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Your Ref:  
Our Ref:

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Dear Ms Bradbury

**RIO-T1 Implementing competition in onshore electricity transmission**

Thank you for the opportunity to comment on this consultation.

We agree that benefits should be realised by enabling a greater third party role in onshore electricity transmission. Not only should it promote innovation and consequently deliver cost savings but it could also lend an element of transparency to network planning.

We believe that the earlier a third party can be involved, the greater the benefits are likely to be. The consultation document seems to suggest that the uncertainty presented by an earlier appointment of a third party in terms of pre-construction outputs, such as planning consents, is a bad thing. We would suggest that the consentability of scheme should be a key driver of the nature of that scheme and something a third party should rightly take a view on.

Delays to strategic reinforcements are an increasing issue and indeed create a cost to the consumer through constraint costs, and a cost to generators through delaying the return on their investment. This is why for example we see generators opting to connect to the onshore network by underground cabling rather than overhead lines. A prime example comes from Lincolnshire, where it is understood that RWE and National Grid renegotiated a connection offer for Triton Knoll which now avoids a significant extension of the transmission network by National Grid. One suspects that RWE were not keen on waiting for National Grid to achieve development consent for what would have been a long line of pylons.

We therefore believe that the third party role should not be limited to 'building, owning and operating' parts of the transmission network – there is also a role for third party evaluation of needs cases and certainly the strategic optioneering stages. Indeed there is a strong argument that a third party should take on the role of designing and in particular coordinating, both the onshore and offshore grids.

The consultation suggests that Ofgem will intervene where 'the plans submitted by the company do not represent good value for money'. We would suggest that Ofgem should have close regard to the deliverability and wider impacts of a scheme, rather than simply its value for money. A cost benefit analysis approach in line with HM Treasury guidance would provide the best measure of whether a scheme was optimal or not.

Yours sincerely

**Michael Wilks**  
Spatial Planning Projects Manager