

Campaign for National Parks

Canopi, 82 Tanner Street, London SE1 3GN

020 3096 7714

info@cnp.org.uk

www.cnp.org.uk

By email to: RIIO3@ofgem.gov.uk

Response to Ofgem Consultation on RIIO-3 ET Draft Determination

August 2025

1. Campaign for National Parks is the independent national voice for the 13 National Parks in England and Wales. Our mission is to inspire action for wilder, inclusive National Parks. We have been campaigning for over 80 years and our independence from Government means we can speak for National Parks when no-one else can.
2. We have a long-standing interest in the price control process having been closely involved, alongside other environmental NGOs, in the development and implementation of the visual amenity allowances for both electricity and distribution operators. This response starts with some general comments about the importance of giving specific consideration to National Parks in the RIIO-3 Framework. We then set out our response to some of the specific consultation questions on the RIIO-3 ET Draft Determination.
3. Our comments focus primarily on National Parks in line with our remit. However, many of the points we raise would also apply to National Landscapes (formerly known as Areas of Outstanding Natural Beauty (AONBs)).

General comments

4. Campaign for National Parks' vision is for nature-rich Parks for all. We are keen to ensure that the natural beauty of these special places is conserved and improved for everyone to enjoy both now and in the future and we, therefore, want to see as much as possible done to enhance biodiversity and reduce the negative impacts of transmission infrastructure in National Parks. Both Ofgem and National Grid must also take these issues very seriously in line with their environmental responsibilities under various legislation in both England and Wales including the Electricity Act 1989, the Well-being of Future Generations Act 2015 and the Environment Act 2021 and their statutory duties relating to the purposes of Protected Landscapes.
5. These latter duties were recently strengthened in England making it even more imperative that the bodies to which they apply (which includes both Ofgem and statutory undertakers such as National Grid) take appropriate action to support the purposes of Protected Landscapes. Changes set out in Section 245 of the Levelling Up and Regeneration Act 2023 mean that the previous duty "to have regard to" the statutory purposes of National Parks is now a duty "to seek to further" these purposes. Defra guidance on the new duty¹ makes it very clear that the bodies to which it applies must now take a much more proactive and thorough approach to demonstrating how they are seeking to further the statutory purposes. Natural England has also published

¹ [The Protected Landscapes duty - GOV.UK](#)

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advice which makes it clear that the new duty is significantly stronger than the previous duty².

Response to consultation question

ETQ9. What are your views on our consultation positions for the TOs' EAP commitments in RIIO-ET3?

6. We welcome the progress Transmission Operators (TOs) have made in embedding environmental commitments within their Environmental Action Plans (EAPs). However, we are deeply concerned by Ofgem's proposal in the draft determination to reduce the ambition of these commitments, particularly the decision to reject funding for 10% or greater Biodiversity Net Gain (BNG) in non-statutory construction projects and to reject commitments to deliver additional biodiversity compensation beyond 10% BNG for planning consent. This approach undermines the momentum built during RIIO-T2, is inconsistent with Ofgem's own statutory duties as set out above and is out of step with both stakeholder expectations and the urgent need to address the nature and climate crisis.
7. Ofgem has supported and incentivised biodiversity actions beyond legal compliance in RIIO-T2, as has Ofwat in their recent price review so this draft determination represents a step backwards and risks undermining the credibility of the RIIO framework as a driver for proactive environmental action. The decision also appears to be inconsistent with what is proposed for the RIIO3 draft determination on gas transmission.
8. Specifically, we oppose the rejection of funding for biodiversity enhancement for the following types of development which are often brought forward under permitted development rights or exemptions from formal planning consent:
 - Substation extensions
 - Tertiary connections and cables
 - Cable tunnels
 - New or replacement cable works
 - Overhead line (OHL) construction and new towers.
9. These assets contribute significantly to the spatial and ecological footprint of transmission infrastructure. Allowing National Grid to provide increased support for biodiversity as part of its activities will not only help the organisation contribute towards targets to improve habitats and support species recovery, but it will also play a vital role in meeting the Government's climate commitments, given the carbon storage benefits associated with increased biodiversity.

² For details of Natural England's advice, see for example, this response to the Development Consent Order for the A66 Trans-Pennine Project: <https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/TR010062/TR010062-002418-Natural%20England.pdf>

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10. Reducing National Grid's ability to deliver enhanced BNG and other environmental commitments including the Natural Grid and marine net gain risks missing a critical opportunity for environmental improvements, particularly when the total costs of the changes proposed by National Grid, while material, would only add marginally to bills. In fact, the impact on bills is so small that the costs involved will almost certainly be outweighed by the benefits for people, nature and climate.
11. We urge Ofgem to reconsider its stance and restore support for higher BNG commitments. A capped or minimalist regulatory approach fails to meet public expectations and will hinder the transmission sector's ability to lead by example in delivering for nature.

ETQ11: Do you have any views on our proposed approach to biodiversity funding, notably whether it is appropriate or not for consumers to fund biodiversity outputs beyond legislative requirements?

12. We strongly oppose Ofgem's position that consumer funding is inappropriate for biodiversity outcomes beyond minimum legal thresholds on the grounds that:
- This position is incompatible with Ofgem and National Grid's statutory responsibilities as set out above.
 - There is overwhelming public support for infrastructure projects that deliver environmental and societal co-benefits.
 - The UK has a legal and moral obligation to address the climate and nature crisis.
 - It is contrary to the principle of polluter pays, which underpins sustainable infrastructure development.
13. Consumers increasingly expect regulated infrastructure to deliver environmental and societal benefits as part of their core operations. Investment in biodiversity through energy infrastructure projects delivers long-term value by improving resilience and contributing to national and international biodiversity targets. As Ofgem has supported and incentivised biodiversity actions beyond legal compliance in RIIO-2, a reversal of this position represents a step backwards and undermines years of constructive stakeholder engagement thus weakening the integrity of the EAP process.

ETQ23. What are your views on our consultation position for the LEI UIOLI in RIIOET3?

14. We welcome Ofgem's continued support for the Landscape Enhancement Initiative (LEI) which has enabled the funding of a number of smaller-scale improvements aimed at shifting emphasis away from the visual impact of existing infrastructure in Protected Landscapes through measures such as regenerating hedgerows, repairing footpaths and tree-planting. LEI measures have made a significant and positive contribution to the natural beauty, wildlife, cultural heritage and public enjoyment of Protected Landscapes and have been very well-received by local communities.

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15. However, we are very disappointed that Ofgem made the decision not to include a provision in RIIO-ET3 for TOs to fund the removal of pylons and overhead lines in order to reduce the visual impacts of existing infrastructure in Protected Landscapes. There is a very strong case for this funding and a high level of support for removing electricity infrastructure from Protected Landscapes as demonstrated by a number of different studies relating to both transmission and distribution operations. This includes the 2018 “acceptability” survey undertaken by National Grid for RIIO-T2 which identified that two-thirds of bill-payers find it acceptable for the cost of visual amenity projects to be passed on to consumers. Furthermore, paragraph 2.11.5 of EN5, the Electricity Networks National Policy Statement³ sets out a general presumption in favour of the use of undergrounding rather than overhead lines in Protected Landscapes.
16. Retaining this allowance would demonstrate that Ofgem and National Grid are taking their responsibilities under LURA s245 seriously. While much has already been done to reduce the visual impacts of electricity infrastructure, there are still many more parts of our National Parks which could benefit from the removal of overhead lines. The long-term goal for visual amenity should be that, where practically feasible, all existing distribution and transmission lines run underground through designated landscapes and their settings, and that new lines run underground through these areas or avoid them altogether, in line with paragraph 2.11.5 of EN5.
17. The improvements that have been delivered to date, both through the major visual amenity projects and through the measures supported by the LEI, have had a huge impact on National Parks and are much valued by both local communities and the visitors to these areas, as well as making a positive contribution to nature recovery. The Peak East VIP project delivered a Biodiversity Net Gain of 18% and was highly commended for a national biodiversity award. National Grid are now applying what they have learnt from this, and other VIP projects to future new-build projects, thus ensuring even greater benefits are delivered as a result of the funding for visual amenity.
18. We recognise that there is no opportunity now to retain the funding for major projects as part of RIIO-3 but we urge Ofgem to reintroduce a full visual amenity allowance as part of future price control frameworks. Ensuring that National Grid’s Visual Impact Provision (VIP) programme can continue in future will maximize the benefits from the preparatory work that has already been undertaken. For example, National Grid commissioned extensive research to assess the landscape and visual impacts of all the overhead transmission lines in Protected Landscapes in England and Wales. There is also strong support for this activity as demonstrated by the time commitment that we, and other organisations, are making to support this work through our involvement in the

³ <https://www.gov.uk/government/publications/national-policy-statement-for-electricity-networks-infrastructure-en-5>

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Stakeholder Advisory Group for the VIP programme. It is essential that full value for money is achieved from all the resources that have already gone in to establishing the scheme.

19. Consideration should also be given to the growing body of evidence about the value of National Parks to the rural economy. For England alone, there are nearly 100 million visitors to the National Parks and surrounding areas each year spending more than £5.5 billion between them⁴ and supporting thousands of jobs. Many of these visitors are specifically attracted to these areas by the natural beauty of the landscape.

We are happy for this response to be made publicly available. Please contact Ruth Bradshaw (email: ruthb@cnp.org.uk) if you would like further information about any of the points raised.

⁴ <https://committees.parliament.uk/writtenevidence/10706/pdf/#>