

## **Extending competition in electricity transmission: criteria, pre-tender and conflict mitigation arrangements**

**Response by the Campaign to Protect Rural England (CPRE) to Ofgem's consultation**

**July 2016**

### **Introduction**

1. The Campaign to Protect Rural England (CPRE) welcomes the opportunity to respond to Ofgem's consultation on extending competition in electricity transmission. As a leading environmental charity, CPRE campaigns for a beautiful and living countryside. We have 60,000 members and supporters, including over 2,000 parish councils and 43 county branches across England. Because of the impact of energy infrastructure on the landscape, CPRE has a long history of involvement in energy issues, particularly in the 1930s and 1960s/1970s when the National Grid underwent significant development.

2. Although this consultation is simply about developments of the transmission network, we would like to draw emphasis to the National Infrastructure Commission's (2016) argument that 'new developments of the electricity system should foster unlocking our electricity system rather than replicating a system that was designed for a different age'.<sup>1</sup> We believe developments of the transmission network should be informed by this reasoning to avoid investing in large new transmission infrastructure at the expense of incorporating smaller-scale renewables into the mix. Energy storage and Demand Side Response should also receive consideration.

3. We have focused our consultation response on those (parts of) questions that most strongly relate to our area of work.

### **Consultation questions**

#### ***Question 2: Do you agree with our proposed principles for packaging projects?***

4. Regarding the principle on separating larger projects, the challenge would be to ensure that each of these packages take into consideration adverse impacts on the countryside (e.g. landscape and visual impact) within that package as well as in relation to the other packages. Splitting a project into separate packages increases the risk of flaws in communication and coordination, with higher risks of adverse successive (landscape) impacts. A structure overseeing the various packages should be in place to ensure adequate landscape protection. Additionally, with regard to cumulative impacts, environmental impact assessments should not only be carried out for each package or sub-project, but should also consider the sum of these packages.

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<sup>1</sup> National Infrastructure Commission (2016) 'Smart Power', p. 24.

***Question 3: Do you consider the processes we have set out for determining which projects to tender are appropriate?***

5. We welcome the consistent use of a methodology such as the Networks Options Assessment (NOA) methodology to make recommendations on the suitability of projects for tendering. Regarding the NOA methodology's role in assessing the suitability of a Competitively Appointed Transmission Owner (CATO)'s involvement in developing the grid, and tendered projects being identified through the use of the NOA methodology, we believe landscape and visual impacts should be given more prominence throughout the NOA methodology. Ofgem should work together with National Grid to ensure this happens in a coherent way.

6. More specifically, the NOA methodology should be amended so that it conforms with, and is informed by, guidance set out in the European Landscape Convention (ELC) and Guidelines for Landscape and Visual Impact Assessment (GLVIA). The NOA should carefully reflect on how development can safeguard the quality and diversity of landscapes. Elements that should be considered include, but are not limited to: 1) how the type, layout, and scale of development relate to the sensitivity of the landscape, and 2) if proposed development, in combination with other (existing or planned) developments, becomes the dominant characteristic of the landscape, therefore changing its character.

7. Furthermore, the methodology for Strategic Wider Works Cost Benefit Analysis (CBA) as part of the NOA methodology, should explicitly address landscape impact, including visual impact and noise, and design excellence. The methodology follows the '*Guidance on the Strategic Wider Works arrangements in the electricity transmission price control, RIIO-T1*', which currently does not mention these impacts. We believe attention should also be paid to the presence or absence of prominent emphasis on landscape and visual mitigation measures as part of the clear up works following construction.

***Question 4: Beyond the NOA and the connections process, what other routes should we be utilising to identify suitable projects for competition, eg for non-load projects?***

8. Prior to identifying other routes, it is of foremost importance that the selection of suitable projects through the routes currently set out includes tendering criteria on the location of the proposed development. This in respect of new transmission capacity as well as considering alternatives to such proposed capacity. Particular attention should be paid to proposed developments in or within sight of World Heritage Sites, National Parks and Areas of Outstanding Natural Beauty; these areas should be out of bounds to major development and projects proposed in these areas should be immediately considered unsuitable. Careful consideration should also be given to development within Green Belt that could affect its openness.

***Question 7: Regarding preliminary works and the tender specification:***

***(a) What are your views on the scope of the baseline tender specification?***

9. We welcome the wide range of elements, including the landscape and visual impact assessment, included in the baseline tender specifications. We also appreciate the reference to landscape and visual impacts in the '*Extending competition in electricity transmission: updated impact assessment*'. We would welcome more detailed information

with regard to criteria informing CATOs' consideration of risks to the landscape, including what these criteria are based on. Moreover, the detailed list of baseline tender specifications in Annex C of the TNEI/Pöyry report currently does not include landscape and visual impact.

10. In addition, we acknowledge the potential of innovation, but would welcome further clarification regarding how projects suitable for competitive tendering with the aim of bringing down cost would contribute to reduced landscape impact. This is built on the observation that existing projects<sup>2</sup> fail to adequately address landscape impacts due to associated costs.

CPRE

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<sup>2</sup> For example, the proposed 30+ km of 50 metres high pylons across the Lake District National Park, a reserved World Heritage Site, to connect Moorside nuclear power station.