

Meeting Notes

RIIO ED1 Outputs Working Group-Environmental Impact

First stakeholder workshop reviewing the topics under this specific output.

Date, time and venue

16 May 2012 13:00-16:30 Electricity Networks Association offices

Attendees

| Delegate | Company |
|------------------|------------------------------|
| Eddie Hamilton | ENWL |
| Catherine Cacace | Scottish Government |
| Tom Leveridge | CPRE |
| Jim Cardell | Northern Power Grid |
| Paul Jewell | Western Power Distribution |
| Robert Tudway | Greater London Authority |
| Clive Steed | UK Power Networks |
| Ruth Bradshaw | CNP |
| Ruth Chambers | Wildlife Trust |
| Giles Holford | DECC |
| Emma Taylor | SEPA |
| Ray Wright | Scottish Power |
| John Gray | Scottish Power |
| Tricia Wiley | REA |
| Paul Mitchell | Scottish and Southern Energy |
| Stacy Feldmann | Ofgem |
| Andy Cormie | Ofgem |
| Dora Guzeleva | Ofgem |

Agenda

- Roundtable introductions
- Ofgem presentation
- Open discussion on the 4 topics
 - o undergrounding in areas of outstanding natural beauty and national parks
 - o business carbon footprint
 - o sulphur hexafluoride
 - o fluid filled cables
- Close

Meeting Notes and Actions

Undergrounding in Areas of Outstanding Natural Beauty (AoNBs) and National Parks

The discussion included the following key points:

- Members in general indicated that they felt that this scheme was still relevant and that it was well received.
- In some cases there is a long lead time associated with such projects, particularly in the initial planning and engagement stages. This was one of the reasons why the rate of expenditure expected at the start of the price control had not yet been met.
- It was clarified that the next step should seek to understand why the money had not been spent as quickly as expected and that consideration of changes to the definitions for this scheme could be considered as necessary, thereafter.
- One DNO mentioned that on a particular project there was a question about shared funding where commitment was needed in order to secure this additional funding, which would allow for greater financial scope on the project.
- It was also discussed whether it would be suitable to consider being able to pool
 funding resources where a specific designated area spanned across a few different
 DNO regions and whether this could involve a single DNO contact point for the local
 interest groups, rather than approaching all DNOs concerned in the area to seek
 funding for projects.
- There are some specific environmental conflicts in some regions with areas of peat soil. Undergrounding in such areas would cause carbon emissions and potential impact to the visual amenity of the landscape through undergrounding in such soil¹. This particular issue led to consideration of the particular mix of outputs/benefits.
- DNOs provided some background as to their methods of engagement with the various relevant stakeholders.
- Experience showed that there were often the very vocal local groups and others which were not. It was considered likely that for these latter local groups there could be issues associated with resourcing/awareness/prioritising of such projects in their areas.
- It was agreed resourcing was a key issue. In some instances DNOs had provided project managers to oversee specific projects, therefore alleviating the resource burden off such local groups.
- An action was taken for members to speak to the interest groups they represent to understand their resourcing and prioritisation for such undergrounding projects and awareness of the scheme itself.
- The scope of the scheme was considered in terms of:
 - o Qualification criteria
 - Complexity of particular schemes

¹ It was indicated that there was some external guidance published on how to work in areas but that this still posed a carbon emission issue.

- o Boundaries of a scheme and
- Designations including consideration of expenditure outside the boundary².
- Where other services like BT lines were also present this decreased the scope in some cases for a DNO to consider undergrounding their lines whilst keeping the BT lines overhead (as there does not appear to be a similar scheme for other overhead services).
- Actions agreed were:
 - o to provide some explanation for why the money had not been spent,
 - identification of any barriers, e.g. resourcing and consideration of cases studies where the projects/applications had not been eligible or failed, including:
 - experiences and problems associated with resourcing, awareness of the scheme and priorities from local interest groups and local authorities
 - case studies of projects and applications that have failed/been ineligible and indication of the overall numbers of applications and projects that fail/ineligible

Actions

| Gather information from local interest groups and local authorities with regard to resourcing, awareness and priorities | Representative groups present |
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| Provide details of case studies and examples of projects and applications that have failed/been ineligible and overall numbers | DNOs |
| In the context of the information gleaned from the two actions above, consider these additional issues: qualification criteria (including boundaries), designation of areas (e.g. 10% etc) and mix of benefits (visual amenity, carbon, costs etc) | DNOs and Stakeholders |

Business Carbon Footprint (BCF)

The discussion included the following key points:

 There is appetite for BCF information to be made available and for DNOs to show how 'green' they are.

 $^{^2}$ 10% was allowed for expenditure outside the boundary of a designated area. DNOs were asked whether this was used and it was commented that this was something the members needed to consider further.

- external incentives, corporate social responsibility (which should not be underestimated) and efficient operation of assets already drive the reduction of carbon emissions – this scheme does not need anything more formal
- Whether the scope of the current scheme was sufficient, or whether it could be expanded to include e.g. recycling and street-works.
- The current scheme was quite broad insofar as definitions, measurements of carbon, reporting and monitoring and how comparable the performance is intended to be/possible to be.

Actions

Consider if **there is** anything else, e.g. recycling and street-works, that it might be sensible to include within the scope of this scheme. This could also include consideration of current reporting arrangements and appetite for further public information.

Members of the workshop

Sulphur Hexafluoride (SF6)

This discussion included the following key points:

- There does not appear to be any external incentive for the reduction of this particular emission.
- DNOs shared their experience and indicated that they replace equipment before the
 end of its lifetime where they find it is leaking too much and that in fact some
 indications show that certain types of switchgear may be more susceptible to
 leaking.
- The drivers for monitoring and replacement also included safety.
- Better detection of leakages, manufacturer's guidelines and the overall cost of monitoring equipment was discussed in light of current approaches to monitoring, it was considered if the current approach to monitoring was either reactive or preventive.
- At present there was no real idea of the magnitude of the problem
- DNOs agreed to work together to share information regarding differing approaches
 to monitoring, recording, leakage management in order to quantify the problem.
 Information sharing could also identify performance of specific types of equipment.
 DNOs indicated that they could review and try to provide the following information:
 - o How much SF6 is in the system at present?
 - How much SF6 might there be by 2023?
 - o How much is leaking at present?
 - How much might leak in the future taking account of individual replacement programmes?

Actions

| Review whether there are any incentives in place for the reduction of this emission and check the extent to which DEFRA is involved with this | Ofgem |
|---|-------|
| DNOs to share information and provide details on the scale of the problem | DNOs |
| Respond to the specific questions | DNOs |
| How much SF6 is in the system at present? | |
| How much SF6 might there be by 2023? | |
| How much is leaking at present? | |
| How much might leak in the future taking account of individual replacement programmes? | |
| | |

Fluid Filled Cables

This discussion included the following key points:

- The current scheme was going well and that there were different issues for each DNO depending on the specific landscape in their areas, e.g. high degrees of groundwater in the South East that could potentially be impacted by leakages.
- The current scheme involves an Operating Code between the ENA (representing DNOs) and EA which was currently undergoing revisions to allow for changes in legislation with regard to groundwater discharges.
- The EA were interested at a recent meeting of the EA and ENA to understand when this problem would be completely resolved. It was unclear what timescales or assumptions the EA were working under in seeking this understanding.
- Ofgem took an action to meet with the EA to understand their views about this scheme and any particular concerns they may have. There was discussion about the particulars of reporting under this scheme, the trigger points for reporting and actions for catastrophic leaks or continuous, minor leaks. It was noted that this problem, unlike SF6 was diminishing with new assets because new assets are using plastic rather than oil filled insulation and that therefore the problem only concerns old assets and their continued wear over time. DNOs raised the following concerns about the current arrangement:
 - Consistency of reporting
 - Reducing of uncertainty

 Consideration of whether there is a mechanism/could be a mechanism in place to allow for an accelerated replacement programme as necessary.

Actions

| Speak to the EA regarding their views about the current scheme is working and any concerns they may have | Ofgem |
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