



ScottishPower Energy Networks

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Date: 28 March 2006

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Our Ref: BRTSE/0482

Dear Sirs,

Barker Review of Land Use Planning

Thank you for the opportunity to comment on the above Review. The Land Use Planning System impacts significantly on our business and it is appreciated that there is a Review Team to consider responses from users of the system and their views on improving efficiencies and speed and flexibility, in order to contribute to delivering better economic growth and prosperity.

Background

This response is submitted by ScottishPower's infrastructure division, EnergyNetworks (formerly PowerSystems). EnergyNetworks manages the distribution electricity system on behalf of SP Manweb in North and Mid Wales, Merseyside and Cheshire. SP Manweb supplies 1.5 million customers.

In addition to managing a system that provides a secure electricity supply for both demand and generation, there are also factors such as fault levels, circuit ratings and transformer loading that need to be managed. Taking these factors together, there is an ongoing programme of modernization to ensure the network satisfies the needs of the users of the system.

The network is upgraded through system reinforcement and new connections that are needed to create a more efficient and reliable electricity network. An ageing network without improvement is less efficient and undermines other attempts to be more sustainable in the energy sector. In this sense, these energy network issues become as fundamental in helping to address the challenges presented by climate change as well as economic growth.

EnergyNetworks has a significant investment programme. The net capital investment for the next 6 months by ScottishPower's infrastructure division is £128 million. This

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investment comprises a wide range of activities from asset replacement to network reinforcement to cater for load growth. The expenditure is spread across differing environments, from large urban areas with high load growth to rural areas which include Areas of Outstanding Natural Beauty, Snowdonia National Park and sensitive landscape areas. In addition, our work covers many areas designated for their natural and cultural heritage value, including international habitat sites protected by European Directives.

EnergyNetworks is therefore pleased to be given the opportunity to comment on how the current planning system can better deliver growth. Having set out some of the areas where efficiencies could be made within the system, suggestions are explained in bold italics.

Planning Process

EnergyNetworks business requires obtaining relevant consents from the Department of Trade and Industry through Section 37 Consents and this process is set out in Section 37 and Schedule 8 of the Electricity Act 1989. Schedule 9 of the same Act places an obligation on licence holders to have the regard to preserving natural and cultural heritage.

The process is heavily influenced by the response of local planning authorities through 'Form B' Consultation and the input of interested parties be they statutory bodies and local residents and amenity groups. Under Schedule 8(2)(2) an objection by any one local planning authority will cause the need for a public inquiry to be held.

In other cases, particularly in relation to development related to electricity substation works, the consent from the local planning authority is required and this necessitates submitting a planning application.

The Town and County Planning (General Development Permitted Development) Order 1995 Class 17 relates specifically to work carried out by statutory licenced operators and this sets out a range of works that's is classed as permitted development.

Also relevant to our work are the requirements of the regulations set out in the Environmental Impact Assessment Regulations 1999 and 2000.

Areas for further improving Efficiencies in the Planning System

ScottishPower has encountered many difficulties to the extent that the investment programme is affected and delayed. This has a direct impact on quality of supply and the ability to connect new generation such as renewable energy, to the network. This leads to delays with a consequent lowering of the security of power supply and increased costs to customers in the network area.

Inefficiencies in electricity supply clearly have a direct effect on other industries and



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indirectly on those people coming into contact with the planning system where delays and frustrations are experienced.

Concerns and improvements have been identified in the areas of:

- Planning policy
- Local planning authority input and the role of the DTI
- Permitted Development
- Environmental Impact Assessment Regulations

Problems arising in one or more of the above areas, increases the costs of providing a secure supply of electricity to customers in the network area.

Planning Policy

Frequently, the submission of proposals includes assessing projects against national, regional and local planning and environment policies. In our experience, however, there is a lack of policy guidance relating to these activities and this prevents the company from carrying out required upgrades.

At national level, there is limited guidance in the form of Government policy or national planning policy for electricity infrastructure projects. Statements have been made by the Energy Minister (July 2005) about the need to speed up the planning system, particularly in respect of wind farm connection. However, this has not been followed through with national guidance. Indeed, the 2006 Energy Review refers to this current review of the land use planning system which is an indication that there is a problem and something needs to be done.

I would suggest that as part of any revision of PPS 22, there is reference to the requirements of the network industry. There could be amendments in the form of creating a policy framework that recognizes the need for additional network as a result of increasing demands on the present system. The Energy Minister's statements of support for improving an ageing network should be supported in policy. This is the case in Scotland and Wales. The National Planning Framework for Scotland (2005) in para 76, states *'The capacity of parts of the electricity grid needs to be increased to facilitate the development of renewable energy resources... Grid connections between rural energy resources and the centres of electricity consumption need to be improved.'*

The Ministerial Interim Planning Policy Statement 01/2005 Planning for Renewable Energy states in para. 12.8.11 *'Additional electricity grid network infrastructure will be needed to support the SSAs and local planning authorities should facilitate grid developments, subject to material planning considerations, when proposals come forward whether or not wind farms to be connected are located within their authorities.'*

At a regional level, following issuing of draft Regional Economic Strategy and Regional



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Spatial Strategy for the North West, comments submitted by EnergyNetworks has resulted in the following changes:

RES – Ministerial Submission December 2005 acknowledges that there should be forward planning and investment for utilities companies and the planning system. It is hoped that these submitted changes are accepted by the ODPM/DTI

RSS – While submissions in respect of RSS has resulted in some changes, these do not go far enough. Although these will be subject to a separate process with comments being resubmitted by EnergyNetworks before June 2006, the essence of the point is that the RSS is requiring Network Operators to make effective provision whereas the real need is for RSS to be requiring LPAs to include in their plans and strategies the needs of the electricity operators.

At a local level, with the changes in the planning system, opportunities are arising to submit comments requesting that LPAs, particularly those authorities where there is likely to be new generation, to have regard to the need to develop strategy in terms of say route corridors and site locations for new infrastructure as there is none in current plans. The early signs are that LPAs are not responding to these issues.

In respect of summarizing policy frameworks, I would suggest that at national level, as in Scotland and Wales, there needs to be support in principle to upgrading the electricity network and that regional bodies and LPAs should be charged with making strategic provision through consultation with utilities operators for such in emerging policy frameworks.

In the absence of this, there should be a central government directive that gives more power, on the basis of there being sufficient controls in existing EIA and Electricity Act Regulations, to DNOs having the presumption in favour of using preferred route corridors for overhead lines and locations for substations with the responsibility for the case for proving otherwise being that of the LPAs and interested parties. In effect, in a plan led system, where there is no policy, then there should not be the power vested to the LPAs to object to routes.

Otherwise the existing problem of there being an absence of policy guidance and LPAs at first not quite knowing how to respond and then eventually responding with objections based on local 'nimby' objections, will continue to lead to delays in providing a secure, efficient and cost effective supply of electricity.

Local Planning Authority Input and the role of the DTI

As mentioned above, there is a lack of understanding of how LPAs should respond to electricity network proposals. In some cases, it is considered that the role is left entirely to the DTI. If the present system is to be retained, there needs to be much better understanding of the LPA role as set out in Section 37 and Schedule 8 of the Electricity

Act ie. that an LPA has the power to cause a public inquiry.

Where LPA input is retained, there should be a comprehensive consultation system. In my experience, some LPAs have delegated powers and others have a whole variety of committee procedures, not one being the same. (In the case of one authority, an application under section 37 led to the removal of delegated powers because officers had granted consent against members' own views.) Furthermore, overhead line proposals will cross more than one authority resulting in support by some authorities and objections by others.

While there is a statutory requirement to respond within 4 weeks (Circular 14/90), this is rarely rigidly applied. *A regulation should require all LPAs to respond in the same way ie. delegated authority and enforced within the stated time limits or otherwise fall to be out of time.*

Alternatively, more power could be vested in the DTI where decisions should be taken on the basis of national policy – assuming that there is one in place as mentioned above.

The consenting of section 37 is a devolved power in Scotland and this may possibly be the case for Wales as well in the future. If this is the case, perhaps a regional government office in England could be responsible as this might lead to better understanding of the strategic needs of the electricity operators.

In respect of obtaining planning permission for new substations, the decision is made under the Town and Country Planning Acts. There is clearly open to problems in that an overhead line proposal with substation works will need two applications (to DTI for overhead line and LPA for the substation) to different decision makers. *There should be a single determining body for all electricity works.*

Furthermore, the needs of the electricity operators are poorly understood by LPAs. It is a difficult and extremely technical exercise to model the requirements of the network and demonstrate sustained periods of need as there are continuously changing demands on the supply and demands of the system. The need for carrying out work and the nature of that work may change in the lifetime of a project cycle and within the current system, changes need to be reconsidered and the process starts over again. *There should be increased flexibility in project design within consents that are granted.*

Permitted Development

The above issues arise where consent under section 37 is required and this applies to overhead lines above 20,000 volts.

Schemes less than 20kV are classed as permitted development, as are extensions to substations.

To give an example, in my experience, there is often confusion expressed on behalf of LPAs about the type of permitted development. In one occasion, it has been argued that the erection of a security fence around a 132kV substation as a safety precaution is not an 'operational' requirement. Rather, it was argued that this is a symptom of our times and more a requirement to protect the site from vandalism which takes the erection of the fencing outside the scope of the GPDO.

It is also not clear in Class G.1 which sets out 'Development not permitted' by Class G. Where overhead lines in Class G.1 (a) are not permitted where a section 37 consent is required, and planning permission is deemed to be granted if the section 37 is successful, Class G.1(b) does not permit development in National Parks and SSSIs. With Class (b) development relating only to telecommunication lines, the effect of this is that overhead lines in a National Park are not excluded and remain permitted development. In practice, this is not the case as all applications for overhead lines in a National Park Authority boundary are submitted to the Park Authority for their approval.

The GPDO therefore needs to be revised to reflect updated operational needs and to correct any anomalies.

Environmental Impact Assessment Regulations

Recent issuing of a number of EIA Regulations has led to a more complicated system for identifying what constitutes EIA development. The current system requires electricity operators to make approaches through different regulations. In respect of permitted development, there is a requirement in Circular 2/99 Environmental Impact Assessment to screen the proposed development and this is through the LPAs. As electricity operators proposals cross LPA boundaries this leads to a number of LPAs being consulted, potentially coming to different decisions on the need for EIA.

Given that by requiring notification in the first place, the site is within a designated area where there are already controls under the EC Habitats Directive Regulations, the Wildlife and Countryside Act, National Parks Acts, etc, and that consent or 'assent' of the relevant agencies will in any case be required before work can take place, this does seem to be an unnecessary layer of procedure.

In the event of section 37 proposals, the determination for EIA rests with the DTI.

It is suggested that the determination for all EIA development be the responsibility of a single body and one which understands the needs of the industry and that the requirement as set out in advice in EIA circulars to screen development which will in any case require a consent from the responsible agency rather than a LPA is reviewed.

Summary



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Having set out a number of concerns above, the overall point in closing is that the problem seems to rest with the LPAs being required to deal with an aspect of development that is not mainstream development such as housing and commercial developments. This leads to the electricity operators proposals being over burdensome on LPAs that are already overstretched by indeed working on the predominate forms of development enquiries and proposals. The same can be said for the policy making sections of LPAs.

Further changes to the system would improve efficiencies in both the electricity supply industry and for network customers.

It is considered that the above suggestions can be made without undermining the accountability and transparency of the system. Where a reduction in function is suggested this is on the basis of there being another body in place to take over or where there are already controls managed by other agencies. As a result, the needs of the environment will not be overshadowed.

At a national level, the 2006 Energy Review and the 2003 Energy White Paper coinciding with a changing planning system, do indeed provide an appropriate opportunity to address energy infrastructure issues upon which the country's economic prosperity and growth will depend. Faced with these changes in improving security of supply, efficiencies in delivering supply and responding to changing generation patterns, the planning system must take the opportunity to respond accordingly.

I look forward to hearing from you about this or any of the matters raised above.

I appreciate that having been given an opportunity to comment, there are several issues that have been identified above. I would be very pleased to discuss these further if this would assist the purpose of the Review.

I would also ask that you please acknowledge receipt of these comments.

Yours faithfully,

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