

para. 12.21: we welcome OFGEM's intention to take additional measures that will improve environmental impacts; designating additional funds for under-grounding in designated landscapes would be a significant and appropriate measure (in relation to s.62 duties) in this respect;

para. 12.22: innovative methods of under-grounding may be a suitable theme for funding as a R&D incentive, if environmental considerations are to be a primary driver. This should be in addition to an under-grounding allowance *per se*;

para.12.26: we note the estimate of 15-20 times additional expense incurred by under-grounding; we are sceptical that these figures should necessarily be so high and also of the nature of the comparison. In the first instance, technological innovation (e.g. use of XPLE cables) may be able to reduce associated engineering costs and secondly, under-grounding offers both monetized (e.g. reduced maintenance; reduced risk of extreme weather damage) and non-monetized benefits (e.g. increased visual amenity). We note OFGEM's intention (para. 2.2) to continue to scrutinise companies' costs assumption and request that this be extended to NGET's estimated figures for under-grounding. If necessary, external consultants should be considered if the relevant expertise does not exist 'in-house'. We would expect an independent statutory regulator, i.e. OFGEM, to investigate more carefully the range of potential costs submitted by a monopoly enterprise;

para. 12.27: we utterly refute that the benefit of removing remote towers is lessened because of any lack of nearby habitation in the National Park context. Visitors to National Parks are drawn to wilder areas by the perceived tranquillity which is seriously reduced by grid lines and towers. Visitors to such areas are much more numerous than local inhabitants (who would also tend to value the amenity of their locale) and are also drawn from all over the UK;

Para. 12.29: we are pleased to note ongoing work on exploring costs and benefits of under-grounding. From our own direct experience of the roll-out of the under-grounding initiative for the distribution network, we can only note the significant positive impact this allowance is already having on the UK's finest landscapes, the welcome and real commitment of the DNOs to contribute in the most positive manner and thus set high standards of best environmental practice. In our view, it would now be inequitable for DNOs to commit in this way without a concomitant and appropriate contribution by the transmission network companies.

Questions:

Question 12.1: the main impacts are identified; however, as detailed above, we seek more detail on the postulated differential value of enhancement and suggest that an important consumer perspective that needs additional consideration is the impact of grid wires and towers in remote, national designated landscapes;

Question 12.2: not applicable; outwith the major remit of FPD;

Question 12.3: yes; innovation in under-grounding techniques (e.g. surface troughing) and technology (e.g. new cable materials). Additionally we wish to see an under-grounding capex allowance directly analogous to that offered in the last DPCR which would allow a proportion of significantly intrusive overhead grid lines to be ameliorated in

amenity terms. We have previously suggested a pilot scheme in the Peak District National Park where we understand the line is due for asset replacement shortly: the Thorpe Marsh – Stalybridge 400kV circuit where pylons could be removed in the Longdendale valley and the Dunford Bridge/Hazlehead areas by under-grounding (using surface troughing) along the line of the Trans Pennine Trail (bridleway).

Feedback questionnaire:

1. We learnt very late (21 July) of the consultation; previously, as regular consultees, we have been contacted directly by OFGEM (hard copy) as to forthcoming reviews. This did not seem to occur on this occasion;
2. No – tone and content reasonably understandable;
3. Well written in the main;
4. In the main, save for the omission in relation to statutory duties in relation to National Parks (especially Appendix 2) and a possible 'policy blindness' to the National Park visitor as an important class of customer; we were also concerned that certain assumptions were not underpinned by references to the research that provided the information (see comments on paras 12.11 and 12.26);
5. There were pleasing intimations of commitments to possible environmental betterment; we look forward to seeing additional detail in this area in the next round of consultation;
6. No further comments.

We trust the above comments are useful and we look forward to the next round of consultation on the updated proposals in September 2006.

Yours sincerely

Dr Andrew Tickle
Head of Planning and Campaigning/
Deputy Director

cc: Ruth Chambers, Council for National Parks
Penny Ozanne, Friends of the Lake District
Neil Sinden, Campaign to Protect Rural England
Andrew Darke/Jonathan Adamson, PLACE
Brian Taylor/Bob Bryan, Peak District National Park Authority