IAN LIDDELL-GRAINGER, M.P.



HOUSE OF COMMONS LONDON SW1A 0AA

10th October, 2017

By Email: <u>NTIMailbox@ofgem.gov.uk</u>

Dear Sir,

Hinkley-Seabank – Consultation on Final Needs Case and Potential Delivery Models

I write with reference to the above consultation. In the first instance, I should perhaps declare my interest in this matter. I am the Member of Parliament for Bridgwater and West Somerset and Hinkley C, the new nuclear power station which the above project proposes to connect to the main transmission network in Great Britain, is in my constituency.

That said, I do not intend to go on at length about every point raised in your consultation, but I would like to comment as follows on two points:

Additional cost of using T-pylons

I note that Ofgem have concerns about the cost of using T-pylons. Over 10 years has been spent discussing the power station and going through all its planning stages to the start of construction, and around 5 years has been spend discussing the connection project with communities and going through a long and comprehensive planning process. Unlike the power station, locally the proposed connection line has attracted a good deal of opposition which has meant that National Grid have had to engage very heavily with local communities who made it very clear that there was an absolute need to mitigate the impact of the power lines, Many calls were made to put the lines underground or in the sea which was understandably prohibitively expensive.

The T-plyon is a great example of innovation which came from stakeholders following the Pylon Design Competition run by the Department of Energy and Climate Change. In order to mitigate impact the possibility of using T-pylons was mooted and local people, parishes and councils pressed a strong preference for them. Although they may be a little more costly than what might be seen as a traditional pylon, from a cost perspective they are considerably cheaper than going underground or subsea and are a compromise on reducing the impact of the power lines that was just about acceptable.

As I understand it, Ofgem had opportunities to raise any concerns they had about the additional cost of using T-pylons during the comprehensive planning process. I have to say that I am a little at a loss as to why Ofgem is now raising concerns on this point that could have been raised before and how it has arrived at its conclusions given that it does not seem to have previously consulted the local communities on this subject.

Ofgem seem to have tunnel vision about the benefits of T-pylons focusing on willingness to pay values rather than their environmental ones. Any reneging on using the T-pylons that may result from any interference by Ofgem would be seen by the people of Somerset as interference by a Government quango who are effectively trying to circumvent a legal planning process they engaged in carried out by another Government department and statutory body. I firmly believe that the T-pylons are an essential part of this connection project and we must keep the promise to local communities who actually have to live with the visual impact of these lines for not only years but for generations to come in a very beautiful part of the West Country.

Competition and delivery models

I also understand from your consultation document that Ofgem is considering ways to introduce the benefits of competition to the project. One involves requiring National Grid to put the finance, build and operation of the project out to competitive tender, whilst the other is agreeing a cost based on what you think could be achieved had the project been put out to tender.

I have to say that to me it seems rather late in the day to be suggesting that the project should be put out to tender given all the work that National Grid have put into this project. National Grid already competitively tender all aspects of work and have worked very hard over the last few years to build good community relations locally and to provide reassurance where necessary. Tendering to another company would effectively be like going back to square one and I believe would potentially result in delays to the connection line.

As the local Member of Parliament for Bridgwater and West Somerset, as the Chairman of Parliamentary Group on Energy Studies and the Joint Chairman of the All Party Group on Nuclear Energy, as well as being a member of the Business, Energy and Industrial Strategy Selection Committee, I take a close interest in all energy matters. I cannot impress on you too strongly how strategically important Hinkley C is for the future security of energy supplies in the South West and the country as a whole. Work on it has already been delayed and so it is even more important that the completion of the network to link it to the network is finished on time and I firmly believe that the project continuing to be delivered by National Grid is the best way that can be achieved.

I hope the foregoing comments can be taken into account during Ofgem's deliberations on the responses it has received to its consultation. In the various capacities I have listed above, I will certainly be following the outcome of its deliberations closely.

With many thanks for your attention.

Yours faithfully,

QLL.

Ian Liddell-Grainger, M.P.

For the attention of Mr. James Norman, New Transmission Investment Team OFGEM.

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