

## **Update on Responses to individual recommendations**

***Recommendation 1. The Welsh Government should establish a Renewable Energy Delivery Board to act as a coordinating body with representatives from government, developers and regulators.***

**Response: Accept in Principle**

**Update:**

Advice is being prepared for Ministers, with the expectation that an announcement will be made before the end of April.

***Recommendation 2. The Welsh Government needs to work closely with all the stakeholders to free up the backlog of onshore windfarm applications, particularly in mid Wales.***

**Response: Accept**

**Update:**

We commissioned Hyder to carry out an evaluation of the consenting process of renewable energy projects since 2005 in Wales. This was published in January and as part of the Planning White Paper we will be considering ways in which we can improve the consenting process of all renewable energy schemes under 50MW.

We are continuing to work with important stakeholders including the police, the Highways Agency, Local Highway Authorities, renewable energy companies and National Grid to ensure that transport issues in Mid Wales are adequately resolved.

***Recommendation 3. The Welsh Government should encourage local planning authorities to adopt formal working arrangements particularly at a regional level on dealing with renewable energy projects (the Simpson agenda).***

**Response: Accept**

**Update:**

We have published a suite of evidence to inform the Planning Bill. This has included recommendations on decision-making processes for major infrastructure projects and we will be considering this as part of the Planning White Paper. One of the tests of soundness for LDPs (Local Development Plans) is the requirement to have regard to the relevant plans, policies and strategies relating to adjoining areas, and we will continue to ensure that LDPs address regional level issues.

**Recommendation 4.** *The Welsh Government should develop a Natural Resource Plan for Wales by the end of 2013. This would sit alongside the Wales Infrastructure Investment Plan, be integrated with the Marine Spatial Plan and be used as a basis for the future planning of energy projects in Wales. The framework should be evidence-based and tested for “soundness” through an independent examination before it is adopted.*

**Response: Accept in Principle**

**Update:**

Following the *Sustaining a Living Wales* green paper consultation in 2012, work has been progressing on the development of the options in order to identify the best approach to delivering the objectives of a Natural Resource Plan. Ultimately the aim in delivering *Programme for Government* commitments on integrated natural resource management is to ensure that it informs and is fully integrated within the frameworks that guide development in Wales.

In setting the strategic direction for development nationally, a National Development Framework will need to be aligned with Natural Resource Management policy in guiding appropriate development opportunities, and exemplifying the need to integrate social, economic and environmental considerations.

A programme has been established to lead this work, including the Environment Bill and related policy projects, which will focus on the integrated management of natural resources for better long-term outcomes for Wales.

**Recommendation 5.** *The Sustainability Committee of the Third Assembly recommended that the role and function of the Wales Spatial Plan should be reviewed. This needs to be taken forward alongside work on the natural resource planning.*

**Response: Accept in Principle**

**Update:**

As recommendation 4 above.

**Recommendation 6.** *The Welsh Government should ensure that the Energy and Environment Sector Panel in future represents all forms of renewable energy, including Marine and should continue to use its expertise to inform future policy and initiatives.*

**Response: Accept**

**Update:**

The Energy & Environment Private Sector Panel provides views, knowledge and experience to advise our approach. Renewables, including Marine, is one of the five priority themes identified by them.

Experience of the renewable energy sector is well represented on the Panel. The Sector Panel Chair, Kevin McCullough is Chief Operating Officer at RWE npower. Planning, building and operating facilities which generate power from renewable energies is a core part of the company's business, including several on and offshore wind farms, and hydro schemes.

David Williams' company Eco2 Ltd specialises in initiating, developing, financing and operating renewable energy projects across the UK and Europe including backing Tidal Energy Limited in Pembrokeshire to develop DeltaStream - an innovative technology designed to generate electrical power from tidal stream resources.

Gerry Jewson is Chairman and Chief Executive of the West Coast Energy Group, one of the leading independent renewable energy developers in the UK.

Alan Proctor has held a diverse range of executive and non-executive posts in the public and private sector. Of particular relevance to renewable energy is his Chairmanship of Rhead International. A significant part of the business focuses on the construction of renewable energy projects.

John Idris Jones has been appointed Director of the Energy Island Programme.

And Nigel Annett is Managing Director of Dŵr Cymru Welsh Water since 2005.

***Recommendation 7. The Welsh Government should organise and fund a programme to improve the level of public engagement, empowerment and political debate about renewable technologies.***

**Response: Accept in Principle**

**Update:**

The approach to public engagement is being developed with the Energy Wales Programme Board considering a proposal in February. The approach is now being refined and will be passed to Ministers for consideration and approval prior to implementation.

***Recommendation 8. The Welsh Government should publish its case for further devolution of energy consenting and financial incentive powers.***

**Response: Accept**

**Update:**

The Welsh Government's case for further devolution of energy consenting and financial incentive powers, as presented to the UK Government, has been published on the Internet.

***Recommendation 9.*** *As part of this case the Welsh Government should consider the introduction of a process in which the Planning Inspectorate's National Infrastructure Directorate continues to consider major energy infrastructure projects in Wales, but in future makes its final recommendations to the Welsh Ministers rather than UK Ministers.*

**Response: Accept in Principle****Update:**

The First Minister recently wrote to the Secretary of State at the UK Government's Department of Energy and Climate Change stating that the Welsh Government that is best placed to make decisions about all types of energy developments (with the exception of nuclear power) and related energy infrastructure in Wales. The letter included a reference to the Committee's recommendations and advised that any associated development should be considered alongside the main project by the National Infrastructure Directorate under these new arrangements.

***Recommendation 10.*** *Engage with the UK Government to ensure that the market mechanisms proposed by the UK Government's Electricity Market Reform are implemented with greater transparency and speed and to ensure that stability is achieved in the longer term by confirmation of the changes to the Renewable Obligation Certificate regime beyond 2017 as soon as possible.*

**Response: Accept****Update:**

Officials from Welsh Government continue to engage with the UK government regarding the design and implementation of Electricity Market Reform. We remain concerned about a number of aspects of the Energy Bill, particularly the complexity of the arrangements and the implications for potential investments in Wales. The Welsh Government has a formal consultation role, in the development and design of EMR going forward.

The updated RO banding review changes for England and Wales are expected shortly and officials continue to raise with UK officials the importance of parity across all of the UK for investor confidence in Wales.

***Recommendation 11.*** *The Welsh Government should work with the UK Government to help identify and secure an alternative developer to take forward proposals for a new nuclear reactor at Wylfa B.*

**Response: Accept**

**Update:**

Senior officials from the Welsh Government are in regular dialogue with Hitachi and Horizon Nuclear Power to ensure Wales gains the maximum economic benefits from the significant opportunities presented at Wylfa B.

***Recommendation 12.*** *The Welsh Government should actively encourage a greater mix of below 50 Megawatt renewable energy developments across the whole range of technology types and including as many community-based schemes as possible.*

**Response: Accept**

**Update:**

TAN 8 provides an appropriate framework for the strategic planning of all forms of renewable energy in Wales. Local authorities are responsible for consenting projects under 50MW. In 2011, the Minister for Environment and Sustainable Development wrote to all local authorities providing direction to help simplify the existing system and achieve a more consistent approach. We have made available practical and financial support to help small and medium enterprises in Wales to reap the benefits of renewable energy.

Ynni'r Fro has responded to over 190 Expressions of Interest from communities in Wales since 2010. The network of local Technical Development Officers has successfully engaged with 194 community enterprises across both convergence and competitiveness regions. 68 communities have developed their prospective projects, supported by 'preparatory' grants, to assist with environmental assessment and decisions relating to project viability.

Through its supply chain development programme, the Energy Saving Trust has continued to deliver a programme to support the renewable energy supply chain in Wales on behalf of the Welsh Government. With a specific focus on SMEs, this programme provides advice to businesses on the opportunities available and provides support in gaining certification under the Microgeneration Certification Scheme which is a pre-requisite to operating in the market to install renewable energy technologies.

In order to actively encourage a greater mix of renewable energy generation in Wales we need to first understand more about where we are now in terms of the technology types and size of renewable energy that is currently being generated.

The Welsh Government has procured a study to estimate a baseline of existing renewable energy installations in Wales by Local Authority. The project will produce a baseline that includes all renewable technologies for all sizes of MW generation.

The findings of the study will inform the Energy Programme Board and the development of policy in energy. It will help to offer guidance to maximise the economic, community (social) and environmental benefits from the development of low carbon energy schemes and related activities in Wales.

***Recommendation 13. The Welsh Government should engage with the UK Government to ensure that the proposals in the Renewable Obligation Certificate (ROC) review for 5 ROCs for marine wave and tidal projects in Wales are implemented, so that Wales is on a par with Scotland.***

**Response: Accept**

**Update:**

The updated RO banding review changes for England and Wales are expected shortly and officials continue to raise with UK officials the importance of parity across all of the UK to maintain investor confidence in Wales.

***Recommendation 14. The Welsh Government should ask the Energy and Environment Sector Panel to advise it on how best to use the opportunity of the next round of European Structural funding to support the provision of strategic infrastructure for the energy sector in Wales.***

**Response: Accept**

**Update:**

The Energy and Environment Sector Panel is considering all sub sector plans (including Biomass, Wind and Marine) and their needs for strategic infrastructure. Proposals will be used to inform future EU Structural Funds where they are backed by the Sector Panel.

***Recommendation 15. The Welsh Government should prioritise support for innovation, research and development, particularly to the emerging wave/tidal industry and should provide greater encouragement to international and global collaboration in research and innovation activity relating to emerging renewable energy technologies.***

**Response: Accept**

**Update:**

The Welsh Government is represented on the Low Carbon Innovation Co-ordination Group (LCICG) that has commissioned a Technology Innovation Needs Assessment project to maximise the impact of UK public sector funding for low carbon technologies. The Welsh Government is considering the findings and how they could be applied in Wales. We will look to collaborate with others where there is a strong case for creating leading innovation activity.

The Welsh Government continues to assist device developers with R&D funding to a stage where deployment of demonstration devices is expected towards the end of 2013.

***Recommendation 16.*** *The Welsh Government should clarify in detail before the end of 2012 how the energy Enterprise Zones will operate and the financial and planning incentives that will be offered.*

**Response: Accept in Principle****Update:**

A £20 million Business Rate Scheme opened in January to provide financial support for business rates liabilities incurred by small and medium-sized businesses located in the seven Enterprise Zones in Wales. This scheme will run over four financial years from 2012/13 to 2015/16 and will target support at boosting job creation and business growth. The first call for applications has now closed but we will be run again soon.

***Recommendation 17.*** *The Welsh Government should work with the Welsh Local Government Association to encourage local authorities in Wales to prepare for the Green Deal, using examples of good practice in England as a model.*

**Response: Accept****Update:**

Following the delivery of a number of events working closely with stakeholders including the WLGA, on behalf of the Welsh Government, the Energy Saving Trust has worked closely with local authorities to help them to consider the options and opportunities that exist under the Green Deal.

Drawing on a number of emerging practice examples, this work has enabled a small number of Welsh local authorities to work on the development of example Green Deal business cases, looking at three potential models with varying degrees of commitment and involvement. Once completed, the

information from these models will be shared widely with local authorities in Wales to help them in making decisions about whether and if so how they wish to participate in the Green Deal market and which approach they wish to take.

We have also offered some grant support to Registered Social Landlords (RSLs) in Wales to develop projects focused on Green Deal Demonstration Homes, and have allocated additional resources to fund 12 projects across Wales. This is intended to both promote the Green Deal with RSLs, installers and communities, but will also attract early ECO funding into Wales.

***Recommendation 18. The Welsh Government should commission research to measure the economic impact of windfarms and associated grid infrastructure on the tourism industry in Wales.***

**Response: Accept in Principle**

**Update:**

The Welsh Government is in the process of commissioning research on the economic impact of windfarms and associated grid infrastructure on the tourism industry as part of its forward research programme. It is anticipated that this work will be completed by early summer

***Recommendation 19. To complement Energy Wales: A Low Carbon Transition and the associated energy programme the Welsh Government should produce a detailed Action Plan by the end of 2012 with details of specific actions that are required by the Welsh Government and others to meet the targets for each form of renewable energy.***

***Recommendation 20. The Welsh Government should publish an annual monitoring report that sets out progress towards the targets for each form of renewable energy and this should include an explanation of the reasons for any future changes to these targets that it may make.***

*Recommendation 21. As part of the detailed action plan (see recommendation 19 ) above the Welsh Government should:*

- Provide robust information about existing and proposed renewable energy developments in Wales;*
- review the 2025 target for wave/tidal power;*
- clarify what is included in the 300 megawatts target for onshore wind developments of between 5 to 25 megawatts outside of the Strategic Search Areas and how this is to be monitored;*
- Consider the need for a longer-term target for offshore wind beyond 2015/16.*

**Response to recommendations 19, 20 and 21: Accept in Part**



**Update:**

Action plans for our priorities are being prepared and will be published as soon as possible. Our planning includes identifying appropriate measures of how our interventions are delivering sustainable benefits for Wales. A baseline of statistical data is being prepared to aid this effort, with historic energy consumption and generation data published in February. In addition, research into the current deployment of renewable technologies at local authority level has been commissioned and will report to Welsh Government in the summer. Furthermore a study to understand the economic multipliers of the energy sector has been commissioned and will report to Welsh Government in April/May.

***Recommendation 22. The Welsh Government should pilot the introduction of a system that better integrates the planning and environmental permitting systems in Wales before the full introduction of a new system in April 2013. Such a system should be flexible enough to allow for some choice of which permitting route is the most suitable for each project.***

**Response: Accept in Principle**

**Update:**

We are committed to simplifying planning and environmental permitting systems at the earliest opportunity, whether through primary, secondary or other delivery mechanisms. The Welsh Government will seek to work with developers to ensure that relationship between these systems is managed as effectively as possible.

A number of individual pieces of evidence have been gathered which will form the basis of the Planning White Paper and subsequent Bill. We will set out our vision for an improved planning system later this year.

***Recommendation 23. The Welsh Government should implement improvements to the current planning and consenting systems for renewable energy projects of up to 50 Megawatts emerging from the Hyder report, that do not require new legislation as soon as possible and by April 2013 at the latest.***

**Response: Accept**

**Update:**

We have published the findings of the Hyder research as part of a suite of evidence to inform the Planning White Paper. Most of the recommendations of this study relate to the forthcoming Planning White Paper and Bill and will be addressed as part of this process.

In the interim, ahead of the introduction of legislation, we will be looking at opportunities to improve the consultation process. We will be working with Natural Resources Wales to promote best practice in order to reduce potential delays to the planning process.

The forthcoming Planning Reform Bill will seek to improve the consenting process for renewable energy schemes in Wales, for which we have responsibility, to facilitate the delivery of our energy and climate change aspirations on renewable energy.

***Recommendation 24.*** *The Welsh Government should establish a one-stop shop for advice to businesses and community groups to help them navigate the renewable energy planning/consenting processes. This could be provided by the central renewable energy team (see recommendation 31).*

## **Revised Response: Accept in Principle**

### **Update:**

Ynni'r Fro was launched in January 2010 and is a jointly funded Welsh Government and ERDF programme that aims to promote community scale, renewable energy generation. Ynni'r Fro promotes business growth and new business opportunities by enabling the creation and expansion of sustainable social enterprises.

Ynni'r Fro has responded to over 190 Expressions of Interest from communities in Wales since 2010. The network of local Technical Development Officers has successfully engaged with 194 community enterprises across both convergence and competitiveness regions. 68 communities have developed their prospective projects, supported by 'preparatory' grants, to assist with environmental assessment and decisions relating to project viability.

The Welsh Government is now scoping a mid term review of the Ynni'r Fro programme, to establish how well it is currently meeting the needs of stakeholders, and what the future needs may be. This work will help inform both improvements to the existing programme, and the design of a successor programme.

The Welsh Government has also been undertaking a scoping exercise to determine the future content of the information, advice and support that it will provide on the topic of energy efficiency for a range of audiences in Wales, including the business sector. Following the completion of this work in March 2013, activity will be delivered to set in place new arrangements for advice and support that will commence at the start of the 2014-15 financial year. The future services suite that will be offered will make clear links across similar initiatives and support in Wales, the changing information and advice

landscape at a UK level and address gaps and reduce the potential for duplication in provision.

***Recommendation 25.*** *The Welsh Government should produce further targeted guidance about how the cumulative impact of onshore windfarms in the Strategic Search Areas should be assessed (paragraph 12.8.2 of Planning Policy Wales states that the production of further targeted guidance will be considered).*

**Response: Accept in Principle**

**Update:**

We will consider this recommendation. TAN 8 already contains guidance on this matter but we will reflect on whether further guidance is required. We are currently inputting into work commissioned by the Institute of Acoustics on the issue of wind turbine noise which will assist with consideration of cumulative impacts.

***Recommendation 26.*** *The Welsh Government should ensure that the second stage of the Hyder research considers energy applications that are yet to be determined as well as those that have already determined.*

**Response: Reject**

The purpose of the Hyder research is to evaluate and identify bottlenecks in the current process for schemes that have gone through the planning process - a beginning to end review from submission to decision, and eventual operation. Welsh Ministers have a statutory role in the planning process, and there is a possibility that a planning appeal may come before Welsh Ministers at some point. We do not therefore think it appropriate for the case studies to draw on live planning applications. We are confident that the issues and barriers identified from existing schemes are those faced by live schemes in Wales.

***Recommendation 27.*** *The Welsh Government should consider introducing a requirement for a single environment statement to be used for both planning and environmental permitting purposes.*

**Response: Accept in Principle**

**Update:**

Natural Resources Wales, which comes into force on 1st April 2013, will provide an integrated approach to the delivery of advice on development and

infrastructure projects. The Welsh Government is also considering options to improve the efficiency of the ancillary consents process in support of strategic infrastructure projects

***Recommendation 28.*** *As part of setting out a case for further devolution (see recommendation 8), the Welsh Government should propose that any associated development would also be considered alongside the main project by the National Infrastructure Directorate under any new arrangements.*

**Response: Accept in Principle**

**Update:**

See response to recommendation 9.

***Recommendation 29.*** *The Welsh Government should implement the Committee's recommendations made in its report on the business case for a Single Environment Body.*

**Update:**

This recommendation refers to the Environment and Sustainability Committee's inquiry into the business case for a Single Environment Body.

Their report dated 27 April 2012 made 4 recommendations and the Welsh Government responded as follows:

Recommendation 1 - Accept

Recommendation 2 - Reject

Recommendation 3 - Accept

Recommendation 4 - Accept

The response by the Welsh Government was laid on 1 June 2012 and this is the response to this recommendation.

***Recommendation 30.*** *The Welsh Government should confirm whether or not the Memorandum of Understanding with the Infrastructure Planning Commission will continue to apply now that it has been replaced by the National Infrastructure Directorate.*

**Response: Accept**

**Update:**

Senior officials are in discussion with the Planning Inspectorate regarding the proposal to update the Memorandum of Understanding agreed with the Infrastructure Planning Commission and will seek to agree a revised memorandum later this year.

***Recommendation 31. The Welsh Government should establish a central team with particular expertise in renewable energy technologies. This team should be made available to local planning authorities to assist them in dealing with planning applications and Planning Act 2008 consultations, particularly to help those authorities dealing with applications involving novel technologies.***

**Response: Accept in Principle**

**Update:**

We recognise the need to provide assistance to local planning authorities and provide direct financial support in respect of technical assistance for major projects for which they receive no fee income. Furthermore, we are considering the implications of establishing a Planning Advisory and Improvement Board as part of the ongoing improvements to the planning system. We need to consider in more detail whether a dedicated central team of expertise would be more effective than having a call-off list of experts who could be deployed as the need arises.

***Recommendation 32. Until the central team is established, the Welsh Government should continue to provide grant aid to local planning authorities to assist them with buying in technical expertise.***

**Response: Accept**

**Update:**

In 2010/11 we introduced a pilot scheme to provide financial assistance to Local Planning Authorities (LPAs) to procure the resources and skills necessary to determine complex planning applications. The scheme enabled LPAs to undertake technical work to inform decisions, taken by the UK Government on major wind farms (50MW+) within the TAN8 Strategic Search Areas. Since its introduction in 2010-11, the Welsh Government has funded schemes totalling £152,000 in areas such as renewable energy and waste developments.

***Recommendation 33. The Welsh Government should encourage the development of regional working and the sharing of expertise.***

**Response: Accept**

**Update:**

Through our Planning Improvement Fund, we encourage local planning authorities to work with neighbouring authorities on facilitating renewable energy within their area. Planning policy and guidance already encourages this. We will build upon this recommendation and develop it through the Planning White Paper.

**Recommendation 34.** *As part of its current review of the planning system, the Welsh Government should consider introducing a cap on planning application fees for community-led renewable energy projects.*

**Response: Reject**

We must reject this recommendation for technical reasons. We envisage that it will cause difficulties for local authorities in determining what is meant by community-led schemes. The Welsh Government already facilitates community led projects through the Ynni'r Fro scheme and generous financial assistance, which can be used to pay planning fees, is already available to community led projects. Furthermore, where applications are made by or on behalf of parish, town and community councils under current provisions, the planning fee is half the normal fee for an application. We therefore believe that assistance is already available via other routes.

**Recommendation 35.** *The Welsh Government should encourage further use of planning performance agreements with developers as an alternative way of providing additional resources for dealing with major energy projects (eg: as was agreed between Anglesey County Council and Horizon Nuclear Power).*

**Response: Accept**

**Update:**

Planning Performance Agreements can be useful in ensuring the timely processing of planning applications and we encourage their use. The agreements are however drawn up between local planning authorities and applicants and the Welsh Government has a very limited role in the contracts which are agreed.

**Recommendation 36.** *The Welsh Government should establish a dedicated energy team within the Natural Resources Body and ensure that this team has adequate resources and a focus to deal with its dual roles as a statutory consultee and as an environmental permitter.*

**Response: Accept in Principle**

**Update:**

Natural Resources Wales will establish a team to identify enterprise opportunities, including those for renewable energy, as part of its remit.

In doing so, NRW will ensure that the various roles it may play in any such developments are identified and dealt with separately as may be required.

***Recommendation 37. As part of its current review of the planning system, the Welsh Government should consider how it can quickly deliver a consistent local or regional planning policy framework for decisions on renewable and other energy planning applications that local communities can understand and engage consistently with.***

**Response: Accept**

**Update:**

The Planning White Paper will address this matter

***Recommendation 38. Following its recent consultation on a “presumption in favour of sustainable development”, the Welsh Government should revise Planning Policy Wales by the end of 2012 to give more weight to national planning policies in circumstances where there is no up to date development plan in place.***

**Response: Accept**

**Update:**

A new edition of Planning Policy Wales (Edition 5) has been published which strengthens and clarifies the presumption in favour of sustainable development within the planning system. This reinforces the need for adopted development plans and advises Local Planning Authorities (LPAs) to give less weight to outdated or superseded policies in favour of other material considerations such as national planning policy.

***Recommendation 39. In the short-term the Welsh Government should encourage individual or regional groupings of local planning authorities to give priority to the preparation of Renewable Energy Assessments based on the Welsh Government’s practice guidance, even if their Local Development Plans are at an advanced stage of development.***

**Response: Accept**

**Update:**

In 2011-12, we funded 11 Local Planning Authorities to the total of £140K, to carry out all or parts of a local renewable energy assessment in line with the Renewable Energy Toolkit. These will be feeding into emerging Local Development Plans (LDPs) or will feature as part of the future review of adopted LDPs. We will consider how this support can continue as part of the ongoing review of the planning system in Wales.

**Recommendation 40.** *Where there is no up-to-date development plan, the Welsh Government should encourage local planning authorities to prepare and adopt formal Supplementary Planning Guidance, on the development of renewable energy in their area, building on its Renewable Energy Assessment.*

**Response: Accept in Principle**

**Update:**

We accept the need for Local Planning Authorities (LPAs) to have up-to-date policy guidance. However, Supplementary Planning Guidance (SPG) is supplementary to a development plan and it would not be possible to produce SPG for those LPAs without a Development Plan. Our committed view is that all LPAs must fulfill their statutory obligations and adopt Local Development Plans (LDPs) and these must address the issues of renewable energy. We will continue to assist LPAs in the production of their LDPs.

**Recommendation 41.** *The Welsh Government should clarify how the proposed Natural Resource Plan is to be integrated with any changes made to the development plan system and how this new plan relates to the Wales Spatial Plan.*

**Response: Accept**

**Update:**

See update for recommendation 4.

**Recommendation 42.** *Once the major overhaul of the planning system in Wales that is now underway is completed, the Welsh Government should consider whether it needs to amend its planning policies for all forms of renewable energy.*

*In considering this it should take account of:*

- the outcome of the current backlog of outstanding onshore wind applications;*
- progress achieved by that time on the implementation of all other forms of renewable energy, including the current round of offshore windfarm proposals;*
- the new Natural Resource Plan for Wales.*

**Response: Accept**

**Update:**

In 2011, we published an update to our Planning for Renewable and Low Carbon Energy policy contained in Planning Policy Wales. Many of the



changes that will emerge through the Planning White Paper and eventual Bill will seek to improve the consenting process for renewable energy projects. We will continue to review Planning Policy Wales to ensure that it is fit for purpose.

***Recommendation 43.*** *As part of an annual monitoring report setting out progress towards the targets for each form of renewable energy (see recommendation 20), the Welsh Government should include a detailed assessment of progress in the development of onshore wind for each Strategic Search Area, compared with their maximum capacities.*

**Response: Accept**

**Update:**

The Hyder study provided an evidence base. The next update on the delivery of wind energy within the SSAs will be published in April.

***Recommendation 44.*** *As part of working closely with all the stakeholders to free up the backlog of onshore windfarm applications (see recommendation 2) the Welsh Government should particularly concentrate on resolving the transport issues associated with such developments.*

**Response: Accept**

**Update:**

We have worked closely with Renewables UK in the preparation of their strategic Traffic Management Plan (sTMP), which covers an access route for Abnormal Indivisible Loads from the docks at Ellesmere Port to Strategic Search Areas B and C. Welsh Government as trunk road highway authority has accepted the sTMP in relation to the trunk road network in Wales.

We are working closely with two developers in the preparation of a Strategic Traffic Management Plan covering an access from the docks at Swansea to Strategic Search Area D and nearby. We are also working with individual developers in preparing traffic management plans to Strategic Search Area C via alternative routes to those in the sTMP, and also to Strategic Search Area A.

***Recommendation 45.*** *The Welsh Government should take action and provide stakeholders with support to enable the early publication of the overdue strategic transport management plan for mid Wales, to be followed by similar plans for each of the remaining Strategic Search Areas. It should ensure that those communities likely to be affected by these plans are properly consulted.*

**Response: Accept**

**Update:**

The responsibility for developing the Traffic Management Plans lies with the developers. The Welsh Government will continue to work closely with the developers to resolve the issues associated with those plans.

***Recommendation 46.*** *The Welsh Government should commission a quick economic impact assessment study of the impact of transport movements associated with windfarm developments in mid Wales, as originally recommended to them by Capita Symonds. This study should be completed by April 2013 at the latest.*

**Response: Reject**

The recommendation relates to a study by an external contractor to the Welsh Government which was completed in 2008. Since the publication of that report, the Welsh Government has undertaken a significant amount of work, particularly through its consultative role on Strategic Transport Management Plans, to mitigate against the potential impacts of transport movements associated with windfarm developments. The Welsh Government's Transport Department is currently actively working with the windfarm industry and with all the appropriate bodies involved in facilitating and regulating the use of the highways (the Police and County Councils in Wales and England, the Highways Agency, the Department for Energy and Climate Change, and the Welsh Government itself as the Trunk Road Highway Authority in Wales) to enable wind turbine components to be brought to site safely in the timescales appropriate for the windfarm developments, whilst reducing the impact on communities, businesses, other road users and the environment. In particular, the Welsh Government has put the onus on the windfarm industry to work collaboratively with all parties to develop plans which minimise disruption to local economies and communities and have emphasised the importance of having a robust transport plan as a key part of any planning application.

Trial runs have been undertaken on a number of routes which have been observed by officials from both the Welsh Government and local highway authorities. There were minimal impacts on wider transport movements which the windfarm industry are looking to mitigate.

We will also be working closely with National Grid and other Statutory Undertakers to facilitate the provision of the associated power grid.

In light of the significant work underway on this topic and the approach adopted by the Welsh Government, we do not consider it necessary to implement this recommendation.

***Recommendation 47.*** *Following the study by Capita Symonds which indicated that rail could play a part in the movement of some turbine*

*components particularly to mid Wales, the Welsh Government should work with Network Rail and other stakeholders to ensure that the use of the railway network for the delivery of windfarm components is integrated into the transport plans of developers where appropriate.*

**Response: Accept**

**Update:**

We have had discussions with the rail industry. They advised that constraints on the rail network may preclude rail transport for many of the larger components, unless major improvement works are carried out. This could include raising the height of a number of overbridges and relocating bridge abutments and railway apparatus to provide adequate gauge. Rail transport would require bespoke rolling stock, some of which may not be currently available in the UK. The existing rail infrastructure is generally remote from the SSAs, which would necessitate road transport between rail head and the SSA, which may prove uneconomic. It would also be necessary to provide new rail infrastructure in the form of sidings/handling facilities. In this respect, rail transport may not be feasible in many instances.

We will continue to highlight rail freight options where appropriate, in discussing Traffic Management Plans with developers.

***Recommendation 48.*** *As part of the current review of the planning and consenting process for windfarm development, the Welsh Government should share good practice on dealing with transport issues post-consent through the use of appropriate planning conditions where there are no cumulative issues.*

**Response: Accept in Principle**

**Update:**

We have shared good practice with local authorities regarding requirements for traffic management plans. We have advised local authorities and also Department for Energy and Climate Change to include conditions in any consent they grant, which include traffic management.

***Recommendation 49.*** *The Welsh Government should seek an urgent assurance from OFGEM that National Grid is building adequate levels of future proofing into its plans for grid reinforcement in all parts of Wales, so that the grid can cope with the increasingly diverse and dispersed nature of energy generation.*

**Response: Accept**

**Update:**

Discussions with National Grid, DECC and Ofgem continue regarding the future proofing of grid reinforcement and terms of reference are evolving.

**Recommendation 50.** *The Welsh Government should clarify its position on the need for major grid reinforcement in mid and north Wales given apparent differences between last year's statements on the capacity of the Strategic Search Areas and more recent statements in Energy Wales: A Low Carbon Transition and the Wales Infrastructure Investment Plan.*

**Response: Accept**

**Update:**

The Welsh Government believes that modern, efficient and reliable energy infrastructure is important for our businesses and communities, and we are committed to supporting the development of new renewable energy generation, including wind energy. Crucially, as a Government we also support placing limits on the level of wind farm developments within given areas, as defined by the Welsh Strategic Search Areas (SSAs) set out in Technical Advice Note (TAN) 8 on Renewable Energy. This is in contrast to England, where there are **no** limits on the level of renewable energy developments.

Unfortunately, the consenting of major energy infrastructure is not devolved to the Welsh Government, despite continued representations to the UK Government that we should be responsible for decisions affecting Welsh communities. It follows that the 'no limits' English approach will now be imposed on Wales.

Decisions on large wind farm schemes, as well as associated grid infrastructure, are the responsibility of UK Government Ministers who regrettably have not indicated that they will respect the limits on wind farm development set out in the Welsh Government's TAN 8 policy.

With regard to the issue of new grid infrastructure, the Welsh Government's preferred position is one of undergrounding. Without prejudice to this position, we have and continue to engage with the National Grid to mitigate the visual impact of any potential new transmission lines. We believe that without our representations, the impact of the proposed new infrastructure would have been much greater.

If the UK Government gives consent to large developments which is out of our hands, then we would expect there to be significant benefits to affected communities.

**Recommendation 51.** *The Welsh Government should ensure that National Grid and the District Network Operators are included in the protocol for community benefits (see recommendation 53), so that communities affected by new grid infrastructure also benefit from the associated infrastructure.*

**Response: Accept in Principle**

**Update:**

Ofgem have confirmed the risks of pursuing a community benefit fund for those affected by new grid infrastructure. Were this approach to be adopted UK wide, it is highly likely that Welsh consumers would carry a disproportionate burden. Welsh Government will continue to press the National Grid and District Network Operators to utilise local supply chains and services wherever possible. Discussions with wind developers are ongoing and include an exploration of how developers consider communities local to development but also those affected by the wider regional impacts.

***Recommendation 52. The Welsh Government should encourage OFGEM to ensure that there is a consistent and simplified approach to the securing of and charging for connections to the grid for small-scale renewable energy projects.***

**Response: Accept in Principle**

**Update:**

Ofgem will introduce a new approach to network regulation in 2015 which aims to promote smarter networks for a low carbon future. The Welsh Government is supportive of Ofgem's new approach. The outcomes of Ofgem's £500m Low Carbon Networks Fund were presented at the Energy Networks Association Low Carbon Networks Conference, which was held in Cardiff in October.

We will continue to set out, clearly and consistently, our expectations which include a grid and distribution network that enables us to make the most of our on and off-shore natural resources an increasingly 'smart grid' which integrates distributed and intermittent energy sources with emerging storage technologies.

***Recommendation 53. The Welsh Government should work with developers and Renewable UK Cymru to complete work on a protocol for community benefits by mid - 2012.***

**Response: Accept in Principle**

**Update:**

This work is progressing in conjunction with the developers and Renewables UK Cymru and the conclusion will be published in due course.

***Recommendation 54. As well as communities directly affected by renewable energy developments, the protocol should require developers to contribute to communities that are indirectly affected by their***

***development proposals as a result of associated infrastructure (roads and grid).***

**Response: Accept in Principle**

**Update:**

Discussions with wind developers are ongoing and include an exploration of how developers consider communities local to the development but also those affected by the wider regional impacts.

***Recommendation 55.*** *The Welsh Government should support and promote the work of Community Energy Wales as a source of information and advice to local communities. It should provide some funding to Community Energy Wales to enable it to act as a skilled intermediary to advise local communities on the management and use of community benefit contributions for large-scale energy and associated infrastructure projects.*

**Response: Accept in Part**

**Update:**

Community Energy Wales (CEW) has been created to replicate the work carried out over the last couple of years by Community Energy Scotland. CEW was launched at Hay 2012 and is a body which represents organisations with an interest in the community scale renewable energy sector. It is envisaged that CEW will take an active role in contributing to Welsh Government community energy policy development, responding on behalf of the sector to UK and Welsh Government consultations, and keeping the sector abreast of developments, announcements and funding opportunities.

CEW is interested in exploring, with Welsh Government, ways in which community benefit can be invested in energy projects to support further improvements in infrastructure, to maximise economic and community benefit, and progress innovative technology to commercialisation in Wales. The mechanisms for supporting this aim are yet to be developed, with the Welsh Government currently working in the first instance with the onshore wind industry and Renewables UK Cymru to agree how economic and community benefits can be maximised.

***Recommendation 56.*** *The Welsh Government should commission a study to investigate the feasibility of amending current national policy and local planning guidance to incorporate a more robust and systematic consideration of community benefits packages and mandatory levels of payment by renewable energy developers formally linked to the planning/consenting process.*

## **Response: Reject**

It is a well established principle of the planning system that decisions on applications are taken on planning merits. There is a legal requirement that all planning decisions must be taken in accordance with the development plan unless material circumstances indicate otherwise. The planning system is subject to challenge throughout the process of determining applications and including a consideration of potential community benefit into the decision making process could bring the system into disrepute.

We support the principle of community benefits accruing as bi-lateral undertakings between developers and the community. The terms are usually negotiated outside the planning consent. If there is not a clear demarcation between the planning system and any material benefits which may be accrued, consent decisions could be construed as being bought.

***Recommendation 57.*** *The Welsh Government should establish a formal mechanism so that information is made publicly available about the level and nature of benefits associated with energy development that have been made available to communities.*

## **Response: Accept**

### **Update:**

There is general agreement between Welsh Government, Renewables UK and onshore wind developers that this function should exist. There creation and operation of the reporting mechanism is being considered alongside provision of support to communities.

***Recommendation 58.*** *The Welsh Government should introduce a formal pre-application consultation stage for renewable energy projects of between 5 megawatts and 50 megawatts, modelled on the Planning Act 2008 procedure for Nationally Strategic Infrastructure Projects.*

## **Response: Accept in Principle**

### **Update:**

In July 2012 we published new guidance on realising the potential of pre-application discussions. The guidance applies to all types of developments and is designed to support applicants and Local Planning Authorities reduce the time taken in dealing with applications and improve the quality of planning applications. We will consider the formalisation of pre-application stages in the Planning White paper.

***Recommendation 59.*** *The Welsh Government should bring forward changes to extend permitted development rights to non-domestic premises by the end of 2012 at the latest.*

**Response: Accept**

**Update:**

Both domestic and non-domestic permitted development rights have been introduced.

***Recommendation 60.** As part of supporting/promoting Community Energy Wales (see recommendation 55), the Welsh Government should encourage the development of a toolkit and specific training for communities wishing to pursue the development of small-scale renewable energy projects.*

**Response: Accept in Principle**

**Update:**

A range of toolkits to help communities develop small-scale renewable energy projects have been developed across the UK. As part of its commitment to support community energy projects, the Welsh Government has co-funded the development a toolkit called Community Pathways which has been designed by the Community Energy Practitioners Forum.

This toolkit provides independent, interactive information and guidance on nearly 40 different community approaches to action on climate change, including advice on developing community renewable projects. The toolkit can be accessed via a website which also provides links to a wide range of community project examples in action. Further resources and information that may be relevant to each type of project are also provided from this website.

Our Ynni'r Fro European Regional Development Fund project provides specific support for communities who wish to undertake small scale renewable projects. An important component of the support provided through Ynni'r Fro, is the Wales-wide network of Technical Development Officers who work closely with communities who wish to develop renewable energy projects and provide them with support and technical advice.

There are now a number of online resources and toolkits available on good practice on community renewables, such as the DECC Community Energy Online facility, local toolkits to assist with planning issues, and the Community Energy Scotland resources, in addition to the Community Pathways work. These are promoted to communities through Ynni'r Fro; the Technical Development Officers' work with community groups includes using these tools. This practice will continue under any future programmes that may succeed the Ynni'r Fro programme.

***Recommendation 61.** The Welsh Government should publish revised targets for Microgeneration, given that the targets in the 2007 Micro-generation Action Plan have been superseded.*



## **Response: Reject**

The original targets were set prior to the UK Government establishing the Feed-in Tariff Scheme. This scheme has been the main stimulus and incentive to the uptake of microgeneration technologies since it commenced in April 2010.

In response to the level of demand experienced and the need to ensure that the budget remains within the parameters set, during the past year, the UK Government's Department for Energy and Climate Change has made, at short notice, significant reductions in the tariffs available. In particular these changes have had an impact on small-scale solar photovoltaic measures and have markedly reduced the uptake of this technology.

The Feed-in Tariff is the main driver for promoting the uptake of microgeneration technologies. Following the recent policy changes, future digression in tariffs based on deployment rates in the market, will be the main cost control measure to ensure that the scheme remains within the budget set. As reductions in tariffs based on deployment will be used to control levels of uptake in the market, it is no longer appropriate to set targets for microgeneration.

***Recommendation 62.*** *The Welsh Government should work with the UK Government and OFGEM to resolve outstanding problems with the interpretation of European State Aid rules where community projects are applying for Feed In Tariffs and are also receiving funding from the structural funds.*

## **Response: Accept in Part**

### **Update:**

Welsh Government has worked closely with Ofgem and the DECC to clarify the potential impact of European State Aid rules on the support available through our Ynni'r Fro programme and the eligibility of community groups to receive Feed-in Tariffs (FiTs). As a result, the Ynni'r Fro programme will in the near future, expand to include the offer of a commercial loan towards the capital cost of a renewable energy scheme, therefore enabling those communities that chose to, the option to claim FiTs. This recommendation has now been actioned.

***Recommendation 63.*** *The Welsh Government should establish a sub-group of the proposed Renewable Energy Delivery Board (see Recommendation 1) with responsibility for Marine and Tidal energy development across Wales and this should be modelled on Marine Energy Pembrokeshire.*

## **Response: Accept in Principle**

**Update:**

The Welsh Government is formulating its plans in relation to marine energy and will do so in consultation with stakeholders in the marine sector. We intend to create a marine stakeholder reference group which will inform our plans, assist in removing barriers and delivering our ambition. It is expected that this group will be formalised before the summer.

***Recommendation 64.*** *The Welsh Government should ensure that robust information on tides, waves and currents around the Welsh coast is collected and made publicly available to reduce uncertainty for potential developers.*

**Response: Accept in Principle****Update:**

The Welsh Government has completed the refresh to its GIS constraints mapping created under the Marine Renewable Energy Strategic Framework (MRESF) project. Access to the constraints mapping web tool will be available to developers by the end of 31 March. The new facility will supply developers with information on key development constraints at project level and also allow developers to upload their own GIS data.

***Recommendation 65.*** *The Welsh Government should work closely with private and public sector stakeholders to explore the potential of the Severn estuary as a source of renewable tidal energy.*

**Response: Accept****Update:**

The Welsh Government responded to the Severn Tidal Power Energy and Climate Change Committee Select Committee's inquiry examining the potential of a Cardiff Western Barrage to deliver low-carbon electricity to the UK and the likely cost to consumers as well as the potential impacts on wildlife and local employment. We await the Committee's Report. We are undertaking discussions with Hafren Power to discuss their proposals in more detail.

***Recommendation 66.*** *The Welsh Government should prepare and agree a formal Memorandum of Understanding with the Marine Management Organisation on the handling of renewable energy projects, by the end of 2012 at the latest.*

**Response: Accept in Principle**

**Update:**

Natural Resource Wales, which will be responsible for devolved marine licensing functions from April 2013, will work with Marine Management Organisation to sign off a formal Memorandum of Understanding as soon as possible in 2013-14.

***Recommendation 67.*** *The Welsh Government should closely monitor the total capacity and levels of waste tonnage associated with energy from waste plants that are commissioned by local authorities and should review its policies for the treatment of residual waste when the position is clearer.*

**Response: Accept in Principle**

**Update:**

Ongoing monitoring of required capacity against tonnage produced is undertaken by local authority consortia, who report this on a regular basis to the Waste Programme Procurement Office.

***Recommendation 68.*** *The Welsh Government should work with planning authorities to encourage the development of facilities which offer the best options for the utilisation of heat recovery from waste, through the revisions to Technical Advice Note 21 (Planning and Waste) and local planning authority supplementary guidance.*

**Response: Accept**

**Update:**

The consultation draft of the revised Technical Advice Note 21 is currently in development, and is scheduled to be published for a three month public consultation in April 2013.

***Recommendation 69.*** *The Welsh Government should consider ways of introducing a requirement for Local Planning Authorities to give greater weight to the re-use of heat for district heating schemes as a material consideration in their determination of planning applications for energy from waste plants.*

**Response: Accept in Principle**

**Update:**

We believe that current guidance and support contained in Planning Policy Wales Chapter 12 and the Renewable Energy Toolkit already provides the context for achieving this.

**Recommendation 70.** *The Welsh Government should publish a draft Industrial and Commercial Sector waste management plan by the end of 2012 at the latest. This should include detailed action plans for this sector for source segregation of food waste and diversion of food waste from landfill to anaerobic digestion plants as well as ways of seeking an overall reduction and alternative disposal arrangements for all types of waste from this sector.*

**Response: Accept**

**Update:**

The Commercial and Industrial Sector Plan public consultation will be launched in Spring 2013. The Wales Waste Prevention Programme is currently being developed as part of the legal requirement for the European revised Waste Framework Directive. There has been a joined up approach to ensure that these two documents are aligned. Both will contain the same proposed interventions and actions for waste prevention. In particular, this is to ensure that discussion and interaction with stakeholders (both internal and external) can be aligned.

With regards to management of food waste, the recommendation above is still being take forward within sector plans.

**Recommendation 71.** *A consultation draft of the Food Manufacture, Service and Retail Sector Plan for waste management was published in March 2011. The Welsh Government should publish a final version of this plan as soon as possible and take forward the actions it identifies to encourage further use of anaerobic digestion for the treatment of biodegradable waste produced by the sector.*

**Response: Accept**

**Update:**

The final Food Manufacture, Service and Retail Sector plan has been scheduled for launch after the publication of the draft Waste Prevention Programme to ensure that both plans are aligned. The final Food Manufacture Service and Retail Sector plan will contain actions to encourage further use of anaerobic digestion of biodegradable waste produced by the sector.

**Recommendation 72.** *The Welsh Government should provide additional support to assist the development of small-scale on-farm anaerobic digestion.*

**Response: Accept in Principle**

**Update:**

The Welsh Government recognises that on-farm anaerobic digestion has a role to play in achieving climate change emission reduction targets and can also produce energy on a local scale and improve the efficiency of crop

nutrient use. The UK-wide Feed In Tariffs and Renewable Heat Incentives provide the current sources of financial incentives for farms considering on-farm renewable options such as anaerobic digestion. In addition the Farming Connect (fully funded) knowledge transfer programme provides support for on-farm anaerobic digestion, and 80% funding is available to eligible farmers for one-to-one business support and training.

On 6 December 2012 a Welsh Government workshop supported by the Land Use Sub-group of the Climate Change Commission for Wales, was held to: 'identify barriers to uptake of on-farm anaerobic digestion'. The event was well attended by officials and stakeholders representing academia, the agricultural industry, independent consultants and suppliers, and permitting and regulating bodies. The workshop identified that the range and scale of challenges can be significant, but vary according to farm size; common themes included: planning and local communication issues, co-digestion of slurry/manure with waste or cropped material, finance, connecting to the grid, and developing operator skills and expertise. A report of the workshop has been prepared and circulated to the Climate Change Commission for Wales, the workshop participants and relevant Welsh Government policy officials for consideration in future policy decisions.

***Recommendation 73.*** *The Welsh Government should make sure that no local planning authority is insisting on consent from the Environment Agency for a hydro scheme before it will consider a planning application. This requirement should be built into its review of the planning/permitting process for renewable energy projects (see recommendation 23).*

**Response: Accept in Principle**

**Update:**

We accept that the planning system should be as efficient and proportionate as possible. We will consider how efficiencies can be expedited through the Planning White Paper and the establishment of the Single Body offers scope to undertake a rationalisation of the consenting and permitting regime.

***Recommendation 74.*** *The Welsh Government should urge the Environment Agency to produce a revised version of its Good Practice Guidance for “High Head” hydro power schemes to include a consistent approach to ‘flow splitting’ across England and Wales as soon as possible and by the end of 2012 at the latest.*

**Response: Accept in Part**

**Update:**

To date, the Agency has made significant progress and has completed a large part of the review. A summary of the comments received and responses to the key issues in the consultation was published in October 2012. In

December 2012 the Agency also published some supplementary advice notes, covering a limited range of topics:

1. LIT 7511 Screening requirements
2. LIT 7513 Fish passage
3. LIT 7515 Weirs
4. LIT 7517 Competing schemes

The Agency also edited the current edition of the Good Practice Guidelines to include references to these advice notes where appropriate and to delete sections that are now superseded, to prevent confusion. The advice, which largely reflects current practice, is effective immediately and should be incorporated into applications for new schemes as applications are submitted.

After detailed consideration of the results of the consultation and associated discussions, the Environment Agency has decided to launch a Supplementary Consultation on options for future flow and abstraction standards for hydropower in Wales and England. The purpose of this supplementary consultation is to gather further views on river flow and water abstraction standards.

The supplementary consultation on Flow and Abstraction Standards for Hydropower was published on 21 January 2013 and is open for consultation for 10 weeks until 2 April.

Following the close of the consultation the Environment Agency will produce guidance on run-of-river hydropower schemes. Responsibility for licensing in Wales will transfer to Natural Resources Wales from 1 April 2013. The work undertaken to date on reviewing and amending the Hydropower Good Practice Guidelines, as well as the responses to the supplementary consultation, will be available for use by Natural Resources Wales.

The Good Practice Guide is the key reference document used by Environment Agency staff when processing applications for hydro developments. It is envisaged that the revised document will reflect the different approaches adopted in Wales and England to the consenting regime. In Wales the Environment Agency use a 'flow splitting' approach when determining their schemes which is unpopular with hydro developer companies as this approach means that more water is lost to the fish route and therefore less water is available for producing energy, compared to the approach taken in Scotland and England where developers feel that the systems are more flexible to hydro development.

Wales has an outstanding aquatic environment that contributes to the social, cultural and economic well-being of the nation. In reflection of this value, many of our rivers are highly protected under UK and European law. All hydropower applications must be individually determined, and decisions are subject to scrutiny and challenge from interested parties. Making the right decision can involve very detailed technical assessment and expert opinion.

The Environment Agency Wales argue that proportionally, there are greater numbers of sensitive and high head sites in Wales compared to the rest of the UK and therefore a more robust approach needs to be taken when consenting hydro projects here and this is reflected in the use of the flow splitting approach. The Agency also argue that even though the process in Wales appears more rigorous than elsewhere, the process of obtaining a consent for hydro development is quicker than elsewhere in the UK.

It is envisaged that one of the advantages of establishing Natural Resources Wales will be a reduction in duplication in areas such as the consenting and permitting of energy developments.

***Recommendation 75.*** *The Welsh Government should continue to provide support for Research and Development within Wales to explore the technical and economic feasibility of carbon capture and storage for existing and future gas fired power stations.*

**Response: Accept**

**Update:**

Whilst the rise of gas is essential in a low carbon transition, it cannot be a long term basis for the energy economy of Wales without carbon capture and storage. Carbon capture and storage therefore, if successfully commercialised and supported by the appropriate regulatory framework, will be a vital component of our medium to long term energy future.

We are pleased Wales leads the UK through the pilot carbon capture project at Aberthaw Power Station, which the Welsh Government has supported from the outset.

***Recommendation 76.*** *The Welsh Government should work with the UK Government to ensure that private companies understand that from the outset, where public money is being provided to help fund energy Research and Development work, then the value of the intellectual property rights associated with that investment will be shared with the public sector funding body.*

**Response: Reject**

**Update:**

In line with the guidelines published by the UK Intellectual Property Office, "Intellectual Property in Government Research Contracts", Welsh Government policy is that ownership of the Intellectual Property generated in publicly funded research should in general be vested in organisations that actually carry out the research (the research providers), rather than being held by a public sector purchaser. However, Welsh Government interests (including rights to make full use of the Intellectual Property for the policy and business

needs of the Government, and to permit publication of information as appropriate in accordance with Government policy) will be protected through suitable contractual provisions.

***Recommendation 77.*** *The Welsh Government should work with the UK Government and the other devolved administrations to produce technical guidance in the form of a new Technical Advice Note to help local planning authorities in Wales in dealing with planning applications for the exploration and extraction of unconventional gas, including applications where the use of hydraulic fracturing is proposed.*

**Response: Accept in Principle**

**Update:**

We continue to work with the UK Government and the respective agencies to consider the emerging science on unconventional gas, and to ensure that policy is kept up to date. We remain unconvinced that the issues are sufficiently distinct to justify a new Technical Advice Note.