

John Costyn
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Office of Gas & Electricity Markets
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By e-mail to john.costyn@ofgem.gov.uk

1 February 2007

Dear Mr Costyn

Ofgem Sustainable Development Report 2006

Friends of the Lake District are a landscape charity and company limited by guarantee. We have approximately 7000 members, represent the CPRE in Cumbria and are members of the Council for National Parks. As noted in previous correspondence with Ofgem issues relating to the electricity industry have featured throughout our organisations' history and work. Recently we have concentrated on reducing the visual impact of electricity apparatus, including overhead wires on the landscape. In 2002 we published a research document exploring 'The Scope for Undergrounding Overhead Electricity Lines' and have since been active in implementing many of the recommendations that came from the report. This has included engaging with Ofgem during the Distribution Price Control Review (DPCR4) and more recently on the Transmission Price Control Review.

We welcome the publication of the 2006 Sustainable Development Report and in particular the inclusion of an indicator (No.14) to capture the visual intrusion of overhead lines in designated areas. We would like Ofgem to consider the following additional indicators:

- Network lengths, at different voltages, and lengths overground and underground by designated landscape areas i.e. National Parks and Areas of Outstanding Natural Beauty.
- Length of overhead line placed underground in National Parks and Areas of Outstanding Natural Beauty over the DPCR (*Target is 1.5% of the overhead network that is within National Parks and Areas of Outstanding Natural Beauty to be placed underground within the review period*).
- Net reduction in length of overhead lines in designated areas.
- Specific ways in which DNOs and relevant authorities have met their statutory environmental duties to National Parks and AONBs, and compliance with Schedule 9 statements, e.g. consultations, lines placed underground, steps taken to reduce intrusiveness.

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The Sustainable Development Report also notes that it is recognised that networks can also have impacts on wildlife. We would like to see this area developed by collecting relevant data to inform the development of future policy, for example, on bird strikes to identify trends and 'hot-spots'.

It is noted in the report that putting lines underground involves costs to consumers. We believe that costs considered should not be solely the cost that consumers pay for electricity. Costs should also include the environmental costs incurred to our most valued landscapes, in particular designated landscape where special qualities derive in some part from their remoteness and lack of man-made clutter. These costs will be of critical concern to many consumers and to businesses that depend on high quality environments. We believe that environmental costs need to be taken into account when considering sustainable development to ensure that there is not a loss of landscape quality. In this regard we would like to remind Ofgem that:

- Successive studies have shown a positive public willingness to pay for visual amenity improvements to overhead electricity networks beyond those that benefit people's own property.
- Aggregating a modest, average willingness to pay, per person, across England, Wales and Scotland, can readily justify a sum for undergrounding and environmental landscape improvements.
- About 12 million people visit the Lake District every year making a total of 22 million visitor days¹. When asked in a 1994 survey what aspects of the Park were very important to them 85% responded that scenery and landscape were very important². Corresponding figures from the Peak District National Park³ indicate their park receives 22 million visits each year. For Dartmoor in 1998 their estimate was 11 million recreational visits⁴.
- A Council for National Parks project surveyed over 400 businesses in the Yorkshire Dales, North York Moors and Peak District National Parks, towns around them and, for comparison, the Yorkshire Wolds. It found that 69% of businesses in the National Parks believe high landscape quality has a positive impact on their business performance and 26% of businesses think a deterioration in landscape quality would seriously affect their business. Sales by businesses in the Parks was worth £1.8 billion annually, supporting over 34,000 jobs⁵.

¹ The Lake District National Park in Figures Factsheet, LDNPA Education Service, 1 September 2003

² About the National Park Factsheet, LDNPA Education Service, 1 September 2005

³ Factsheet1: Peak District National Park, Peak District National Park Authority website, 18 October 2006

⁴ Recreation and Tourism Factsheet, Dartmoor National Park Authority, March 2004

⁵ Prosperity and Protection: the economic impact of National Parks in the Yorkshire and Humber region, Council for National Parks, 2006.

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friends OF THE LAKE DISTRICT

- Recently CPRE launched its latest campaign - Saving Tranquil Places. CPRE commissioned researchers to undertake survey work and create detailed nationwide tranquillity maps. Through this work they have identified the main factors affecting people's feelings of tranquillity in the countryside. Included in the top 10 survey responses for 'What tranquillity is not' is seeing power lines whilst seeing a natural landscape is one the top 10 for 'What tranquillity is'⁶.
- An emphasis on short-term costs can be to the detriment of long term sustainable development and landscape protection / enhancement.

FLD believe that more research on willingness to pay, particularly in relation to the transmission network, and on broader environmental issues is needed. We hope Ofgem will seriously consider including questions on undergrounding overhead lines to reduce visual impact in future research with consumers. Questions on environmental issues, visual amenity and disposal of redundant equipment as new generation technologies develop would be relevant. FLD would be happy to help in producing relevant questions.

FLD hopes that the above response is helpful. Please do not hesitate to contact me should you require clarification of any of the above or any further information.

Yours sincerely

Penny Ozanne
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Friends of the Lake District

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⁶ For further information on this campaign please see the CPRE website at www.cpre.org.uk.

