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Ofgem  
9, Millbank  
London  
SW1P 3GE

Dear Sir/Madam

### **RIIO-2 Framework Consultation**

Friends of the Lake District (FLD) is a registered charity with more than 6,000 members. We represent the Campaign to Protect Rural England in Cumbria and are a member of the Campaign for National Parks. We actively campaign to reduce the visual impact of all overhead wires on the landscape. I work with the Distribution Network Operator (DNO) in our region, Electricity North West, National Parks and Areas of Outstanding Natural Beauty (AONBs), on specific undergrounding schemes.

Thank you for giving stakeholders this opportunity to comment on RIIO-2 Framework. My main point is that there is no mention anywhere in this Framework of undergrounding for visual amenity which was a key aspect of the environmental output of RIIO-1, even though this Framework's Introduction states that RIIO encourages "energy network companies to play a full role in the delivery of a sustainable energy sector " (p.12). Under RIIO-1 over £100 million has been committed by Ofgem to the undergrounding of electricity distribution lines alone. DNOs, with National Parks and Areas of Outstanding Natural Beauty (AONBs) as partners, are working hard to identify and deliver schemes that reduce the visual impact of wire clutter in these nationally important protected landscapes. In addition to the direct benefits to landscapes and their users, this undergrounding work has developed useful partnerships between public, private and charity sectors and generated excellent national and local publicity.



Answering numerically those Framework questions that are most relevant to my work as Overhead Wires Officer with Friends of the Lake District...

*Question 1 How can we enhance these models & strengthen the role of stakeholders?*

It is concerning that the group that is being proposed to challenge the companies is only a customer engagement group (p.19), with no mention of wider stakeholders, such as National Parks, AONBs and multiple National Park Societies. It is not clear how the RIIO-2 Challenge Group will work as it covers transmission and distribution. It is welcome that one focus is "sustainability" (p.24) but there is again no mention of undergrounding. Furthermore, the list of potential membership does not include environmental organisations but suggests "experts in...consumer advocacy" (p.24). Open Hearings would need to give an opportunity for stakeholders to put arguments in situations such as Western Power Distribution's unilateral decision to dramatically reduce its undergrounding allowance under RIIO-ED1.

*Question 2 Do you agree with our preferred position to set price control for a 5 year period?*

Yes, I agree. With any undergrounding scheme, from initial proposal to construction, it can take 2 years to implement but I believe it is possible to spend the allowance in a 5 year period. The potential problems with a longer price control period is that the programme can start slow or dip in the middle as there is a lack of urgency.

*Question 19 What views do you have on our proposed approach to specifying outputs?*

It is encouraging that Ofgem is "likely to build upon the six (output) categories specified in RIIO-1" (p.60) as undergrounding has long been part of this environmental impact ("impact of network operations on the environment including...visual impact"). It is disappointing that you "have not yet assessed whether these are still all applicable" and we urge you to maintain the allowance for undergrounding in RIIO-2 so that this vital landscape work can continue. It will be crucial for Ofgem to state the compulsory nature of such licence obligations as "there will be no direct funding" (p.60).

*Question 31 How can we best improve the suite of annual reporting requirements?*

*Question 32 How can we make the annual reports easier for stakeholders to understand?*

I have found it useful that there is a summary of undergrounding in the main Ofgem Annual Report, accompanied by a table of length of lines removed and installed and expenditure by DNO. A summary of each DNO Group in an appendix is also helpful. The associated spreadsheets detailing overall company performance and by individual National Park and AONB with respect to undergrounding enable comparison between electricity companies or protected landscapes. RIIO-ED1 introduced DNO Environment Reports which list individual undergrounding schemes implemented and planned by each DNO and what mechanisms they use to engage with environmental stakeholders. These Environment Reports should continue under RIIO-ED1.

In concluding this letter, I would urge you to re-read the response in September 2017 by 15 environmental organisations (including ourselves) to Ofgem's Open Letter on RIIO-2 Framework. In that letter, we reminded Ofgem of the statutory duties for all relevant authorities to have regard to the purpose of conserving and enhancing National Parks or AONBs when exercising or performing any functions affecting land within these areas. We challenged the proposed overarching objective of RIIO-2 which makes no mention of the fundamental role of network companies to deliver a sustainable energy network. Finally, we sought reassurance that visual amenity allowances will continue with future price controls. All these concerns remain.

I look forward to hearing from you.

Yours faithfully



Amanda McCleery  
Overhead Wires Officer

