

KILTARLITY COMMUNITY COUNCIL

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23 July, 2007

David Hunt Esq
Senior Manager, Transmission Policy
OFGEM
9 Millbank
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Dear Mr Hunt

Open consultation: Income Adjusting Event for Beaulay Denny Public Inquiry.

Dear Sir

I write on behalf of Kiltarlity Community Council. Along with our partners, Beaulay Community Council, Kilmorack Community Council, Communities Against Pylons and Pylon Pressure, we have been presenting our case to the Beaulay to Denny Transmission Line Public Local Inquiry.

We do not agree with SHETL's proposals for extra permitted expenditure as explained in your letter.

We would have thought that the costing for this project would have included likely expenditure on PLI costs since a PLI was always a likely eventuality.

Furthermore, since SHETL would have been aware of the very high costs that they would wish to incur in such an eventuality, it was their responsibility to enter prior meaningful negotiations on such key issues as selective undergrounding with which a large part of the PLI has been concerned. SHETL, ruled out any prior discussion on undergrounding, insisting that they were debarred from entering such negotiations because Ofgem would not permit the additional costs to be recovered. If they can now apply for additional permitted expenditure, we are not clear why such an application could not have been made at the outset with regard to additional mitigation costs.

In any case, since SHETL/SSE, as we understand it, stand to recoup costs in future profits, we do not see why customers should pay upfront rather than shareholders. In effect this means that, whereas we and other small objectors have been dependent upon the unpaid preparation and witness of volunteers, SHETL has been minded to enormously increase the task involved by their liberal commissioning of witnesses and employment of a large team of highly paid legally qualified persons, all on the basis that the correspondingly large bill is to be picked up by their customers. In basic fairness, there ought to be a parallel reimbursement of our costs.

We have found that the denial to us and the general public of a verbatim account of proceedings, or indeed any sort of generally available report, has put us at a considerable disadvantage. When we brought this to public notice in the local press we were rebuked by an MSP on the grounds that the cost of a verbatim report, which he estimated as £500,000, would be a quite unjustified use of public money. Nevertheless, it has been quite clear to us that SHETL has been able to have a very detailed record kept of proceedings throughout the Inquiry so far, a record which has not been made available to anyone else. It would be reasonable to assume that this is one of the costs they wish to recoup from customers.

We also approached the Reporters and the Scottish Parliament and Executive on the need for a verbatim report available to all. It was made clear to us that an estimated cost of £500,00 was not to be entertained, but SHETL believes it is reasonable to be allowed to recover costs of around £6m. To give permission would add to the great unfairness that has been a feature of the PLI and to the astonishing inequality between the Applicants on the one hand and objectors and the public on the other.

We and the other voluntary groups and organisations who are objectors at this Inquiry have had access to no mechanism which would enable us to spend at a level matching, proportionately, the expenditure of SHETL. Clearly there is no 'level playing field' here. We directly represent our local public in reasonably arguing the case, not of direct opposition, but of mitigation but this 'public' inquiry does not seem to be structured to enable the voice of the public to be heard at the volume achievable by the Applicants.

Against this background, we see no justification for SHETL not even having to pay for this privileged position at the Inquiry but being allowed to pass the costs on to customers, many of whom are objectors.

Yours sincerely

Ronald MacLean
Secretary