

Infrastructure 11, SP Energy Networks

Senedd Cymru | Welsh Parliament

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith | Climate Change, Environment, and Infrastructure Committee

Bil Seilwaith (Cymru) | Infrastructure (Wales) Bill

Ymateb gan SP Energy Networks | Evidence from SP Energy Networks



Climate Change, Environment, and
Infrastructure Committee
Welsh Parliament
Cardiff Bay
Cardiff
CF99 1SN

By email to SeneddClimate@senedd.wales

10th August 2023

Dear Sir/Madam

**Climate Change, Environment, and Infrastructure Committee Consultation
on Infrastructure (Wales) Bill**

Thank you for the opportunity to respond to the above Consultation.

SP Energy Networks (SPEN) is part of the ScottishPower Group of companies. SPEN owns and operates the electricity distribution (SP Distribution Plc (SPD)) and transmission networks (SP Transmission Plc (SPT)) in the Central Belt and South of Scotland, serving 2 million customers. We also hold a third licence for electricity distribution (SP Manweb Plc (SPM)) which serves 1.5 million customers in Cheshire, North Shropshire, Merseyside and North Wales.

We are responsible for the operation, maintenance and continuing development of the distribution and transmission networks across our network areas. We therefore have extensive experience of environmental and planning matters in England, Wales and Scotland.

To provide some context to the commercial environment in which SPEN operates, as regulated networks businesses, our investment plans and outputs are controlled closely within a regulated price control framework by the Office of Gas and Electricity Markets (Ofgem). The RII0-ED2 framework governs our two distribution businesses (SPD and SPM) from April 2023 until 2028.

Once these frameworks are agreed and finalised by Ofgem, SPEN has limited scope to change the agreed investment plans. It is therefore important that SPEN is able to operate within the price control mechanism during these times to deliver projects on time in its investment programme. For projects requiring planning consents, it is critical that these schemes progress within a stable and supportive planning framework and without significant or unforeseen change to the planning system. We **fully support and welcome** the positive changes made to the consenting of infrastructure in Wales, which we believe will ensure an efficient

and robust planning framework to assist in the delivery of essential electricity network infrastructure which is critical to delivering net zero.

The main comments raised in our response are as follows:

Infrastructure Policy Statements

We agree that there is a need for a unified infrastructure consenting process for specified types of major infrastructure, including overhead electric lines, to support the timely and effective delivery of major infrastructure and low carbon development in the right locations. However, this process must be supported by a positive planning policy framework. Whilst Future Wales: The National Plan 2040 makes reference to grid infrastructure and minimising visual impacts on nearby communities, the early issuing of the infrastructure policy statements will be key in providing additional policy support to guide proposals and decision making.

Guidance on Class B schemes

We note that, within Class A, the new Bill covers schemes of a nominal voltage of 132kV with min length of 2km (so long as in connection with a devolved generating station as defined by same Bill ie renewable energy).

Currently, we note that the Class B overhead electric lines provides, when linked to a devolved generating station, for:

- the installation of an overhead electric line with a nominal voltage of less than 132KV; or is 132KV and has a length of less than 2km; and
- the alteration or upgrading of an overhead electric line up to and including 132KV

We support the proposed approach for Ministers to be able to give a Direction for projects being treated as applications for infrastructure consent. However, unless clear and concise guidance for the optional SIP thresholds, which may fall under Class B, is issued quickly, there will be a delay in bringing such schemes forward. Without this threshold guidance, applicants will not be able to assess the benefits of bringing forward proposals under Class B of the new Bill or under the current DNS system.

Resourcing

Given Option 2 is preferred, it is critical that PEDW have sufficient resources in place to manage the transitional arrangements from the existing DNS to the proposed IC system in order that applicants, stakeholders and PEDW can deliver projects to agreed timescales. Not to do so could have a negative impact on consents timescales. It is also essential for the revised fee scales to be consulted on in a timely manner.

If you would like to discuss our comments in more detail or require any further information regarding the above response, please do not hesitate to contact me.

Yours faithfully,

**Senior Planner Land
& Planning SP
Energy Networks**

General principles

What are your views on the general principles of the Bill, and is there a need for legislation to deliver the stated policy intention?

SPEN support the general principles of the Bill.

We agree that there is a need for a unified infrastructure consenting process for specified types of major infrastructure, including overhead electric lines, to support the timely and effective delivery of major infrastructure and low carbon development in the right locations, by way of efficient and simple consenting arrangements. This process must be supported by a positive planning policy framework. Whilst Future Wales: The National Plan 2040 makes reference to grid infrastructure and minimising visual impacts on nearby communities, the early issuing of the infrastructure policy statements will be key in providing additional policy support to guide proposals and decision making.

What are your views on the Bill's provisions (set out according to parts below), in particular are they workable and will they deliver the stated policy intention?

Part 1 - Significant infrastructure projects

We support Section 2 and inclusion of the installation of above ground electric lines associated with the construction, extension or alteration of devolved generating stations as SIPs. We also support the criteria defining these electrical works as having a nominal voltage of 132KV and a minimum length of 2km (to the extent they are in Wales).

Part 2 - Requirement for infrastructure consent

We support the proposed approach for Ministers to be able to give a Direction for projects being treated as applications for infrastructure consent. However, unless clear and concise guidance for the optional SIP thresholds, which may fall under Class B, is issued quickly, there will be a delay in bringing such schemes forward. Without such this threshold guidance, applicants will not be able to assess the benefits of bringing forward proposals under Class B of the new Bill or under the current DNS system.

Part 3 - Applying for infrastructure consent

We support pre-application procedures and welcome regulations which specify timescales for making representations etc.

Part 4 - Examining applications

We support examination procedures and welcome regulations which specify timescales.

Part 5 - Deciding applications for infrastructure consent

We support deciding applications procedures, however the issuing of the infrastructure policy statements as soon as possible will be key in supporting the process.

Part 6 - Infrastructure consent orders

We support provisions in an Infrastructure Consent for authorising compulsory acquisition of land.

Part 7 - Enforcement

We support the enforcement proposals.

Part 8 - Supplementary functions

We support measures to facilitate the operation of the system established by the Bill.

The issuing of the infrastructure policy statements as soon as possible will be key in supporting the process.

Part 9 - General provisions

We support the general provisions proposed.

What are the potential barriers to the implementation of the Bill's provisions and how does the Bill take account of them?

We welcome the infrastructure policy statements being recognised in the draft Bill. We would welcome engagement with the Welsh Government and statutory agencies as part of the drafting process, and we recommend these need to be in place as soon as possible.

How appropriate are the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum)?

Noted.

Are any unintended consequences likely to arise from the Bill?

1. We feel there could be negative impacts on Planning and Environment Decisions Wales (PEDW) for resourcing of ICs alongside other workloads without additional resources being committed. It is critical that steps are taken to ensure a well-resourced planning system in Wales in order to deliver on the Country's net zero targets.

2. Unless clear and concise guidance for the optional SIP thresholds, for which developers may obtain a Direction under Class B, is issued quickly, there will be a delay in bringing such schemes forward. Without this threshold guidance, applicants will not be able to assess the benefits of bringing forward proposals under Class B of the new Bill or under the current DNS system.

What are your views on the Welsh Government's assessment of the financial implications of the Bill as set out in Part 2 of the Explanatory Memorandum?

None.

Are there any other issues that you would like to raise about the Bill and the accompanying Explanatory Memorandum or any related matters?

Given Option 2 is preferred, it is critical that PEDW have sufficient resources in place to manage the transitional arrangements from the existing DNS to the proposed IC system in order that applicants, stakeholders and PEDW can deliver projects to agreed timescales. It is also essential for the revised fee scales to be consulted upon in a timely manner.
