

11 October 2017

Consultation response

The Essex and Suffolk Coalition of Amenity Groups

Hinkley-Seabank – Consultation on Final Needs Case and potential delivery models

Our coalition has been an active participant in a number of Ofgem's recent consultation exercises, including the use of Willingness to Pay economic criteria and competition in electricity transmission.

We have a particular interest in the reinforcement of electricity transmission infrastructure in East Anglia but also liaise with amenity groups across the country and with other interested parties.

Competition

We have previously welcomed Ofgem's approach in seeking to develop effective competition. We understand the potential benefits of using the competitively appointed transmission owner (CATO) model but recognise the constraints in this project. However, it is unclear from the information supplied whether the Special Purpose Vehicle (SPV) and Competition Proxy models would deliver significant benefits over the 'status quo' delivery model.

Assessment of final needs case

Of greater concern to our alliance is Ofgem's interpretation of aspects of the planning and regulatory processes. These systems are central to the questions raised in chapter 2 of the consultation document. In this particular scheme the benefit of using T pylons is questioned. This is not on any technical basis but because less expensive lattice pylons might have been acceptable within the planning process.

Ofgem states:

NGET has not made the case that the project categorically would not have gained consent had regular rather than T-Pylons been proposed.

Ofgem has stated that its purpose is not to advise on specific mitigation measures. For this reason Ofgem does not provide public comment on the measures proposed. Rather, it has indicated that it will enable recovery of

efficient costs of delivering the approved scheme, while requiring justification for costs associated with protecting visual amenities¹.

Logic demands that any objections are raised prior to planning consent being sought, not least because the planning system considers the need case in detail. Requiring NGET to second guess Ofgem's final determination prior to lodging its planning application undermines not only the national infrastructure planning process but also the concept of meaningful public consultation.

Rather than expecting NGET to demonstrate a negative hypothesis, in this case it is therefore incumbent upon Ofgem to show the project would have gained consent had regular lattice pylons been proposed.

Evidence of need for the solution chosen for this project is based in large part on Willingness to Pay surveys and Ofgem suggests a HSB-specific WTP study may be required, as outlined by tnei.

WTP is an extremely useful tool at a national level but becomes impractical when attempting to place a value on a relative degree of harm in a localised context. At issue is the WTP figure for an above ground transmission line that is regarded by some as partially mitigated compared with underground transmission. The difficulty of putting a value on incremental mitigation across a range of landscapes in this way is virtually insurmountable. Comparisons with studies relating to other, distinct geographical locations is likewise fraught with problems.

In this instance Ofgem appears to be asking the impossible. It is requiring NGET to demonstrate beyond reasonable doubt that the public are prepared to pay for a new technology that has only been visualised in virtual form and that planning consent would not have been granted for a specific alternative scheme.

We are concerned that such a requirement will have grave consequences for future energy infrastructure schemes and urge Ofgem to reconsider the arguments used in this section of its consultation document.

We are also aware that the national infrastructure planning community, including the National Infrastructure Planning Association, is seeking to engage with Ofgem on the planning issues highlighted above and we share this concern.

The Essex and Suffolk Coalition of Amenity Groups

Bury not Blight, Colne-Stour Countryside Association, CPRE Essex, Dedham Vale Society, Stour Valley Underground

¹ Ofgem Factsheet 109 – *Visual amenity and network regulation*