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Mr Philip Cullum
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Dear Mr Cullum

REVIEW OF OFGEM'S IMPACT ASSESSMENT GUIDANCE

1. This letter sets out The John Muir Trust's response to the consultation on the proposed Guidance on Ofgem's Approach to Conducting Impact Assessments (IAs) (Ref 37/13).
2. The Trust believes that safeguarding the UK's last wild land should feature prominently in government policy. We see this review as a welcome opportunity to embed considerations of landscape impacts in processes and procedures pertaining to the siting of energy infrastructure. We offer responses to questions 1, 2 and 4 as follows:

2.1 Question 1 - We welcome the greater emphasis on **IA as a continuous, iterative process**, provided that the ultimate decision on the viability of a scheme is based on its totality (eg electricity generation *plus* transmission) so that the cumulative effects on landscape of proposed infrastructure may be properly understood and assessed.

2.2 Question 2 – We have the following detailed comments on the **assessment of impacts, costs and benefits**.

2.2.1 Flow Chart Page 7. Ofgem has important duties relating to the environment but the flow chart at Fig 1 makes no reference to this. We recommend 'environmental impact' (which we deem to encompass landscape considerations) should be included in the box at Stage 3.

2.2.2 Para 2.8 – Criteria for determining importance – significant effects on the environment. Again, in view of Ofgem's duties, environmental considerations need to be explicit in the table. Also, Scottish National Scenic

Areas and Core Wild Land¹ areas need to be included. We recommend the following amendments (*italicised*)

<p>Significant effects on the environment</p>	<p>Significant effects may be likely where, for example, a proposal is likely to:</p> <ul style="list-style-type: none"> - result in an appreciable increase or decrease in emissions of carbon dioxide or other greenhouse gases - <i>impact on ecosystem services eg air quality, water, CO2 sequestration, drainage, etc.</i> - materially affect government objectives described in the Social and Environmental Guidance to Ofgem (particularly those relating to energy efficiency, distributed energy and innovation) [, and/or] - have a significant impact on visual or other amenity issues, especially in environmentally sensitive areas such as National Parks, Areas of Outstanding Natural Beauty, <i>National Scenic Areas</i>, [or] Sites of Special Scientific Interest <i>and areas classified as Core Wild Land</i> [,and/or] - <i>[treat as separate point] have an [remove 'a significant' – every effect is significant] effect on biodiversity: habitats, vegetation and species.</i> - <i>have geological impacts</i> - <i>impact on historic sites, including archaeological sites and historic settlements</i> - <i>have cumulative effects due to the proximity of other built infrastructure</i>
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2.2.3 Co-ordination with other projects. We recommend the guidance should actively encourage the co-ordination of projects where this would minimise environmental impacts.

2.3 Question 4 – Other issues.

2.3.1 As mentioned under Question 1, we recommend the guidance should require schemes to be considered *in their totality* so that the full costs, both to the environment and consumers, may be understood before determining their viability. This issue was brought out very recently in DECC's report 'Progress on the Scottish Islands Renewables Project' where one of the main conclusions was that *'further renewable generation on the Scottish Islands will not be developed on any scale in the near term under current policy. The*

¹ SNH Core Wild Land 2013 <http://www.snh.gov.uk/protecting-scotlands-nature/looking-after-landscapes/landscape-policy-and-guidance/wild-land/mapping/>

costs of connecting to the transmission system are too high, making it difficult for developers and the regulator acting on behalf of customers to commit to costly new transmission infrastructure'. The need for a **total costs approach** could perhaps be covered under para 2.25 and/or below para 3.23.

2.3.2 Circumstances under which Ofgem would not undertake an impact assessment. We propose the first bullet should be removed. We understand that a large programme of grid infrastructure reinforcement across the UK, costing C£22billion, is under way and that a significant proportion of this money will be for 'fast tracked' schemes. It would not be appropriate for an IA to be waived merely because a scheme was deemed to be 'urgent'.

3. If you have questions or would like to discuss any of this further we would be glad to assist. Thank you again for the opportunity to comment.

Yours sincerely

Sheila Wren

SENT BY E-MAIL