## PLACE

Robert Hull Director, Transmissions **OFGEM** 9. Millbank London SW1P 3GE

21/7/2006

RESPONSE TO FOURTH CONSULTATION, JULY 2006 - TRANSMISSION PRICE CONTROL REVIEW



Dear Robert Hull

At the risk of seeming to be repetitive I should like to re-iterate the points I made to you in my previous letter in response to the Third Consultation.

Firstly many thanks for all your work on the consultation process and particularly the efforts to improve access to the network for renewable energy generators.

In general terms PLACE would like to see a fundamental re-prioritising within the entire Price Control Review process. Our proposal is that the TPCR should be re-structured with environmental considerations being the starting point from which all other decisions and proposals flow. The global impact of electricity generation on climate change is considerable and in order to reduce those impacts and try to ensure the safety of life on the earth, the TPCR must begin with the environment.

Please re-conceive the next TPCR with Environmental Considerations leading the document, Presumably this will require a real policy shift from the government with a full commitment to decentralised energy.

Regarding last year's Distribution Price Control Review and the present TPCR we believe there has been a discrepancy between the two over the allocation of funds for environmental improvement expenditure. We ask that NGET is allowed to at least equal, and preferably exceed, the expenditure of the distribution companies on such areas of work.

To turn now to more specific matters, during a meeting between PLACE and NGT (as it was then) in November 2004, Professor Steven Swingler, a principal engineering advisor to NGT, was at pains to make clear to us how unreliable is the oft quoted figure of 15 - 25 times more expensive to underground than to go overhead. Every case has to be considered on its own merits and he considers it misleading to generalise about undergrounding costs. We note that the present TPCR does flag up a need to examine relative costs of overhead and underground systems very carefully.

PLACE would ask that costings for the "surface troughing" type of undergrounding in particular be examined great detail as NGET's claim (at the above mentioned meeting) that this type of installation is as expensive as full undergrounding seems unsustainable. It would seem to be particularly unsustainable on disused railway beds and ask that you look carefully at the enclosed photos. Please note also that discussions with Ove Arup Consulting Engineers which has been involved in undergrounding projects also suggests that NGET's generalised figures tend to mislead rather than shed light.

## A robust piece of research into the costs of the different methods of undergrounding is required.

PLACE has been given the full backing of the CPRE in preparing a proposal for the "surface troughing" / undergrounding of a stretch of transmission line at Dunford Bridge in the north end of the Peak National Park which would lie along a disused railway. This power line is in NGET's programme for refurbishment and our proposals would in fact reduce the distance over which power needs to be transmitted. In relation to this proposal PLACE would ask that you ensure that new OFGEM policy would facilitate such a proposal.



with transmission towers



three transmission towers removed

Finally may we suggest that given the increase in severe climate events, including potential storms, incidents of icing etc. that due consideration is given to the desirability of increasing the amount of the National Grid which is underground, for safety of supply reasons.

Yours sincerely,

Andrew Darke

PLACE Field House, Yorkley Wood, Nr. Lydney, Gloucestershire, GL15 4TU, UK tel. +44 (0)1594 562646

Hider Darke