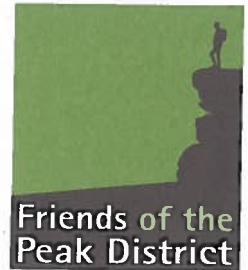


23 November 2012

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*Dear Anna,*

**Strategy consultation for the RIIO-ED1 price control review**

Thank you for consulting Friends of the Peak District. We are a registered charity with over 1500 members and are the national park society for the Peak District and are affiliated to the Campaign for National Parks and also represent CPRE in the wider Peak District. We are an active partner in the delivery of the Undergrounding for Visual Amenity (UVA) project working closely with local DNOs (Western Power; Northern Powergrid; Electricity North West) and the Peak District National Park Authority.

We are commenting primarily on the supplementary annex on outputs, incentives and innovation, especially sections 5.32ff. We welcome the continuation of the scheme (5.38) that has run - with increasing success - through DPCR4 and DPCR5 and the extension to any new NPs and AONBs that are designated within RIIO-ED1.

We welcome the continuation of the '10% allowance' (5.40) and it is true to say that its use so far has been sub-optimal. The allowance would be more useful if it was clarified that it could be spent on lines that may be wholly outside but close/adjacent to the designated landscape in that they significantly impact on the setting and/or context of the NP or AONB. There is already provision in planning law for adjacent local authorities to have regard to the purposes of NPs and this is also often enshrined in policies that seek to control development that may affect the setting of the NP, even though the development is outside. We believe that the joint stakeholder groups comprising the DNO, Park or AONB representatives and amenity groups are well enabled to come to sensible decisions as to whether to allow schemes to proceed when there is a negative effect on the visual amenity of the designated landscape. However guidance on how this could operate in general terms could be useful but we would not regard it as essential, bar giving clarity that such schemes would qualify.

We support the continued inclusion of NSAs within ED1 (5.47) and also the continuation of the funding pot at the same level as DPCR5 but adjusted for the longer time period of ED1 and the additional NSA factor.

We remain concerned however with the variable use of the pot at the DNO level and in particular, proscriptions placed by one DNO in our area (Northern Powergrid) on its use. In DPCR5 the per km spending caps were removed and this has led to much greater and improved use of the funding, resulting in a step change in the visual amenity gains enjoyed by customers. However NPG, who in DPCR4 focused solely on LV undergrounding in local settlements, re-imposed their own caps at the outset of DPCR5, based on an intended target of undergrounding all 1.5% of lines within the price period. This has had unintentionally perverse outcomes which are also playing out unfairly between different designated areas in the DNO region. In essence, caps have been imposed that allow HV undergrounding in the Yorkshire licence (YEDL) area (because the licence area pot is larger due to the customer population integer) but not in the NEDL area. This is

President: Julia Bradbury

Friends of the Peak District represents CPRE (Campaign to Protect Rural England) in the Peak District.  
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particularly unfortunate as less populous areas of countryside (typical in the NEDL area) have far more problems with visual amenity of HV lines as they cross much more isolated tracts of open landscape to supply remote settlements and properties. The lower cap imposed in these areas has meant that no HV undergrounding is being considered by NPG/NEDL although the need is greater and the likely benefits greater. This is perverse and unacceptable. We would ask OFGEM to engage in dialogue with NPG to reassure them that the approach (no caps) taken by other DNOs is acceptable to OFGEM and that internal spending caps of this kind should be removed.

We agree that funding constraints for stakeholders, including ourselves, has reached a critical state in recent years and may imperil effective participation in scheme identification and proposal/delivery procedures (5.57). We would welcome a signal from OFGEM that a relatively small proportion of the UVA pot be available to ensure the continuity of appropriate stakeholder participation.

We trust these comments are of use. Please do not hesitate to contact us if you need any further information or clarification.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'AT', written over a horizontal line.

**Andy Tickle**  
**Acting Chief Executive**