



CYNGOR SIR  
YNYS MÔN  
ISLE OF ANGLESEY  
COUNTY COUNCIL

**DYLAN J. WILLIAMS** BA (Hons), MSc, MA, M.R.T.P.I.  
Pennaeth Adfywio Economaidd a Chymunedol  
Head of Economic & Community Regeneration

CYNGOR SIR YNYS MÔN  
ISLE OF ANGLESEY COUNTY COUNCIL  
Canolfan Fusnes Môn • Anglesey Business Centre  
Parc Busnes Bryn Cefni • Bryn Cefni Business Park  
LLANGFNI  
Ynys Môn • Isle of Anglesey  
LL77 7XA

ffôn / tel: (01248) 752431/2435 ffacs / fax: (01248) 752192

Gofynnwch am / Please ask for: Dylan Llewelyn Jones  
E-bost / Email: DLJPL@anglesey.gov.uk  
Ein Cyf / Our Ref:  
Eich Cyf / Your Ref:

Dyddiad / Date: 08.05.14

Mrs Anna Rossington,  
Ofgem,  
1, Caspian Point,  
Caspian Way,  
Cardiff Bay,  
CF10 4BQ

Dear Mrs Rossington,

**'SP Energy Networks 2015-2023 Business Plan – Changes to Our Plan; Updated March 2014'**

The Isle of Anglesey County Council's (IACC) Economic & Community Regeneration (E&CR) service welcomes the opportunity to comment on the 'SP Energy Networks 2015-23 Business Plan', which was updated in March 2014.

Anglesey's fragile economic history is well-documented, with low GVA, many of Wales' most deprived wards on Anglesey (Amlwch, Holyhead and Llangefni have designated Community 1<sup>st</sup> wards) and significant job losses following the recent closure of some large employers. However, there are major opportunities on the horizon that could transform Anglesey's economy, these include:

- Horizon Nuclear Power's project to build a new nuclear power station at Wylfa will potentially produce 2.7 GW of low carbon energy;
- The decommissioning of the existing Magnox nuclear power station starting in 2014/2015;
- Celtic Array's proposed Irish Sea Round 3 offshore wind farm with a potential yield of 4.2GW of low carbon energy(2 GW Landing Facility on Anglesey);
- SeaGen Wales' proposed tidal array between the Skerries and Carmel Head producing 10.5MW of low carbon energy;
- Minesto under-water tidal energy development;
- Land and Lakes Development with scope of up to 1000 lodges, hotel, restaurants and cafes, and retail development;
- Lateral Power's proposed 299MW biomass plant and/eco park at the Anglesey Aluminium site, Holyhead;
- proposed transmission infrastructure improvements to the National Grid accommodating 7GW plus of low carbon energy;
- Complimentary developments – these include the potential Waterfront Development at Holyhead, potential expansion of industrial estates at Penrhos, Gaerwen and Llangefni and the further developments at the Energy Centre at Coleg Menai;
- Significant local Electrical Generation Projects (Potential of 400MVA-800MVA).
- Development at Anglesey's designated Energy Enterprise Zones.

It is essential that adequate infrastructure is in place and that significant investment is therefore made in order for Anglesey to fully benefit from these potential future investments. Without significant proactive investment in the infrastructure requirements the identified economic benefits will not come to fruition. It is of paramount importance that the Island's infrastructure is given the attention it deserves.

The IACC in partnership with key stakeholders have established the Anglesey Energy Island Programme (EIP). The EIP aspires to establish the Island as a world renowned centre of excellence for producing, demonstrating and servicing low carbon energy, which in turn will provide a sound base to encourage economic diversification and transition, delivering positive benefits over the longer term.

Due to the proposed significant energy related investment on the Island, there is a clear need to work closely with Scottish Power Energy Networks (SPEN) to ensure that the future network is best placed to deal with the UK's low carbon transition. The E&CR therefore welcome SP's recognition that energy networks have a critical role in facilitating the transition to a low carbon economy.

Against this backdrop the IACC request that the following points are given further consideration prior to the publication of the Business Plan; these mirror the points that were presented to you in June 2013. However due to their significance we wish to re-iterate the points made:

1. Support the guiding values detailed within the Business Plan and the transparency within the proposed approach;
2. Commitment to engaging and communicating with stakeholders and customers is clearly welcomed including the £200M investment in ensuring SP is ready to help customers benefit from low carbon technologies;
3. Embrace preparation to the network for people and businesses that wish to connect to low carbon technologies;
4. Welcome the commitment to eradicate all low overhead line clearances across roads by April 2015 and all overhead line clearances to the latest technical standards by 2020;
5. Support the proposed 100 new job and training opportunities in North Wales and hope to work with SP to ensure that Anglesey benefits from a significant proportion.

E&CR (Economic & Community Regeneration) has developed a strong working relationship with SPEN representatives over the past 12 months. This mutual relationship is to gain an understanding of existing electricity infrastructure and recognise any constraints issues on Anglesey on both electrical generation and loading. E&CR support the implementation of the Business Plan and is eager to continue to develop its relationship with SPEN to ensure that Anglesey and North West Wales fully benefit from opportunities associated with its implementation.

Over the past few months, the IACC have worked in partnership with SPEN to pilot an Integrated Energy Plan for the Island from an electrical loading perspective. Through this collaborative activity it has been identified that multi-million pound investment is required to improve the electrical infrastructure. This improvement would enable sufficient capacity in the network to attract inward investors to maximize upon opportunities associated with the EIP on Anglesey and to overcome market failure.

It is extremely important that SPEN and Ofgem recognises the significant investment that is required to reinforce the electrical network in particular when considering electrical generation. SPEN has 28% of UK's generation connections already connected but only 14% of the UK's customer base, therefore a significant proportion of generation in comparison to customer base.

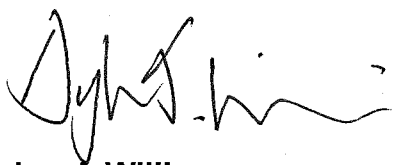
Anglesey currently has electrical generation of over 130MW contracted onto its distribution voltages, this is a colossal proportion compared to other areas especially for a small island. This means that significant improvements will be required to reinforce the infrastructure especially considering that between 400MW – 800MW of additional electrical generation is expected to take place in the coming years. Hence, there is a need to reinforce the infrastructure to meet future demand. To increase the capacity of the network requires significant levels of investment.

We reiterate that we are fully committed to collaborating with SPEN to improve future network capacity and resilience on the Island. It is essential that necessary investments are made in advance to ensure possible construction do not hamper potential inward investment opportunities.

We are enthusiastic and eager to work with SPEN and Ofgem to work together to source the funding opportunities that could assist in undertaking the required works to Anglesey's electrical network to meet demands of the future.

We hope the comments provided will be fully considered and would welcome the opportunity to discuss any related matter further. Should you require any additional information or wish to discuss any aspect of our response further please do not hesitate to contact Dylan Ll. Jones (Economic & Community Regeneration) on 01248 752 497 or e-mail [dljpl@anglesey.gov.uk](mailto:dljpl@anglesey.gov.uk) .

Yours sincerely,



**Dylan J. Williams**

Pennaeth Adfywio Economaidd a Chymunedol  
Head Economic and Community Regeneration

- cc. Richard Parry Jones – Chief Executive, Isle of Anglesey County Council  
Arthur Owen – Corporate Director, Sustainable Development, Isle of Anglesey County Council  
Cllr. Ieuan Williams – Leader, Isle of Anglesey County Council  
Cllr. Aled Morris Jones – Economic Portfolio Holder, Isle of Anglesey County Council  
Dr John Idris Jones – Energy Island Programme Director  
Dylan Llewelyn Jones – Development Officer, Isle of Anglesey County Council