



Joint Nature Conservation Committee
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Office of Gas and Electricity Markets
9 Millbank
London
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(by email only)

9th January 2008

Dear Sir/Madam,

Re: Offshore Electricity Transmission – A further Joint Ofgem/DECC Regulatory Policy Update

This letter represents the views of the Joint Nature Conservation Committee (JNCC), Natural England (NE) and Countryside Council for Wales (CCW). We, as the nature conservation agencies, are primarily concerned with the minimisation of negative environmental effects of offshore electricity transmission, both onshore and offshore, and therefore appreciate the opportunity to respond to the most recent update of the Joint Ofgem/DECC Regulatory Policy on Offshore Electricity Transmission. Please find below general comments which address the consultation document as a whole and primarily detail our concern that transmission networks should be developed in a strategic manner, in line with the zonal approach to Round 3 of offshore windfarm development.

1. Firstly, we are concerned that the competitive mechanism by which the tendering process is undertaken will not necessarily result in the option with the least environmental impacts being selected. This is because tendering for projects on a case-by-case basis does not address environmental issues at a strategic level and the resulting transmission solutions will comprise the most economically viable option due to the commercial motivations of the OFTOs. In order to effectively minimise environmental impacts we believe that projects need to be evaluated and planned in a co-ordinated manner (which is particularly relevant considering the zonal approach to Round 3).
2. To continue the emphasis on the need for strategic evaluation - we would like to see that relevant conclusions of the Strategic Environmental Assessment (SEA) for offshore energy (http://www.offshore-sea.org.uk/consultations/Offshore_Energy_SEA/index.php) are considered in the development of this regulatory policy. The aim of SEA is to address issues which are not adequately considered at the individual EIA level including in-combination and cumulative effects. The zonal approach to Round 3 enables strategic assessment of offshore windfarm development to align with sustainable development principles however it is our concern that the proposed process of separate competition for individual transmission projects will not enable sufficient environmental assessment of entire offshore wind projects (including transmission and grid connection).
3. Referring to NGET's response to Consultation on Offshore Electricity Transmission – A Competitive Tender Process (14th November 2008), NGET's describes it's role as "in response to specific signals from generators resulting in an incrementally designed offshore network, and not based on a long term, strategic view of the overall development of offshore generation," however, NGET recognises the benefits of co-ordination of offshore network connection applications and highlights this as a concern. This again emphasises the need for a strategic overview to be held (by DECC/Ofgem) to ensure that transmission connections offshore are indeed designed in a co-ordinated and efficient manner.

4. The nature conservation agencies query if the competitive tender process for specific windfarms has been developed with consideration for co-ordinated development of large-scale transmission networks offshore, for example the potential supergrid to connect the renewable energy production of the countries of Northern Europe, including offshore wave and tidal projects (as proposed in the Scottish Government's Pre-Scoping Study to Determine Grid Requirements to Connect Renewable Energy off the Coasts of Northern Europe; <http://www.scotland.gov.uk/Topics/Business-Industry/Energy/19185/SKMNEGrid>).
5. We also recommend that greater consideration is given to onshore requirements and grid connection. Experience has indicated that development of projects on an *ad hoc* basis can result in excessive demand for grid access through limited connections, with the result that cable corridors are proposed without consideration of possible combination solutions. Consequently there is greater pressure on the environment, and greater risk of objections to the cabling proposed in subsequent applications on environmental grounds.
6. Further to point 4, above, we would appreciate clarity on how the development of the required onshore infrastructure can be strategically considered in the incremental approach to increasing capacity at the zones. This is required for development of NGET's Seven Year Statement of onshore and offshore capacity for future generation. The document proposes the extension of the onshore application process whereby "the generator can request a connection for capacity requirements that reflect a defined, phased development programme," (1.21, p.19).
7. Considering timelines, how is it anticipated that the onshore application process will fit with development of offshore windfarm zones, specifically the EIA process, as projects will be contingent on the consent of onshore connection?
8. We would like clarity that the zonal approach to Round 3 is fully understood and considered within the regulatory policy. As we understand each zone in Round 3 will be initially developed by the Crown Estate and a development partner consisting of a consortium of companies responsible for that zone, and not by individual developers making separate connection requests within each zone (1.20, p.19).
9. Fundamentally we are also concerned that there is no actual consenting process through which cabling installations undergo environmental impact assessment, and where conservation agencies have the opportunity to influence decisions based on nature conservation law. We are recommending that cabling is no longer an exemption under the proposed Marine Bill for this very reason.

We commend the efforts of DECC and Ofgem to develop a thorough and forward-looking regulatory policy and appreciate continued involvement through the consultation process. Please feel free to contact myself if you would like further details on our comments and the agencies would welcome the opportunity to discuss concerns at a face to face meeting if Ofgem would find this useful.

Yours sincerely,

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Joint Nature Conservation Committee

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