

Rebecca Evans MS

Cabinet Secretary for Economy, Energy and Planning

13 December 2024

Dear Rebecca,

Thank you for attending the Committee's meeting on 20 November 2024 to discuss Welsh Government policies on energy, planning and transport. The Committee agreed that I should write to you to request clarification of several issues raised during the session.

Energy

The Committee notes your comments regarding a target for Trydan Gwyrdd Cymru to develop renewable energy capacity of at least 250 MW by 2030, with an additional 750 MW by 2040.

- The Committee would be grateful for further information about the five priority projects being developed by Trydan Gwyrdd, including their proposed locations. If you cannot share this information now, can you tell the Committee when you expect to be in a position to do so?

You referred to the historic problems with grid investment and infrastructure. Your official referred to steps that are being taken to manage the connection queue and collaborate with National Grid and NESO to address these challenges.

- How is the Welsh Government collaborating with National Grid and NESO to improve the speed of access for the priority projects?

Given the potential overlap, the Committee believes that the functions and duties of Trydan Gwyrdd Cymru, the Welsh Government Energy Service, Ynni Cymru, and the proposed GB Energy need to be clarified.

- You told the Committee that the Welsh Government has "been really keen to stress to the UK Government that Trydan Gwyrdd Cymru gives the UK Government's Great British Energy company the opportunity to make some early quick wins, because we've already established projects that could be taken forward." Can you elaborate on this statement and explain how

the proposed GB Energy company will be involved with the sites being developed by Trydan Gwyrdd Cymru?

We welcome your comments about opportunities for local ownership and benefits for communities arising from developments. You said this was an opportunity “to do things differently in terms of community benefit and show how things can be done to extract the maximum benefit for communities”.

- How is Trydan Gwyrdd Cymru engaging with the communities surrounding the five priority proposals? Can you give an update on the development of any proposed arrangements for local ownership or community benefits?

The Welsh Government launched a consultation on its renewable energy targets in January of last year. A summary of responses was published in July. You told the Committee that the targets were also updated in July, in light of the review.

- What are the updated renewable energy targets, and when and where were they published?

The Committee notes your comments about the forthcoming consultation on CCS.

- Can you set out a timeline for the consultation and the next steps?
- You said that CCS should only be used where there is no alternative for an industry, such as cement manufacturing. To what extent does your position align with the UK Government’s, given its funding of CCS initiatives?

We note your comments in relation to undergrounding electricity cables where feasible and the advisory group’s role in developing principles to guide future energy infrastructure decisions. Your official confirmed that the advisory group will report in the new year.

- Can you confirm the timeline for the group to report and set out the Welsh Government’s next steps for progressing its conclusions?

Planning

The Welsh Government consulted on proposals for full cost recovery for the new Infrastructure Consenting regime between May and July 2024. You told the Committee that the Welsh Government will consult in November 2024 on improving the capacity and resilience of planning services.

- What measures will be put in place to ensure that income from increased planning fees is used to improve planning services, and how will the Welsh Government respond to calls for ring-fencing elements of this income for local planning authorities?

We note your comments about the creative solutions, albeit short-term, being provided by Net Zero Industry Wales to address resource pressures in specific local authorities. However, you recognised this was not a “long-term answer”.

- What longer-term strategies are the Welsh Government considering to address resource and capacity constraints in local planning authorities?

The Committee notes your comments on Developments of National Significance (DNS) and that decisions for energy projects under 50 MW will be delegated to Planning and Environment Decisions Wales (PEDW).

- How will the delegation of DNS decisions for energy projects under 50 MW to PEDW maintain democratic accountability and ensure local community engagement?
- Does the decision to put in place interim measures to delegate schemes up to 50 MW to PEDW indicate there will be significant delays in implementing the new regime as provided for by the Infrastructure (Wales) Act 2024? Can you set out a timeline for the new regime being in place?

The Committee notes with concern the delay in producing Strategic Development Plans, particularly given that even the most advanced region, South-East Wales, will require 4 to 5 years to complete its plan—approximately 15 years after the Planning (Wales) Act 2015 was passed. Other regions appear likely to take significantly longer.

- What steps are being taken to ensure consistent progress across all regions in developing Strategic Development Plans, and how will the Welsh Government support regions that are currently lagging behind?

Transport

You explained to the Committee the current ad hoc approach to Ministerial joint-working on transport issues. The Committee believes there is a need to ensure streamlined decision-making across portfolios, particularly given the complexities of responsibilities for aviation, ports, freight and related matters, including road and rail links to ports.

- What are the advantages of the current ad hoc arrangements over formalised arrangements, such as a joint working group?
- Can you update the Committee on how you are working with other ministerial colleagues on the Border Target Operating Model?

The Committee supports the commitment to developing both a freight and logistics plan and a national ports and maritime plan under the Wales Transport Strategy. Your official explained that the

Wales Transport Strategy deadline for the port and maritime plan is the end of this Senedd term. However, the National Transport Delivery plan says the timescale for development is 2022-2024.

- Can you clarify the intended timescale for completing the ports and maritime plan?

You told the Committee about the Welsh Government's work with the UK Government on free port development, including the progress on the Celtic free port and Anglesey free port.

- Can you provide an outline of the intended timescales for completing the remaining approval processes for the two Welsh free ports, and when do you expect them to become operational?
- Can you explain why the Celtic and Anglesey freeports are at different stages in the approval process?

The Committee notes the planned £206 million investment in Cardiff Airport to support economic growth, and your comments about being open to refining the programme of investment in light of the Competition and Markets Authority (CMA) assessment. We are also aware of a recent economic assessment referenced by the airport.

- In September, [Cardiff Airport told PAPAC](#) that "a recent economic assessment" was undertaken recently by Grant Thornton as part of the preparations for the future investment plans. Could you provide the Committee with a copy of the most recent assessment?
- What is the status of the outstanding targets set for the airport's 2021 rescue and restructuring plan? Will these targets be abandoned or rolled into the objectives for the £206 million funding and long-term strategy?
- What are the consequences for Cardiff Airport if it fails to meet any targets set under either the rescue and restructuring plan or the new long-term strategy funding?

Thank you again for your constructive contribution to the Committee's ongoing work. We look forward to your response on these important matters.

I should be grateful for a response as soon as possible, and by 23 January at the latest.

Yours sincerely,



Llyr Gruffydd MS,
Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg | We welcome correspondence in Welsh or English.