



Regulation & Commercial

Amy Freund  
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London,  
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Date

25<sup>th</sup> February 2015

Dear Amy,

**Consultation: The Environmental Guidance (RIGS) for RIIO-ED1**

- 1. Is the Guidance clear? Is the Guidance comprehensive, covering all relevant environment matters? If not, what specific information have we missed and should it be compulsory or discretionary?***

There are some aspects that we don't believe are clear. We are in agreement with Ofgem that the purpose of the Environment Report should provide interested stakeholders with a transparent and public account of our commitment to address environmental matters, however, believe that the report as intended goes beyond this holistic approach by introducing additional reporting which we do not believe is value adding.

Where content is indicated to be "discretionary" we are still required to report on our activities and environmental matters detailed under that section albeit we may determine the exact contents of that section. The title "discretionary" may suggest to a new reader that this does not require to be reported on at all. To avoid any potential confusion, we suggest changing "discretionary" to "format/detail of choice".

- 2. Does the content of the Environment Report, as outlined in the Guidance, adhere to good practice for environment reporting? If not, what would improve the content of the Report?***

We believe that the report does adhere to good practice for environmental reporting in most areas; however, the report requires additional information which we do not believe is necessary in order to provide our stakeholders with one overall picture and results in excessive reporting.

At paragraph 1.6: "*DNOs should use the Environment Report to demonstrate a public commitment to minimising their environmental impact and a move to integrating their environmental activities into business as usual where possible*". We don't believe the term environmental activities is the best choice of words as this suggests they are separate from operational activities which is not the intent. We would suggest the following: "*minimising their environmental impact and a progress towards integration of environmental protection and enhancement into business as usual where possible*".

At paragraph 2.2 Oil Leakage 3rd bullet - *"Actual and forecast benefits and impacts eg carbon equivalent savings / leakage reduction, analysis of costs and benefits, in terms of volume of oil and km replacement of cable"*. We don't believe adding carbon equivalent of oil losses will demonstrate any benefit as the primary environmental impact is in terms of pollution to ground and surface waters. We suggest this is removed and the wording replaced as follows: *"Actual and forecast benefits in terms of reduced impacts such as lower level leakage, reduced excavation, faster detection, analysis of costs and benefits, in terms of volume of oil and km replacement of cable"*.

2.33 Losses - We believe this goes beyond the intent of the reporting. Most of the content relates to operational strategy not environmental impact and control. In particular, Table 1 relates to financial matters not environmental impact and control as it really should. Most of this will already be detailed in our existing business plans and other strategies.

Section 3 Smart grids – Once again, we believe this has gone beyond the intent of the report. This should summarise environmental impact terms mainly directing to existing business plans and strategies and provide this information by direction to these.

Appendix 1 SF6 Emitted - *"DNOs should not assume a percentage leakage rate to determine any element of SF6 emitted....."*. This action will require a complete reset of our SF6 reporting process from estimated losses to installation + top ups + end of life non recovery. As our systems are not currently configured for this this will be a cost to provide information which we don't believe is necessary in order to provide sufficient information on SF6. We therefore believe that the assumed percentage leakage rate is fit for purpose.

**3. *We have allowed for cross-referencing to other published data in the Environment Report to minimise duplication of effort and ensure consistency. Much of the information to be included in the Environment Report will be collected in the RIGs. Do you agree with this approach?***

As this report has gone beyond the scope of the original intent, we would like to make a strategic suggestion in order to provide clarity for stakeholders. We believe it would be more advantageous for stakeholders to publish one overarching stakeholder report with various annexes for each DNO. Instead of publishing various individual reports for our differing regulatory reports eg. SLC50, Environmental, innovation, losses etc, it would be useful to publish one report akin to the new RIGS reporting format. This would avoid stakeholder confusion when cross referencing to other documents as the proposed environmental report requires.

As various reports are due on differing dates throughout the year, this could be treated as a "live" document which indicates when each annex was reported. Each annex would still be required to be submitted to Ofgem as per the licence deadlines.

Yours sincerely,



Stephanie Rogan  
Licence Development Analyst