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01/08/03

Dear Cemil Altin,

Electricity Distribution Price Control Review – initial consultation document

The Snowdonia Society, which has approximately 2,700 members, is the premier charitable organisation working to protect the Snowdonia National Park. Our members have been working over years against the negative impact of overhead power lines on the visual amenity of the National Park and for laying power lines under ground where ever practicable.

We would like to make the following comments on the document:

Chapter 3 & 4:

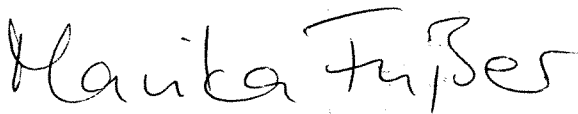
We welcome your consideration that "consumers may be concerned with the social and environmental performance of companies and it may be appropriate to extend the existing output measures to include such areas" (4.12.). We believe that it is fully appropriate to include environmental performance in the output measures, especially in National Parks and other protected landscapes, for two reasons:

- to satisfy the statutory duty imposed on any public body to have due regard to the effect of their activities on the amenity of a National Park (Section 62 of the Environment Act 1995).
- There are now consumers who are willing to pay a higher price for their electricity if they can be reassured that it originates from a renewable source. And there are some, e.g. in our membership, who would be prepared to pay a higher price if they could by that assure that overhead lines were underground in National Parks. We suggest that a survey be commissioned to find out what price consumers generally would be willing to pay for environmental goods including visual amenity.

In 3.17 you suggest that the requests to move overhead lines and underground cables should continue to be excluded from the price control. We strongly believe that you should consider ways to allow electricity companies to direct more expenditure to reducing the landscape impact of new or refurbished overhead lines by placing them underground. We would suggest that an environmental fund be established to fund environmental enhancement works in designated landscapes, e.g. more undergrounding. One source for this fund could be revenue recovered by DNOs that exceeds the threshold allowed under the price control.

We hope that our comments are helpful and will be taken into account. We have no objection to this letter being made public.

Yours sincerely,

A handwritten signature in black ink that reads "Marika Fusser". The signature is written in a cursive, slightly slanted style.

Marika Fusser
Policy Director