

Exmoor Society
Parish Rooms
Rosemary Lane
Dulverton
Somerset TA22 9DP

21 August 2003

Cemil Altin
Head of Price Control Review
Ofgem
9 Millbank
London
SW1P3GE

Dear Cemil Altin

Electricity Distribution Price Control Review - initial consultation document

The Exmoor Society is glad of the opportunity to respond to the above document. The Society is a registered charity, of some 2,700 members and acts as a watch dog over the well being of the Exmoor National Park and its fringes. We make the following observations to the consultation document.

The Society welcomes one of the objectives of the Review, that being to reflect Ofgem's responsibilities with regard to 'social and environmental performance of companies' – paragraph 4.12. However, we would suggest Ofgem needs to recognise and refer to its duties and those of the DNOs to National Parks and AONBs, as set out in the Environment Act 1995 and the CROW Act 2000. The Society feels that the Review should reflect this and make reference to the statutory requirement placed on Ofgem to have regard for National Park Purposes - which include the conservation and enhancement of natural beauty.

In Paragraph 3.17 *Non trading rechargeables*. It is noted that requests to move overhead lines underground should continue to be excluded from the price control. The Society considers that Ofgem need to investigate ways to enable the DNOs to make substantive, continuous improvement in the amenity performance of their network in designated landscape areas. This can be done:

By setting outputs relating to environmental works (percentage of overhead wires to be put underground in designated landscapes over a five year period; actions to meet the purposes of designated landscapes).

Allocating money for both operating costs and capital costs to enable DNOs to meet their duties towards National Parks and AONBs. Without this money, there is little scope to get overhead wires in designated landscapes put underground.

Investigating possibilities for funding environmental works - a standard increase in the average electricity bill, to be set aside in an environmental fund; or a standard increase in the Distribution Use of System charge, again to go into an environmental fund.

The Society welcomes the study into consumer attitudes and their willingness to pay for works, but would ask for confirmation that consumers will be asked about the visual intrusion of overhead wires on designated landscape areas, and to confirm their willingness to pay a small amount (£1) to have the lines removed. The Society urges that these attitude studies focus on the issues in rural areas and not to confuse consumers by referring to urban areas v rural areas. Undergrounding lines to ensure greater continuity of supply is important.

Cont/... The Society welcomes

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The Society welcomes OFGEM's commitment to requesting information on the costs and benefits of selective undergrounding based on risk assessment - Paragraph 4.37. We would like to suggest that this risk assessment includes an assessment of the risk to National Park/AONB purposes from overhead lines and the benefits to the purposes that would result from selective undergrounding of cables. This could be accompanied by the setting of targets for each electricity distribution company for the undergrounding of a certain percentage of the electricity distribution networks in National Parks / AONBs

We hope that the above response is of help.

Yours sincerely

Pauline Bennett
Secretary