's strategic road network, explicitly because grid constraints are the main barrier to deployment. BYD's announcement in March 2026 of 1,500kW flash charging stations noted these require on-site battery buffers to manage grid constraints – even the most advanced charging technology cannot simply plug in. Kritika drew on peer-reviewed work to argue that the optimal battery buffer size at a charging hub is determined by coincident peak demand, not total installed capacity – the same sizing logic that applies at the grid-scale wind level

Siddharth Puri: provided a structured overview of the Connections Reform process for members less familiar with its mechanics. The pre-reform connections queue operated

on a first-come, first-served basis, resulting in over 700GW of applications including a large number of speculative or non-viable 'zombie' projects. Reforms were introduced to clear the queue, bring forward connection dates, and reduce unnecessary reinforcement costs. Projects must now demonstrate two things to achieve a Gate 2 connection offer: readiness (land secured - lease, option or title); strategic alignment (project must sit within the relevant Clean Power 2030 technology and zonal targets). These criteria were applied retrospectively across the existing queue. Projects with CFD or CM contracts, or that had significantly progressed through planning, received protections under the CMP434/OQ exercise, though this remains a contested area particularly for BESS. BESS is heavily oversubscribed across all zones; built and protected projects already far exceed zone capacities. New development opportunities are very limited. Solar: most zones filled by Gate 2 projects; limited new capacity available through attrition or future SSEP target increases. Onshore wind: highly competitive in Scotland with limited greenfield opportunity; significant undersupply in England and Wales presents potential openings. Practical suggestions: review Gate 2 variation offers carefully and promptly (query periods are typically four weeks at distribution level and three months at transmission, queries should be raised within the first month); re-evaluate curtailment risk for phase-two non-consented projects (whose queue position may have worsened); for new greenfield development, target zones of low competition and account for Gate 2 attrition; sub-5MW projects can avoid the gated application process entirely; BESS developers should watch for 'bring your own power' opportunities linked to data centres and other non-grid solutions, though these remain limited.

Ben Watts: presented analysis on two related themes: solar capture rates across European markets, and the implications of interconnector flows. Ben tracked capture rates (the revenue per MW received by solar assets relative to baseload wholesale prices) across European markets over roughly six years. Whilst Spain historically led the table given its irradiance levels, its capture rate has fallen sharply in recent years as large volumes of solar have been deployed rapidly. The UK, by contrast, has been gradually moving up the rankings. The counterintuitive result is that British solar can now yield comparable or even slightly higher revenue per MW at wholesale prices than Spanish solar, despite Spain receiving roughly double the irradiance. This is a straightforward consequence of oversupply: when solar generation is high, wholesale prices fall, and the more solar a market has deployed, the more its capture price is eroded. Spain's spring wholesale prices are now universally low all day due to the combination of high solar output and low heating/cooling demand. Ben noted that the same pattern is visible across Europe, with capture rates broadly running in inverse relation to irradiance levels as solar deployment accelerates.

Jamie Balbes: updated everyone on DESNZ's plan for AR8. The Secretary of State announced several months ago that AR8 will open in July 2025, directly following AR7

which concluded in February. DESNZ published the first of two consultation responses in order to allow relevant legislation to progress and keep the July timeline on track. This covered technical tweaks: allowing NESO to correct errors during the round, and allowing developers to submit additional documentation during the assessment process. A timeline document will be published “in the next few weeks” setting out key milestones and scenarios. DESNZ recognises the importance of this for developers and will publish as soon as clearance is obtained. The full consultation response will follow, covering: ministers’ ability to see bids before setting technology budgets; recycling of capacity between rounds; connections reform and its timing interaction with AR8; contract phasing, hybrid metering, repowering and other contract matters. The allocation framework and contract documents will be published “a few weeks before” the round opens (alongside the full government response), to give developers maximum time to review. Delivery years, pot structure and administrative strike prices will also be published at that point. Jamie confirmed that DESNZ has not committed to a May publication date and regards it as unlikely. The documents will be published as soon as possible. DESNZ will run a launch event (chaired by Jamie, with NESO, Ofgem and LCCC) ahead of the round opening, covering the allocation framework, contract and key changes. Members were encouraged to sign up. A link to the CFD microsite will be shared in the meeting chat.

Arbaaz Nayeem: provided an overview of the GB corporate PPA market. AR7 solar cleared at a price broadly in line with AR4/AR5 levels. The key test will be how much of the nearly 4GW of contracted solar actually gets delivered given project economics. For AR8, the three main levers are: development and construction costs, cost of capital (equity and debt), and the revenue stack. EY does not expect the AR8 strike price to increase substantially from AR7, while cost of capital pressures have intensified – creating a squeeze on project investability. The ‘green premium’ that corporates were historically willing to pay for new-build renewable credentials has largely disappeared. The market is now highly price sensitive: new-build solar on a 10-year fix is clearing in the mid-60s (£/MWh); operational solar with RE100-compliant REGOs (asset not more than 15 years old at contract end): low 60s; operational, non-RE100-compliant assets: clearing even lower. The primary corporate driver has shifted from additionality to cost saving – the main question is whether a PPA will reduce a corporate’s electricity bill. Only a very modest premium (below £1/MWh in most cases) is available for price certainty over a long-term contract, even given recent geopolitical volatility. Arbaaz outlined the main PPA structures used in the GB market:

- **Virtual / financial PPA:** A contract for difference (fix-for-floating swap) between generator and corporate. No physical power flows; purely financial settlement with REGOs transferred. Similar in structure to a CFD. Preferred by corporates comfortable with derivative accounting.
- **Physical / as-produced PPA:** Power is physically delivered through a route-to-market provider and the corporate’s retail supplier. More complex contractually

but preferred by corporates that cannot or do not wish to use derivative accounting.

- **Sleeved PPA with baseload conversion:** Where the corporate's supplier will not accept the as-produced solar shape, a third-party sleeving agent converts the solar profile to baseload via a Grid Trade Master Agreement (GTMA), then sells baseload power back to the corporate's supplier.

Arbaaz pointed out how the solar capture price discount (currently approximately 15–20% in summer, nil in winter) reflects the fact that solar generates predominantly in low-price hours. Co-located BESS addresses this by shifting generation into higher-price periods. Arbaaz also introduced the concept of a 'virtual BESS swap' (or 'top-bottom spread trade'): a financial structure in which the generator sells to a trading arm at a fixed price, with a separate contract between that trading arm and a BESS operator/optimiser to arbitrage the daily spread between low solar-hour prices and peak prices. This achieves a similar economic outcome to physical co-location without requiring the generator to own the storage asset.