

Economy & Highways • County Offices • Kendal
Cumbria • LA9 4RQ
E: angela.jones@cumbria.gov.uk T: 01228 221540

Katie McFadden
Ofgem
9 Millbank
LONDON
SW1 3GE

Submitted by email: NTIMailbox@ofgem.gov.uk

Dear Ms McFadden

Response to: Consultation on licence changes to support electricity transmission competition during RIIO-T1

I am writing on behalf of the planning authorities dealing with National Grid's North West Coast Connections (NWCC) project. We operate as a Planning Performance Agreement group ('the PPA Group'), consisting of all of the relevant planning authorities.

We note that in addition to the above consultation you are concurrently running a consultation regarding the NWCC project: *North West Coast Connections – Consultation on the project's Initial Needs Case and suitability for tendering*. This will close on 24 February 2017 and we will be submitting a separate response to that consultation.

However from our, non-expert position, it would appear that there are major interdependencies and duplication between the two consultations. For example, the scope of your NWCC related consultation includes competition matters regarding suitability of the project for tendering. This links with the licence changes within the above consultation, which will affect the framework for competitive tendering that may be applied to the NWCC project.

You will understand that, as a PPA Group, we are currently considering our position on the proposals for tendering the NWCC project. Our initial concerns regard the resulting increase in commercial parties involved in what is already a highly complex project for over 150km of new transmission line. The NWCC is the largest new onshore transmission project since the creation of National Grid. It is proposed in one of the most environmentally important and sensitive areas of the UK. The local economy is strongly linked to the health of the environment; landscape and countryside based tourism is the largest economic sector. We are working closely with National Grid to minimise the risks arising from their proposals.

Effectively implementing the finally agreed, highly complex, project will be a major undertaking. As such, we are concerned that involving additional commercial parties will only increase the complexity of delivery for us and our communities, leading to increased risks of the agreed design, construction methods and conditions not being entirely implemented. Implementing the agreed design will also require significant planning authority input and resourcing. With regard to this consultation it is not apparent that such risks are covered nor effectively managed and this is of serious concern.

We have yet to conclude determining our position on your NWCC related consultation, which closes on 24 February 2017. Due to the inter-dependency between consultations we ask that our submitted full response to that consultation is also considered as part of this consultation. This is entirely appropriate given that the NWCC project will be the first major project to be considered under this emerging competition framework. We expect our NWCC project specific concerns will help inform the wider framework on which you are currently consulting.

If you have any queries regarding the above please contact Dan Hunt, Lake District National Park Authority: dan.hunt@lakedistrict.gov.uk tel: 07711 285872

Yours sincerely,

A handwritten signature in blue ink that reads "A Jones". The signature is written in a cursive, slightly stylized font.

Angela Jones
Assistant Director – Economy & Environment
On behalf of the NWCC PPA Group