

National Assembly for Wales
Environment and Sustainability Committee

Energy Policy and Planning in Wales
June 2012



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Environment and Sustainability Committee

Energy Policy and Planning in Wales
June 2012



Environment and Sustainability Committee

The Committee was established on 22 June 2011 with a remit to examine legislation and hold the Welsh Government to account by scrutinising expenditure, administration and policy matters encompassing: the maintenance, development and planning of Wales's natural environment and energy resources.

Current Committee membership



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Plaid Cymru
Dwyfor Meirionnydd



Mick Antoniw
Welsh Labour
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Rebecca Evans
Welsh Labour
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Report layout

The Committee held a total of 20 evidence sessions. It also received 315 written responses to its consultation. Of these, over 250 were from individuals and local action / community groups, predominantly in mid Wales. In addition to the written responses, the Committee also received 109 coupons from the Powys County Times newspaper and 85 standard forms submitted in relation to the two petitions. The forms included a 'tick-box' option to indicate support in relation to the two petitions referred to in the original terms of reference.

In order to summarise all of this material the Committee has identified a number of main issues and themes that have emerged from the evidence. For each of these we have set out the following:

- a summary of the key points taken from the written and oral evidence and the views presented to the Committee by the stakeholders. These are not listed in any particular order. Of course not all stakeholders said the same thing and on some issues there are strongly opposing or contradictory views. The summaries reflect this and the inclusion of a particular comment in the 'stakeholder views' section does not necessarily mean that this also represents the view of the Committee;
- the Welsh Government's position on the issue. This is either taken from their evidence to the Committee or from its policy documents;
- the Committee's views on the issue. There are a few instances where not all members of the Committee have the same view and this is reflected in the text;
- the Committee's recommendations;

Introduction

- the Committee's inquiry into Energy and Planning has had a major impact. It has contributed significantly to the debate and stimulated discussion. A large volume of written and oral evidence was received;
- both Welsh and UK Government policy has evolved during course of the inquiry. However there has been little progress on further consents for onshore wind - especially for onshore wind projects in mid Wales (Section 36 of the *Electricity Act 1989* Legacy and *Town & Country Planning Act 1990* applications);
- the inquiry has confirmed the vital importance of the energy sector to Wales
 - in meeting contributions to EU targets for renewable energy generation, in helping to reduce greenhouse gas emissions and also as an economic driver;
- the huge potential for renewables both onshore and offshore has also emerged – it is important that Wales and its people benefit, but the impacts need to be carefully managed;
- there is recognition that 'baseload' and 'on demand' forms of energy will also be needed at least for the next decade;
- the implications of new approaches to major infrastructure planning and importance of finding new sources of energy have only become apparent over the last couple of years;
- legitimate concerns of communities and local people have been raised about what is being planned and how consultation and introduction of new policy has been handled in the past;.
- the vital importance of community engagement, community benefit and buy-in. Problems with how energy and associated planning policies have been communicated in the past. Some lessons that need to be learnt from this;
- there is strong stakeholder support for *Energy Wales: A Low Carbon Transition* and its associated Energy Programme – a major step forward in recognising important messages that the Committee has heard;
- the importance of an approach that recognises the relationships between energy/communities/natural environment has been identified. This is part of the Natural Environment Framework approach and is acknowledged in *Energy Wales: A Low Carbon Transition*;

- there is a need to accept there will be some environmental impact at least in the short-term. This point was made by the Countryside Council for Wales in particular:

“[...] CCW recognises that it will often be necessary to reconcile the need to accept some local impacts on our natural heritage in the short term in order to secure a lowering of emissions from energy generation, whilst ensuring that legal requirements to protect the environment are upheld.”

Major developments during the course of the inquiry

During the period that the Committee has been taking evidence there have been a number of important developments including:

- *Localism Act 2011* – abolition of the Infrastructure Planning Commission and creation of the National Infrastructure Directorate within the Planning Inspectorate from April 2012;
- establishment of the Silk Commission – further devolution of energy consenting is at best several years away;
- *Energy Wales: A Low Carbon Transition* – plus parallel energy programme – launched March 2012;
- Horizon Nuclear Power decision to withdraw from Wylfa B;
- a planning review of consenting process for energy announced by the Minister for Environment and Sustainable Development (the Hyder review);
- a wider review of the planning system in Wales – a consultation has been carried out – in preparation for the Planning Bill White Paper in 2013;
- a consultation on a ‘presumption in favour of sustainable development’ in Wales has been completed;
- Feed in Tariffs reviews by UK Government;
- Renewable Obligation Certificates banding review consultation;
- final consent for the Pembroke Power Station in November 2011;
- Welsh Government consultation on Marine Conservation Zones launched in April 2012;
- approval of the Pen y Cymoedd onshore windfarm in May 2012;
- publication of the draft Energy Bill 2012 by the UK Government in May 2012;
- publication of the Wales Infrastructure Investment Plan by the Welsh Government in May 2012;
- publication of the draft Order in May 2012 for the new Natural Resources Body to replace the Countryside Council for Wales/Environment Agency Wales/Forestry Commission Wales.

Leadership

Stakeholder views

- the need for the Welsh Government to show more leadership in taking forward renewable energy policies and targets. Many stakeholders perceive that the Scottish Government has demonstrated stronger leadership;
- the need for local authorities to show strategic leadership in promoting renewable energy – including those authorities not directly affected by a Strategic Search Area. Important to ensure this is filtered down to officer level. Leadership here means giving greater priority to delivery and support for the development of renewable energy;
- the need for the other consenting bodies in Wales (Countryside Council for Wales/Environment Agency Wales especially) to show leadership in this policy area. Unfavourable comparisons with Scottish equivalents. As above leadership here means giving greater priority to delivery and support for renewable energy;
- the need for an overarching Renewable Energy Delivery Board to co-ordinate/drive delivery. The Scottish Energy Advisory Board with its sub-groups is a possible model;
- concerns that previous Welsh Governments have not consulted sufficiently with local communities on the impact of its energy and planning policies;
- confusion about the First Minister’s Cabinet Statement and the Minister for Environment and Sustainable Development’s clarification letter last year – some say this has undermined confidence;
- Ministers should be making greater use of the Energy & Environment Sector Panel for advice and to promote key messages;
- a call to improve general public understanding and perception of renewable technologies and to provide clarity through regular campaigns to maintain momentum.

The Welsh Government’s position

- *Energy Wales: A Low Carbon Transition*, published in March 2012, sets out the Welsh Government’s views on the importance of energy. It identifies the importance of providing leadership “to ensure Wales has a clear and consistent framework for investors, regulators and decision-makers together with the infrastructure, co-ordination and stability to ensure Wales is a great place to do business”;

The Committee's views

- leadership in this area from all levels of government is vitally important. Despite the views of some stakeholders, expert advice received by the Committee leads us to conclude that there are a number of factors that have led to a greater take-up of renewables in Scotland and it is not simply a question of stronger leadership by the Scottish Government;
- the Committee welcomes *Energy Wales: A Low Carbon Transition* which is an important step in the right direction – the Committee will want to monitor closely the implementation of the key things that the Welsh Government say they will do. The confusion last year caused by the First Minister's Statement and the subsequent letter from the Minister for Environment & Sustainability was unfortunate;
- it is crucial that the current backlog of onshore wind energy schemes in the pipeline is removed – this means all levels of government showing leadership in tackling the important transport/grid/cumulative impact issues. A number of these are large schemes being dealt with outside of Wales as legacy applications under Section 36 of the *Electricity Act 1989*. There are also a number of potential applications to be dealt with by the National Infrastructure Directorate under the *Planning Act 2008*. Until some decisions are made it is difficult for communities to understand what is happening and difficult to plan properly for the supporting infrastructure likely to be required. The recent decision by the Secretary of State to approve the 299 Megawatt Pen y Cymoedd windfarm gives some indication of how such decisions may be made;
- *Energy Wales: A Low Carbon Transition* recognises the need to ensure that communities are fully engaged and receive long-term positive benefits from energy developments. Improving public understanding and perception must be a priority;
- local planning authorities need to show greater strategic leadership and to work together to deliver all forms of renewable energy and to encourage community engagement, whether or not they are directly affected by a Strategic Search Area;
- in taking forward its proposals for a Natural Resources Body the Welsh Government needs to ensure that priority is given to dealing with energy projects, from a regulatory, statutory consultee and commercial development point of view.

Recommendations

Headline

1. The Welsh Government should establish a **Renewable Energy Delivery Board** to act as a coordinating body with representatives from government, developers and regulators.
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.
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).
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.
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.
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.
7. The Welsh Government should organise and fund a programme to improve the level of **public engagement, empowerment and political debate** about renewable technologies.

Devolution

Stakeholder views

- the current arrangements for planning/consenting large energy projects are complex and some argue strongly are discouraging development in Wales;
- they create an artificial divide for schemes below 50 and above 50 Megawatts for onshore projects. The two regimes are radically different;
- the separate arrangements for associated development in Wales create further complexities with responsibility being split between the two planning regimes;
- two-thirds (in Megawatts) of proposed developments in the system are *Section 36 legacy/Planning Act 2008* schemes to be decided by the National Infrastructure Directorate/Department of Energy & Climate Change, rather than in Wales;
- TAN 8/*Planning Policy Wales* should be taken into account by the National Infrastructure Directorate/ Department of Energy & Climate Change but it will not out-weigh the National Policy Statements – however no projects have reached that stage yet. There could be test cases/judicial review if the Department of Energy & Climate Change approves large-scale windfarms outside of the Strategic Search Areas;
- there are a variety of views on the need for further devolution of energy powers with some supporting it and some not;
- some developers say that it is less important to them who makes the decision – they want certainty and consistency and at present many are not convinced of the case for further devolution;
- further devolution of energy powers issue is being dealt with as part of a wider discussion on further devolution – now to be considered by the Silk Commission that will not be reporting until 2014;
- if energy consenting was devolved, some suggest that a parallel consenting system to the National Infrastructure Directorate be established for Wales with the final decision resting with the Welsh Ministers.

The Welsh Government's position

- the Welsh Government will continue to press the UK Government for greater devolution of energy consenting powers. This would include responsibility for consenting of projects above 50 megawatts onshore and above 1

megawatt offshore (initially up to 100 megawatts or could be all), electricity grid consents and Renewable Obligation Certificates. It is also seeking responsibility for major port development. The one exception to this would be nuclear power;

- the Welsh Government believes that under the current regime because the National Policy Statements take precedence over *Planning Policy Wales/TAN 8* “wind turbines could be put anywhere and strategic search areas could be ignored”.

The Committee’s views

- we welcome the Welsh Government’s intention to set out how it will use any additional powers over energy consenting to put in place a single, streamlined and transparent process for Wales. This was a recommendation of the Planning Inquiry of the Third Assembly’s Sustainability Committee and it is important that this is explained;
- the majority view of members of the Committee is support for the Welsh Government in its call for greater devolution of energy powers. Apart from making the system simpler for developers it would also help local communities by being clear about who is responsible for what. The Committee will be interested to see the outcome of the current inquiry into major Ports and Airports by the Enterprise & Business Committee, to see if that committee will support the devolution of responsibility for major ports development;
- however further devolution is at best several years away and it is important that in the meantime the planning and consenting systems for projects up to 50 Megawatts onshore and 1 Megawatt offshore are made to work as well as possible. The Committee welcomes the work commissioned by the Welsh Government to consider changes that can be made within the existing framework to improve the planning system and the Welsh Government’s intention to review other consenting regimes alongside the introduction of the Natural Resources Body.

Recommendations

Headline

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

Energy Mix

Stakeholder views

- there is scope for renewables to replace much of the existing carbon-intensive electricity generation, but not in the short-term. Renewable energy sources need to be successfully combined with on demand forms of electricity generation to successfully meet forecast demand, at least for the next ten years;
- there will be a continuing dependence on conventional supplies of gas and coal at least for the next decade;
- onshore wind is currently the most economically viable alternative that can contribute significantly in the period to 2020. Some stakeholders believe that there has been an imbalance in favour of wind technology that has led to it becoming more economically viable;
- offshore wind's potential contribution is many times greater than onshore wind and costs will probably fall;
- marine wave and tidal have great potential around Wales (particularly off Pembrokeshire and Anglesey) but commercial installations are not likely before 2020. The Severn also has great potential but is unlikely to contribute much in the next decade;
- micro-generation and community-based renewable projects can make an important contribution especially with more support, but they cannot be a substitute for large-scale renewable projects;
- energy from waste has a contribution, although the priority for the municipal programme for waste is to encourage re-use and recycling and in the longer term Energy from waste will be phased out as residual waste is reduced. There are some concerns about health impacts. The overall contribution is quite small;
- Anaerobic Digestion - potential to develop further but the current overall contribution is quite small;
- hydro - pumped storage important in Wales. Large-scale hydro schemes are unlikely to make a major contribution - but smaller-scale schemes are important for local community engagement;
- nuclear- some say it is important as a major low carbon contribution to the energy mix, important source of jobs and support new nuclear plant at

existing sites. Others are concerned about safety and long-term storage of waste and consider that alternatives should be found;

The Welsh Government's position

- the Welsh Government's aim is that almost all local energy needs will come from low carbon electricity by 2050, but this is not possible in the run-up to 2020;
- there is support for a mix of renewable energy sources with targets for each;
- in the short-term conventional gas, nuclear and bio-energy will provide the energy to compensate for the intermittent nature of renewables;
- conventional gas will be a key transitional fuel. However carbon capture and storage will be vital in the medium term;
- nuclear - there is support for development of new nuclear plant at existing sites given the urgency of tackling climate change, however it does not support the development of new nuclear sites.

The Committee's views

- in terms of energy generated, much of the future energy mix is beyond the control of the Welsh Government. The UK Government's electricity market reforms are critical to providing a stable framework for future investment;
- the Committee agrees with the Welsh Government's approach of moving towards as much electricity generation as possible from renewable/low carbon sources and welcomes the clarity provided on these issues by the *Energy Wales: A Low Carbon Transition* statement;
- most of this is likely to come from wind in the period up to 2020;
- it is important to encourage as much take up as possible of other forms of renewable energy up to 50 Megawatts including micro-generation and community-based renewables, hydro, anaerobic digestion and energy from waste, although it needs to be recognised that even taken together these won't contribute enough to replace the energy produced by large fossil fuel power stations;
- it is very important to ensure that wave/tidal power opportunities are taken;
- this approach must ensure that maximum economic benefits and jobs come to Wales;
- the majority view of members of the Committee is support for the Welsh Government's position on nuclear power - no new sites but the potential at

existing sites needs to be exploited as nuclear is a low-cost form of 'baseload' and 'on demand' low carbon energy. There are strong economic arguments for this approach and concerns over the decision of Horizon to withdraw from Wylfa B.

Recommendations

Headline

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.
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**.
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.

Economic benefits/financial support

Stakeholder views

- there is considerable economic potential for renewable energy industry and support services to develop in Wales;
- Welsh Government support and incentives for newer technologies are vital.
- the importance of ports – access to offshore windfarms and potentially tidal wave/stream;
- the need for a level playing field in terms of Renewable Obligation Certificates to enable Wales to compete with Scotland for wave/tidal projects;
- developers say that the UK Government’s Electricity Market Reform proposals, funding reviews and delays are creating uncertainty within the industry. Organisations have called for continuity in financial mechanisms;
- the recent Feed In Tariff reviews have particularly hit the solar energy industry;
- a lack of clarity around European state aid rules is seen as a barrier for community developments;
- Enterprise Zones: it is unclear at this stage what contribution they can make to the energy sector and important to avoid economic migration instead of new growth;
- the economic impact of windfarms on tourism – there are conflicting views and a limited amount of current evidence on this;
- best use needs to be made of European funding, particularly the next round of Structural Funds and funding to support research and innovation;
- local authorities in Wales are behind their counterparts in England in preparing for the implementation of the Green Deal;
- the need for a major effort to market the potential of Wales as a place for renewable energy developments.

The Welsh Government’s position

- *Energy Wales: A Low Carbon Transition* sets out the Welsh Government’s views on the economic importance of energy. It states that “Our aim is to unlock and harness Wales’ energy resources in order to maximise economic, social and environmental benefits for the people of Wales”. It stresses the need to ensure that business delivers the promise of jobs, the

need to build a competitive supply-chain, both to unlock resources in Wales but also to export to the rest of the UK and globally.

- the Welsh Government says it will “Maximise benefit for Wales in terms of jobs and wider economic benefit at every stage of development whilst also ensuring our communities derive long term benefits.” And it will “Act now for Wales’ long term energy future through support for innovation, research, development and commercialisation in the areas that offer the greatest potential for long-term benefit for Wales.”

The Committee’s views

- the Committee supports the Welsh Government’s views on the economic importance of the energy sector to Wales.
- it is vital that maximum use is made of European Structural funding in the current and next (2014-2020) round and European Horizon 2020 research and innovation funding to support innovation and development in the energy sector.

Recommendations

Headline

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.
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.
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.
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.

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

Renewable Energy Targets

Stakeholder views

- Welsh Government renewable energy targets are helpful but some stakeholders (especially developers) believe that they are not sufficiently clear or that in some cases they are unrealistic;
- some believe that the Welsh Government should develop more detailed action plans of how the targets are to be achieved and report annually on progress towards these targets. Comparisons are made with the level of detail provided by the Scottish Government's 2020 Routemap for Renewable Energy;
- there has been a considerable increase in the target for onshore wind – from an additional 800 megawatts in the Strategic Search Areas in 2005 to 1.7 gigawatts in 2011;
- the target for marine wave/tidal (4 gigawatts by 2025) is seen as very optimistic and may need to be reviewed;
- there is some uncertainty about what the target is for community/micro-generation schemes and what is included in this. Does the 300 megawatt target for up to 25 megawatt onshore windfarm schemes outside of the Strategic Search Areas include what has already been consented?
- the detailed targets in the 2007 Micro-generation Action Plan have been superseded according to the Welsh Government but it is not clear what has replaced them;
- the First Minister's Statement of June 2011 and the subsequent letter from the Minister for Environment & Sustainable Development in July 2011 introduced some uncertainty about the targets/capacities for onshore wind in the Strategic Search Areas;
- some people and communities affected by the onshore wind targets and the Strategic Search Area approach were not fully aware of their implications until consultation began on grid reinforcement.

The Welsh Government's position

- renewable energy targets have been updated through the 2010 Energy Policy Statement and subsequent revisions to Planning Policy Wales;
- the targets are ambitious but achievable and important if Wales is to contribute to EU 2020 renewables target and reduction in carbon emissions.

The Welsh Government recognises the importance of a coherent vision and framework for investors and communities;

- the First Minister's Statement of June 2011 and the subsequent letter from the Minister for Environment & Sustainable Development put an upper limit on capacity for the Strategic Search Areas. This is important to ensure development within the Strategic Search Areas is balanced and proportionate and will avoid the need for major grid reinforcement;
- however *Energy Wales: A Low Carbon Transition* states that energy infrastructure in Wales requires investment, reinforcement and upgrading and that energy developments should be supported and not delayed by improvements to the grid.

The Committee's views

- whilst *Energy Wales: A Low Carbon Transition* is an important high level statement, it does not resolve the confusion about what the Welsh Government's targets are and there is considerable doubt about whether or not they can be achieved within the timescales specified. More detail is needed about how the targets for different sectors are to be achieved along with regular monitoring arrangements;
- some of the targets are relatively short-term and it is unclear what will happen beyond these dates;
- the target for wave/tidal power (4 gigawatts by 2025) is particularly optimistic given that it depends on a major Severn tidal power project coming forward;
- the First Minister's Statement and the subsequent letter from the Minister for Environment & Sustainability in 2011 have put a cap on onshore wind capacity for the Strategic Search Areas which is to be welcomed, but they also had the effect of creating considerable uncertainty and confusion both for developers and for communities.

Recommendations

Headline

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.

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.
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.

The planning and consenting process

Stakeholder views

- the process in Wales for consenting projects is very complex despite changes introduced by the *Planning Act 2008* and the *Localism Act 2011* and there are further complexities for offshore projects (see the table in Annex A);
- given the devolution arrangements for planning, there is a chance that an associated development based on Welsh planning policy could be refused when the associated Nationally Strategic Infrastructure Project based on the National Policy Statement has been approved by the National Infrastructure Directorate;
- consenting and environmental permitting are separate processes but could be streamlined/combined/run in parallel, although there is a need for flexibility as developers may sometimes need consent in principle before they can commit finance to provide adequate information for permitting purposes;
- developers blame local planning authorities and the Countryside Council for Wales/Environment Agency Wales for delaying schemes. Local planning authorities and the Countryside Council for Wales/Environment Agency Wales say developers aren't providing adequate information and/or aren't addressing cumulative impact issues. There have been disagreements throughout the inquiry about the responsibility for such delays;
- there has been a lack of non-determination appeals for energy projects to date;
- there are good practice examples of bringing developers/other parties together at an early stage;
- some suggest time limits for responses on applications by Countryside Council for Wales/Environment Agency Wales should be set, as delays in responding can cause considerable problems for developers. Scottish equivalent bodies are considered as more positive about renewable energy;
- some concerns about the role that a new Natural Resources Body would play in consenting:
 - how would disagreements such as those over the Pembroke Power Station be resolved? There are different cultures in the two organisations (Countryside Council for Wales/Environment Agency Wales);

- How will the role of Forestry Commission Wales as a land manager/provider of sites be kept at arm's length?
- Access to technical expertise outside of Wales (eg; in the rest of the Environment Agency);
- a simplified faster procedure for consenting marine prototypes would be desirable, but there are some concerns about the potential impact of such prototypes on the marine environment;
- many witnesses suggest that planning and consenting is simpler and faster in Scotland;
- speed of approval is not the only criteria to measure success;
- some Town and Community Councils say they are not consulted effectively on planning applications.

The Welsh Government's position

- *Energy Wales: A Low Carbon Transition* recognises that there is a need to improve the planning and consenting regime. The Welsh Government has commissioned research (the Hyder Report) to review current energy consenting systems and is committed to introducing changes to simplify planning and consenting processes by April 2013;
- the introduction of the Natural Resources Body offers an opportunity to ensure that advice to applicants prior to submission is constructive and to consider how the planning and consenting regimes can be better integrated;
- the Government will also produce a Planning White Paper in 2013 in advance of a Planning Bill in 2015-2016 to introduce further changes including the appropriate level of decision making for energy projects up to 50 Megawatts, which could be regional or national.

The Committee's views

- the Committee agrees with the need to improve the planning and consenting system for renewable energy projects of up to 50 megawatts in Wales. It is important that applications can be decided one way or another more quickly than they have been to date. We consider that the Hyder report is an important piece of work because the Committee has heard conflicting evidence about who is to blame for delays in projects being decided. We do not accept the simplistic analysis that the system always works much better in Scotland. However we consider that some of the delays in Wales are due to an unwillingness by local planning authorities and others to take difficult

decisions. The backlog of onshore windfarm applications needs to be cleared as soon as possible;

- the lack of non-determination appeals for energy projects shows that the current system is not working as intended, probably because developers are reluctant to take this step when they have other applications with the same authority also waiting for decisions;
- any changes to the planning and consenting regime need to be taken forward alongside the key things that the Welsh Government has committed itself to do to ensure that communities benefit from energy developments (see *Energy Wales: A Low Carbon Transition* - page 18);
- the introduction of the Natural Resources Body in April 2013 provides a major opportunity to ensure that there is a more co-ordinated and streamlined approach to renewable energy projects including the setting of target times for responses to consultations on energy applications;.
- the Committee has already made recommendations about the business case for the proposed body. It has stressed the importance of creating a new and coherent organisational culture and ensuring robust arrangements are in place to separate its permitting and advisory functions. In Plenary on 22 May 2012 the Assembly agreed an amendment to the government's motion noting the results of the consultation on the new body. This amendment calls on the Welsh Government to ensure that there are sufficient safeguards in the new body where there is a conflict of interest between Welsh Government's land ownership and consenting arrangements for energy projects on that land.

Recommendations

Headline

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.
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.
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).

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).
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.
27. The Welsh Government should consider introducing a requirement for a **single environment statement** to be used for both planning and environmental permitting purposes.
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.
29. The Welsh Government should implement the **Committee's recommendations** made in its report on the **business case for a Single Environment Body**.
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.

Resources/expertise

Stakeholder views

- some consider that local authorities do not put adequate resources into dealing with renewable energy – both from a planning and an economic development point of view;
- also when dealing with technical aspects of renewable energy and emerging technologies some local authorities lack the necessary expertise;
- there is more scope for sharing/pooling resources and expertise by local planning authorities when dealing with renewable energy applications;
- some consider that there is a case for a dedicated team of ‘expert’ individuals at an all Wales level to assist with planning/consenting applications;
- Welsh Government grant funding for a single-source of expertise (eg: energy from waste) is helpful;
- local planning authorities do not have resources for dealing with pre-application consultation under the *Planning Act 2008* regime. This falls disproportionately on some authorities;
- local planning authorities also do not receive fee income for commenting on *Planning Act 2008* applications – the Welsh Government provides some funding;
- some believe that the Welsh Government doesn’t put enough resources into this work, both on planning side and on economic side;
- some question whether Countryside Council for Wales/Environment Agency Wales have sufficient resources/expertise to deal with renewable energy consenting at present and want to know how this is being built into the Natural Resource Body proposals.

The Welsh Government’s position

- the Welsh Government is confident that it has the resources and expertise in place to deliver its energy programme;
- the Welsh Government does not accept that there is a capacity issue within local authorities, although it does offer grant aid to help with providing additional technical expertise. It is also keen to encourage more collaboration and joint working in line with the Simpson agenda;

- it has produced a range of practice guidance to help authorities deal with particular renewable technologies and to help them prepare Renewable Energy Assessments for their Local Development Plans;
- the new Natural Resources Body will be successful if it is viewed as a champion of sustainable renewable energy both in its direct delivery and through its wider work.

The Committee's views

- the Committee believes that there is a resources issue for some local planning authorities, although more of this is to do with inadequate technical expertise rather than an overall lack of capacity. The Hyder report should help to identify how much of an issue this is;
- the lack of fee income for dealing with *Section 36 Legacy* and *Planning Act 2008* applications has created resource problems, particularly for a few authorities that have a disproportionate workload. The high level of planning fees can also act as a disincentive for smaller community-led renewable energy projects;
- it is important that adequate resources are made available to the new Natural Resources Body to ensure it can deal quickly and effectively with its part in the consideration of energy projects and that robust transitional arrangements are put in place in the period up to April 2013.

Recommendations

Headline

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

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).
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.

Planning Policy

Stakeholder views

- although *Planning Policy Wales* was updated in 2011 to take account of the 2010 Low Carbon Energy Policy Statement, only a few local authorities so far have up to date development plans that reflect national policy and targets;
- some developers perceive that there is a 'weak link' between TAN 8/*Planning Policy Wales* and local development plans;
- it is suggested that there is a need for Supplementary/Interim Planning Guidance where there is no up-to-date plan;
- the potential need for a regional tier of planning policy;
- a lack of clarity about the role of a national resources plan and how this will feed into the development plan system;
- lack of policy/guidance for up to 25 megawatts onshore windfarm schemes outside of the Strategic Search Areas. Limited scope for such schemes now remains;
- important to establish a relationship between marine and terrestrial planning.

The Welsh Government's position

- the Minister says that Local Development Plans adopted so far are consistent with national policy on renewable energy;
- the Minister has suggested that the appropriate level of decision making for energy projects up to 50 megawatts could be either regional or national. A 'city region' approach to planning has also been mooted. A review of the whole planning system is under way in advance of the publication of a White Paper in 2013 on a proposed Planning Bill for Wales;
- *Planning Policy Wales* requires local planning authorities to produce a Renewable Energy Assessment as part of the preparation of their Local Development Plans – the Welsh Government has produced guidance on how these should be prepared. Some authorities have produced these already;
- the Welsh Government has recently consulted on the introduction into *Planning Policy Wales* of a presumption in favour of Sustainable Development in circumstances where there is no development plan in place or where policies in adopted plans are out-dated or have been superseded by other material considerations such as national planning policy.

The Committee's views

- the existing development plan system is not working as it should do as far as the development of energy projects in Wales is concerned. There needs to be a consistent planning policy framework for decisions on renewable and other energy planning applications across Wales, possibly based on regional level plans, that is also understood by local communities. The current system of largely uncoordinated development plans being produced to different timescales across the 25 local planning authorities has so far failed to deliver this;
- in the short-term, completion of evidence-based Renewable Energy Assessments by local planning authorities based on the Welsh Government's practice guidance is important, even where there are Local Development Plans at an advanced stage of development;
- the Committee supports the proposed 'presumption in favour of sustainable development' that was originally proposed by the Sustainability Committee of the Third Assembly, as this will give extra weight to national planning policies where there is no current development plan.

Recommendations

Headline

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.
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.
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.
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.

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**.

Technical Advice Note (TAN) 8

Stakeholder views

- a wide range of differing views on the need to review/refresh TAN 8;
- some say a full review is required because of changes in technology since 2005 (larger wind turbines) and a limited consideration of landscape impacts, also because of uncertainty about targets and lack of recognition of cumulative issues about the grid, transport and impact on tourism;
- others say it provides an important strategic framework and the recent update to *Planning Policy Wales* and targets plus the clarification about maximum capacities from the Minister in July 2011 is sufficient;
- some developers also want changes to increase the targets, allow for more flexibility, identify new Strategic Search Areas – they argue that the Strategic Search Areas are now almost completely committed;
- TAN 8 (2005) was introduced before the Welsh Government’s Energy Policy Statement (2010) – it is suggested that the policy should have come first;
- a letter was issued by the Welsh Government in February 2011 updating parts of TAN 8, although no formal review has taken place;
- concerns were expressed about the adequacy of the original TAN 8 consultation and the extent to which people’s concerns about wind made at that time were taken on board;
- there are differing views on the extent to which cumulative impacts were/could have been covered by TAN 8;
- some broad landscape information was considered by the consultants when they originally identified the Strategic Search Areas for TAN 8. However some landscape issues were left to be considered through later refinement studies. Countryside Council for Wales’s detailed LANDMAP data was not available in 2005;
- Strategic Search Areas are ‘search areas’ that should be refined by local planning authorities and not all proposals within them will be acceptable;
- some question whether a Technical Advice Note is the most appropriate place for spatial policy on wind – some suggest it should be part of *Planning Policy Wales*;
- questions have been raised about the requirement for Strategic Environmental Assessment (SEA) and the legal status of TAN 8. Local development plans are

subject to SEA and individual applications for onshore windfarms are usually subject to an Environmental Impact Assessment;

- some other European examples of spatial concentration policies for windfarms do exist.

The Welsh Government's position

- the Welsh Government remains committed to TAN 8 and the Strategic Search Area approach. It stresses that it is important to remember that TAN 8 is not just about onshore wind, but covers all forms of renewable energy;
- TAN 8 in 2005 was subject to a substantial amount of public consultation with over 1,700 responses from a four month process;
- the previous Welsh Government agreed to refresh TAN 8 - this was done through the revisions to *Planning Policy Wales* and a subsequent letter updating parts of TAN 8;
- the Minister's letter of July 2011 has subsequently introduced maximum capacities for the Strategic Search Areas, based on the work by the consultants Garrad Hassan;
- the First Minister told the Committee that TAN 8 has no real force for projects that are larger than 50 Megawatts and that the UK Government's National Policy Statements on energy could potentially lead to large-scale windfarms being built anywhere in Wales.

The Committee's views

- the Committee understands the concerns of communities across Wales about the impact of onshore windfarm proposals and associated infrastructure. These concerns have not been helped by the extensive delays in decisions on a significant number of projects which has increased uncertainty and left communities unsure about what is being planned and its likely impact;
- the fact that decisions on about two-thirds of applications will in any case be taken outside of Wales, where the UK Government's National Policy Statements will take precedence over TAN 8, is a further cause of uncertainty;
- we agree that there are technical aspects of TAN 8 that are now out of date and these have not all been dealt with by the Minister's February 2011 letter. For example, Annex C of the TAN does not fully reflect changes in renewable technology since 2005 or the latest information about the cost of undergrounding of connections to the grid;
- the planning system in Wales is at present undergoing a major overhaul. The Welsh Government has made a commitment to review current energy

consenting systems and to introduce changes to simplify planning and consenting processes by April 2013 and we expect it to deliver on this commitment;

- as well as this, work is being done in advance of the publication of a White Paper on a Planning Bill in 2013. The Welsh Government will also, as part of the Natural Environment Framework, be starting work next year on a new Natural Resource Plan to provide a picture of its priorities and aspirations for the use of Wales' natural resources. The Committee looks forward to playing an active role in the scrutiny of the new planning legislation and any consequential changes to arrangements for the planning of energy projects. We urge the government to keep to its timescale for the White Paper and the subsequent Planning Bill. We would be concerned if there was to be any delay in bringing forward this legislation;
- given this context, the majority view of members of the Committee is that it does not consider that a change in planning policy for renewable energy would be appropriate at this time, particularly given the forthcoming major changes to the planning system and the existing backlog of applications;
- the majority view of members of the Committee is that given the urgency of the renewable energy agenda, onshore wind is currently the only viable alternative that can be implemented in time and at the right scale;
- some developers have called for more flexibility or for additional search areas to be identified, but again the Committee considers that given the impending changes to the planning system and the backlog of existing applications, then any changes to existing targets and the current spatial approach are inappropriate;
- legitimate concerns of communities and local people have been raised about how consultation by previous governments over the introduction of new energy policy has been handled in the past. We also recognise that there has been a lack of engagement with communities by some developers, both large and small. Lessons need to be learnt from this going forward. In particular community engagement and long-term positive benefits must in future be secured at a much earlier stage;
- the Committee believes that TAN 8, the more recent changes to *Planning Policy Wales* and subsequent statements about the maximum capacities of the Strategic Search Areas **will** all be material considerations in *Section 36 Legacy* and *Planning Act 2008* applications. The recent Pen y Cymoedd windfarm decision by the Secretary of State confirms this.

Recommendations

Headline

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.
- Once it has made its decision, the Welsh Government should publish a full justification for the approach it decides to take.
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**.

Transport

Stakeholder views

- a draft Strategic Transport Management Plan (STMP) produced by developers has been produced for mid Wales but is not yet in the public domain. There are concerns about the amount of time this has taken to prepare;
- concentration of windfarm proposals in mid-Wales Strategic Search Areas and the timing of construction (because of lack of grid connection at present) is the main reason why cumulative impact of transport is such a big issue. This is a unique situation in the UK. However one developer suggested that only one in four or five of their proposals are expected to be built - so the scale of impact is difficult to assess;
- developers argue that for some applications transport issues could be dealt with post-consent as is done outside of Wales (where there is not a cumulative impact);
- mid-Wales transport impact is more in the East away from the sites in the West - this causes problems for local people not being consulted and not being included in any community benefits package;
- possible alternative routes for wind turbines to mid Wales to spread the load have not been explored (eg: from Chepstow, A55/A470, through Holyhead/A5);
- there are an average of 10 Abnormal Indivisible Loads (AILs) per wind turbine, although the exact number depends on the size of the turbine - however not all of these are the same length, height and weight. Also up to 1,000 HGV movements per turbine for construction - however the impact of these is different to the AILs;
- there are concerns about the impact of AILs on inadequate/narrow roads, underground infrastructure, street furniture, emergency service access, potential need for additional lay-bys/passing places and on tourist traffic;
- there is confusion over who is responsible for what in relation to windfarm transport issues;
- there is a requirement for an Environmental Impact Assessment to be carried out by developers for each application and this should include a transport assessment;

- a Capita Symonds study commissioned by the Welsh Government showed the potential volume of transport movements in mid-Wales and recommended an economic impact assessment study – however this has not been done;
- transport was not a major part of original TAN 8 exercise – it was seen as a temporary construction issue, although it was not anticipated that most schemes would be built at the same time (because of grid access).

The Welsh Government's position

- although there are transport problems associated with the development of windfarms, none of these are insurmountable;
- it is for developers to lead on dealing with the transport access issues associated with their energy project proposals. However the Welsh Government's officials are working with the local authorities, the emergency services, developers and Renewable UK Cymru on the preparation of a strategic transport management plan for mid Wales;
- the Welsh Government has prepared an all Wales study of possible routes for the movement of components and has made the results of this available to developers;
- once preferred routes are agreed the Welsh Government expects local communities to be consulted on this. Local authorities also have a duty to inform communities about the impact of the transportation of windfarms.
- Welsh Government transport officials were consulted during the preparation of TAN 8;
- guidance on Environmental Impact Assessments for the transportation aspects of applications for wind farm developments, including the cumulative impact of the transport of windfarm components, was issued to local planning authorities in the form of a letter in 2009.

The Committee's views

- transport issues particularly in mid Wales have been one of the main reasons why further progress has not been made on a significant number of onshore windfarm applications in that area;
- it is unacceptable that it has taken so long for a final version of the strategic transport management plan for mid Wales to be published so that communities can be consulted on its impact and applications can be considered further;
- elsewhere in Wales transport issues have been dealt with effectively – however in other cases developers have been required to submit very detailed information in advance of their planning application being considered. We see

no reason why in those cases where there are no cumulative impacts, transport could not be dealt with post-consent through the use of planning conditions. This is common practice in Scotland and elsewhere.

Recommendations

Headline

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.
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.
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.
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.
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.

Grid access

Stakeholder views

- some stakeholders perceive a lack of strategic planning by National Grid about future grid requirements, although National Grid say they are required to plan for what can be reasonably anticipated;
- there is a lack of clarity about the Welsh Government's position on the need for major grid reinforcements in mid and north Wales;
- there are calls for clarity in relation to whether the Welsh Government is seeking responsibility for grid infrastructure, including its maintenance, in their call for further devolution of energy powers;
- some projects have been delayed even when they have a grid connection offer.
- there are concerns about the impact of pylons and electricity sub-station on the tourism industry;.
- the backlog of projects in mid Wales is unlikely to be resolved until the proposed new grid connection has been provided there. The current delivery date is understood to be 2015;
- National Grid/Network Operators' position is that they are contractually obliged to provide grid connections to developers once their projects are approved – they “follow the megawatts”;
- the north Wales grid connection project is at an early stage but the need will be linked to Wylfa and offshore wind proposals. The decision of Horizon to pull out may impact on the timing of the project, although offshore wind and tidal projects will still need connection;
- resilience of the grid in south Wales given offshore wind potential may also be an issue. However National Grid says otherwise;
- independent research commissioned by the Infrastructure Planning Commission shows undergrounding costs for cables are generally about five times the cost of overhead lines, which is less than previously thought;
- difficulty of connecting small-scale Hydro and community micro-generation projects – the process can be slow and the costs prohibitive. However grid connections for small hydro schemes can bring community benefits in connecting remote communities to the grid;
- there is an inconsistent approach to charging for connections to the grid by District Network Operators, with costs being prohibitive in some cases.

The Welsh Government's position

- the Welsh Government position on mid-Wales stated to the Committee and in the Minister's July 2011 letter on the capacities of the Strategic Search Areas is that the scale of grid infrastructure proposed by National Grid/Network Operators is not necessary as long as the maximum capacities of Strategic Search Areas are not exceeded;
- The government has subsequently provided the Committee with the following update of its position:

“The Welsh Government position is that where new grid is required, Ministers expect the grid company and regulator to ensure that it is located, designed and installed as sensitively as possible, using appropriate techniques, including the use of undergrounding. The Welsh Government would not support the construction of large visually intrusive pylons in Mid Wales and we are pressing this case with National Grid Transmission and Ofgem.

“The Welsh Government expects all decision makers in Wales, including the National Infrastructure Directorate which has replaced the Infrastructure Planning Commission, to recognise its spatially specific policy outlined in TAN 8 and to respect the fact that the Strategic Search Areas have a finite environmental capacity and output should not exceed the maximum levels as assessed in 2005.”
- The First Minister told that Committee that in north Wales the existing infrastructure will be able to support most of the proposed developments, including Wylfa, although decisions are the responsibility of the National Grid.
- The government has subsequently provided the Committee with the following update of its position:

“Unlike Mid Wales, North Wales already has major infrastructure and some spare capacity but investment is needed to replace ageing infrastructure as well as to support proposed new developments, including Wylfa.”
- however *Energy Wales: A Low Carbon Transition* states that “our energy infrastructure requires investment, reinforcement and upgrading” and that energy development should be “supported not delayed by improvements to the grid” The *Wales Infrastructure Investment Plan* states that grid developments are “essential infrastructure to support renewable energy developments”.

The Committee's views

- providing grid connections for onshore and offshore renewable and low carbon energy developments as part of a more distributed and smart grid is clearly vital if the Welsh Government's policies for renewable energy development are to be successful;
- the Committee supports the Welsh Government's calls for devolution of responsibility for electricity grid consents, alongside responsibility for other major energy projects;
- as well as grid reinforcements in mid and north Wales it is important that the implications of developments offshore are included in future planning – for example the case for an undersea connection between Anglesey and Pembrokeshire and a possible need to reinforce the grid in south Wales as a result of future wave and tidal projects. The Committee is not convinced that National Grid is planning ahead as it should be to deal with likely future demand across Wales arising from renewable energy developments;
- we await details of the mid Wales connection project.
- We urge National Grid and the electricity distribution network operators to listen to the views of local communities and agree to the undergrounding of cables in the most environmentally sensitive areas

Recommendations

Headline

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.
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* and in the update of its position provided to the Committee.
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.

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.

Community involvement/benefits

Stakeholder views

- there has been a lack of community involvement/buy-in to the need for renewable energy projects until recently;
- Community Energy Wales will be an important focal point and safety net for community engagement in the renewable energy sector;
- a call for the development of a toolkit/one-stop shop for communities to help them with renewable energy developments;
- the need to enhance skills within local community groups through relevant training to assist in the development of community led projects;
- controversy over large-scale windfarm developments has discouraged communities from developing small-scale schemes;
- the *Planning Act 2008* process requires up-front community engagement – this should be replicated for applications dealt with by local planning authorities;
- there is a lack of consistency in community benefits currently being offered by developers;
- communities that are likely to be affected by grid or transport infrastructure improvements that are remote from the renewable energy projects themselves consider that they should also receive a share of community benefits;
- the need for a protocol – so that payments/other forms of benefit are transparent – RenewableUK Cymru are working with the Welsh Government on this;
- a specific body should be established which can receive part of the community benefit from commercial sources to allocate funding for more sustainable local energy projects;
- National Grid should be contributing to community benefits;
- elected members should administer community benefit trusts;
- some believe that planning/consenting should be kept separate from provision of community benefits – there should be no suggestion of ‘buying’ consents;
- potential opportunities for smaller-scale ‘blending’ of community windfarm schemes on the edge of Strategic Search Areas.

The Welsh Government's position

- *Energy Wales: A Low Carbon Transition* aims to “maximise benefit for Wales in terms of jobs and wider economic benefit at every stage of development whilst also ensuring our communities derive long term benefits.”
- it states that “we must ensure that our communities are fully engaged and that they receive long-term positive benefits.”
- the Welsh Government says that this Assembly term it will work with business to agree an approach to energy development in Wales that sets out expectations for economic and community benefits and working with communities and partners to ensure that the wealth generated by energy development in Wales benefits communities and lays foundations for Wales’ long term economic prosperity. The Welsh Government expects these benefits to include re-investment into energy infrastructure, generation and efficiency.

The Committee's views

- a central theme throughout the inquiry has been how to strike the balance between a planning and consenting system that operates quickly and effectively to address the urgent need to see renewable energy developments, whilst at the same time ensuring that communities properly understand the impact of these developments and can feel ownership and receive benefit from them;
- the community benefits negotiation process is currently kept at ‘arms length’ from the process of gaining planning consent. However this can itself be a source of tension in decision-making and is arguably a less transparent process as a result. A more direct link with planning/consenting would be likely to require changes to current legislation but would be worth further consideration, although concerns about consents being ‘bought’ would need to be carefully considered;
- we see an urgent need for a protocol for community benefits that will make such arrangements more transparent and will allow communities directly and indirectly affected by large renewable energy projects and associated infrastructure to receive direct benefits. Part of these benefits should include direct financial payments or opportunities for local ownership. Whilst some of these benefits should be re-invested in energy measures, we consider that communities should also be able to receive benefits in kind. In our view community ownership is the best form of benefit for a community-based renewable energy project;

- community benefits also include jobs created and indirect financial benefits accrued to the local economy through construction work and on-going maintenance.

Recommendations

Headline

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

Technology specific issues (not covered elsewhere in the report)

(a) Micro-generation/community renewables

Stakeholder views

- the Welsh Government should provide clearer signals on micro-renewables;
- a call to extend permitted development rights to solar PV developments on public, industrial, commercial and community buildings.

The Welsh Government's position

- the Minister for Environment and Sustainable Development told the Committee that “we see community projects as an important part of the overall picture.” He said that in meetings with the UK Government to discuss changes to the feed-in tariff scheme and the proposed ending of the higher rate “I made it clear that we see community energy development and systems that foster, encourage and generate community energy schemes as a significant part of the overall energy picture.”
- specific targets in the Micro-generation Action Plan (2007) no longer apply as they have been superseded by schemes such as ARBED;
- the Welsh Government has consulted on extending permitted development rights to non-domestic premises but has not yet introduced the legislation. This is being co-ordinated with introduction of these changes in England.

The Committee's views

- we agree with the Welsh Government's view that micro-generation and community renewables are an important part of the future energy mix and should be encouraged further. However we consider that more could be done to encourage take-up;
- the majority view of members of the Committee is that the Welsh Government should be urging the UK Government not to make any **further changes in the levels of Feed In Tariffs for Solar PV** installations for at least another four years to provide greater stability and certainty to the industry.

Recommendations

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.

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

(b) Marine and Tidal

Stakeholder views

- there are calls for the establishment of an all Wales Marine Renewable Group to co-ordinate activity across Wales. Marine Energy Pembrokeshire is a public-private partnership that already acts in this capacity for south west Wales;
- the suggestion of a dedicated Marine Energy Park to encourage development of wave / tidal technologies (possibly based in Pembrokeshire);
- the need for a single point of contact and marketing of marine renewables to potential developers in the marine renewable sector in Wales;
- importance of good information/data about tides, waves and currents to reduce uncertainty for developers. Provision of this information needs to be publicly funded;
- the importance of the Marine Renewable Energy Strategic Framework and the on-going Marine Infrastructure Study as a foundation for identifying potential sites;
- Marine Conservation Zones and other designated sites need not prevent installation of marine renewable devices. However some are concerned about the potential impact of renewable energy developments on marine ecosystems.

The Welsh Government's position

- *Energy Wales: A Low Carbon Transition* states that the Welsh Government “is strongly committed to unlocking the energy potential in our seas.” It believes that “Wales has the potential to be a world leader in the marine energy market – as a significant generator and, just as importantly, as an exporter of marine energy knowledge, technologies and services.”

The Committee's views

- the Committee agrees with the Welsh Government's view on the huge potential of the marine and tidal energy sectors. However it is clear that in the run-up to 2020, apart from offshore wind, these technologies won't be advanced enough to make a significant contribution to the energy mix. What is important is to ensure that the support and infrastructure is in place so that Wales can benefit from the marine and tidal energy sectors in the longer-term.

Recommendations

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.
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.
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**.
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.

(c) Energy from waste/Biomass

Stakeholder views

- energy from waste (EfW) refers to several techniques, including anaerobic digestion and incineration with energy recovery;
- positive support has been provided by the Welsh Government and Local Authorities in terms of both financial and procurement programmes for energy from municipal waste;
- greater financial support and incentives and assistance with planning are required for small scale operators of on-farm anaerobic digestion;
- some consider that Welsh Government policy is overly focused on municipal waste instead of the entire waste stream;
- for anaerobic digestion plants, connecting to the grid has been identified as a slow and expensive process. Also a call for the standardisation of costs for connecting to the grid;

- a call for the Welsh Government to focus on ensuring a biomass supply in the future through planting more woodland, as from 2020 that biomass supply will decrease and Wales will not be able to meet demand without further forestry developments or enhanced importation;
- a call for promotion of local fuel / biomass supply, and not the encouragement of large scale developments which have to import fuel stock.

The Welsh Government's position

- for waste which cannot be prevented, minimised, reused or recycled - and for this waste only - it is better to use it to create energy than to bury it in landfill;
- *Towards Zero Waste* and the *Bioenergy Action Plan* set out the Welsh Government's policy on EfW treatment facilities. *Towards Zero Waste* states that by 2050, Wales aims to re-use or recycle all waste, without the need for any landfill or energy recovery, or as a minimum, reduce waste to 65 per cent of current levels;
- *Towards Zero Waste* also states that Wales should reuse, recycle or compost 70 per cent of waste by 2024/25 and the remaining 30 per cent of waste should be treated through high-efficiency EfW treatment facilities;
- in Wales anaerobic digestion has been identified by the Welsh Government as the favoured option for the treatment of municipal food waste, with funding being made available to local authorities wishing to develop anaerobic digestion plants to treat source segregated food wastes. The Welsh Government has ring-fenced £26 million of new funding for the anaerobic digestion of separately collected food waste from households. This new money will go to local authorities across Wales to develop anaerobic digestion plants as an alternative to landfill;
- the Welsh Government considers that EfW with Combined Heat & Power technology has the greatest potential to make a positive impact on climate change compared with other residual waste treatment technologies. As such they provide support to local authorities in Wales who intend to start treating residual waste. Currently, local authorities in Wales are working together in groups to procure residual waste treatment;
- the Welsh Government's *Energy Policy Statement* (2010) indicates that Wales' sustainable renewable energy potential for biomass (electricity) by 2020 is a total capacity of 1 gigawatt. It also states:

“Our aim is to deliver by 2020 up to 6KWh/d/p in Wales of electricity from biomass – 50% indigenous/50% imported – and a heat potential of 2-2.5 KWh/d/p in Wales¹”

- this includes energy generated from biomass crops in addition to waste;

The Committee's views

- some energy from waste technologies and in particular anaerobic digestion have considerable potential to contribute to the energy mix and we support anaerobic digestion as the best option for the treatment of municipal food waste;
- although energy from municipal residual waste is preferable to landfill in the short-term, ultimately if recycling targets are met and waste minimisation is achieved then the supply of residual waste should diminish significantly;
- the Committee considers that the Welsh Government's current policies for energy from waste place too much emphasis on municipal waste and not enough on the other waste streams. Only about 15 per cent of all waste arisings in Wales come from municipal sources;
- we also consider that the Welsh Government needs to place a greater emphasis on reuse/recycling and should be closely monitoring the overall capacity of any EfW plants that may be commissioned by local authorities across Wales. We are concerned about the potential levels of waste tonnage that will be needed to keep these plants operating once they have been commissioned;
- more use should be made of the heat generated as a by-product during energy recovery from waste for district and commercial heating schemes;
- we support biomass energy plants, but these should be small-scale and local to avoid the need to import fuel. We do not support the Welsh Government's target of providing 1 Gigawatt of electricity from biomass if this means that 50 per cent of the fuel will have to be imported;
- financial support for 'enhanced co-firing' through the Renewable Obligation Certificate scheme will encourage the use of biomass as a co-feedstock with fossil fuels in large power stations in the short-term, but this should not be seen as a long-term solution.

Recommendations

67. The Welsh Government should closely monitor the **total capacity and levels of waste tonnage** associated with **energy from waste plants** that are

¹ KWh/d/p = kilowatt hours per day per person.

commissioned by local authorities and should review its policies for the treatment of residual waste when the position is clearer.

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

(d) Hydro-electric power

Stakeholder views

- there is variation in practice between local planning authorities with at least one requiring hydro developers to obtain consent from the Environment Agency first, before they will consider a planning application. Developers say this means an increase in timescale and therefore costs and that the consenting and permitting should run in parallel;
- the Environment Agency Wales has recently revised its guidance on small hydro schemes for developers and communities to help them through the permitting process;

- a call for the Environment Agency to use the same procedure within Wales as in England and Scotland for ‘flow splitting’ (the removal of some water from smaller upland rivers and then returning it downstream). Developers argue that older, similar scale projects have been in existence for approximately 15 years with no obvious detrimental impacts so it is unclear why it is now necessary for ‘flow splitting’ to be implemented at such a precautionary level within Wales.

The Welsh Government’s position

- the Minister told the Committee that it is important to receive consistency between local planning authorities and that funding and technical expertise is available to help them in dealing with renewable energy applications.
- on ‘flow splitting’ the Minister said that the Environment Agency was aware of the concerns of the industry and he hoped it would put in place a system that “better facilitates hydro development in Wales.”

The Committee’s views

- it is unacceptable that any local planning authorities in Wales are insisting on incorrect procedures being followed when they are dealing with planning applications for small-scale hydro developments;
- we are also very concerned by what we heard about ‘flow splitting’ and could not understand why there was variation in practice on this issue within the Environment Agency for Wales, compared to England. It was put to us that as a result a hydro scheme in Wales was only half as profitable as one in England or Scotland. The Environment Agency Wales has subsequently written to us to explain its position. It says that there are “sound and proven principles” behind its use of flow splitting but also it accepts that the inconsistency of approach across England and Wales is causing a level of concern amongst the hydropower industry and that it is working hard to resolve the situation. We are deeply sceptical about this response and we have sympathy with the views of the industry set out in further correspondence to the Committee that there is no justification for the different approach to ‘flow splitting’ being taken in Wales.

Recommendations

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).

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.

(e) Coal/conventional gas/carbon capture and storage

Stakeholder views

- coal is still very much part of the current energy mix in Wales. There are substantial reserves in Wales already with permission for extraction over the next ten years. Local coal extraction also supports the economy of Wales. Local producers of coal are closely linked to local power stations and the steelworks at Port Talbot;
- carbon emissions from coal power stations are more than twice the emissions from gas power stations. It needs to be demonstrated quickly that carbon capture and storage technologies at full scale can be an option, both technically and economically, if coal is to continue to be used as an energy source. Carbon capture and storage will also be very important for the future use of conventional gas;
- retrofitting of carbon capture and storage for gas power stations is more likely to be feasible than it is for coal power stations;
- options for the storage of carbon are being explored but are unlikely to be available in the short-term;
- *Minerals Planning Policy Wales* and MTAN 2 are considered to be placing hurdles in front of the coal industry, particularly when a 500 metre buffer zone is applied to a surface coal mine but not to other forms of minerals extraction. There should also be a clearer relationship in the planning system between energy generation and the production of fuel for energy generation;
- the protection of intellectual property rights is one of the reasons why the power companies withdrew from the government funded carbon capture and storage demonstration competition. They would rather ‘go it alone’ and retain the intellectual property rights.

The Welsh Government’s position

- in the short-term gas, nuclear and bio-energy will provide the energy to compensate for the intermittency in supply from renewable sources. Gas is a key transitional fuel because greenhouse gas emissions from gas are significantly less than coal;

- much of the deep coal remaining in Wales is now uneconomic to access – it is no longer possible to access the deep mines that were closed in the 1970s and 1980s, because most of the coal seams are under people’s houses;
- any new fossil fuel plants should be carbon capture ready with fully developed plans for both capture and storage and should also maximise efficiency through use of waste heat and co-firing;
- in order to combat climate change, carbon capture and storage is essential. However it is not going to be here on a large scale until 2020 at the earliest. The Welsh Government is supportive of a research pilot scheme at Aberthaw. It is trying to take forward further development, particularly in north Wales in the first instance;
- there is potential for carbon storage in a large saline aquifer in the Irish Sea and in deep coal seams and as part of enhanced oil and gas recovery.

The Committee’s views

- the Committee accepts that there will be a continuing dependence on conventional supplies of gas and coal for at least the next decade. It is therefore of vital importance that the economic and technical feasibility of full scale carbon capture and storage technology is established as soon as possible, particularly for gas power stations;
- the coal industry will continue to be important in south Wales in the short-term, both as a supplier of fuel for remaining coal fired power stations and for the Tata steelworks. However over the next ten years the use of coal for power stations is likely to be largely phased out because of their unacceptable high carbon emissions. The local employment and skill implications of this change need to be managed very carefully.

Recommendations

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.
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.

(f) Unconventional Gas

Stakeholder views

- there are large quantities of unconventional gas (coal-based methane and shale gas) potentially available as a source of energy in parts of Wales, both onshore and offshore. This could be exploited by drilling, the injection of water and other fluids or by underground gasification in situ;
- according to the Tyndall Centre, the use of shale gas cannot be reconciled with the UK and Welsh Government's commitments to reducing emissions and achieving a maximum two degrees centigrade increase in global temperatures, even if carbon capture and storage technology was to become available;
- evidence from the only UK site in Lancashire where hydraulic fracturing (fracking) has so far been deployed has shown that it is highly probable that this did trigger a number of minor seismic events. However a recent report to the UK Government has recommended cautious continuation of the hydraulic fracture operations;
- there are risks of contamination of surface and ground water associated with the drilling and extraction of unconventional gas. The Environment Agency is however used to dealing with other activities where similar risks are present;
- some are also concerned about the use of chemicals as part of the 'fracking' process that could be harmful to the environment. The amount of water potentially required is also a concern expressed by some;
- there is a call for a clear policy statement from the Welsh Government on its views on the potential exploitation of unconventional gas as part of the overall future energy mix in Wales;
- there is also a call for some technical guidance from the Welsh Government to help local planning authorities when they are considering planning applications for the exploration and extraction of unconventional gas.

The Welsh Government's position

- the Welsh Government believes there is a need to look at both the potential of unconventional gas as a source of energy, but also concerns about the potential impacts of this form of gas extraction. It would welcome the UK Government working with devolved administrations across the UK to put in place a robust and evidence-based policy framework for Shale Gas in the UK;
- responsibility for much of the licensing for unconventional gas exploration and extraction is not devolved, but where planning permission is required, the approach should be a precautionary one.

The Committee's views

- despite the Welsh and UK Governments' view that the potential of unconventional gas needs to be explored whilst taking account of the potential risks, the Committee considers that the development of another carbon intensive energy industry at this time is not appropriate and cannot be reconciled with EU and UK commitments to reduce emissions;
- there is a need for some detailed technical support and guidance for local planning authorities. This should include the outcomes of the work already done by the UK Government following the seismic activity in Lancashire last year.

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.

Original Terms of Reference

The Committee will consider how the current devolution arrangements for energy policy and planning affect the delivery of the Welsh Government's desired future 'energy mix' in Wales, as set out in *A Low Carbon Revolution – Energy Policy Statement (2010)* and the *UK Renewable Energy Roadmap (2011)*.

- what are the implications for Wales if responsibility for consenting major onshore and offshore energy infrastructure projects remains a matter that is reserved by the UK Government?
- how does this affect achievement of the Welsh Government's aspirations for various forms of renewable and low carbon energy as set out in the Energy Policy Statement?
- how does this affect delivery of the Welsh Government's target for a 3 per cent reduction in Green House Gas emissions per annum from 2011?
- what will be the impact if consenting decisions on major infrastructure projects and associated development are not all taken in accordance with Welsh planning policy?

Alongside these questions, the Committee will also consider the two petitions about Welsh Government planning guidance as it relates to onshore wind energy and the impact on local communities and infrastructure.

Key issues

Issues that the Committee will consider as part of these terms of reference will include:

- the role of the different consenting agencies, how they inter-relate and how the current system could be improved, both with and without further devolution (*Infrastructure Planning Commission, Planning Inspectorate, Local Planning Authorities, National Parks, Welsh Government, Marine Management Organisation, Environment Agency*);
- the relationship between the UK Government's Energy National Policy Statements and Welsh national and local planning policies (including *Planning Policy Wales*, Technical Advice Note 8 and Local Development Plans) and whether or not these policies can achieve the Welsh Government's aspirations, including whether or not a formal review of TAN 8 is now required;
- the potential contribution and likelihood that different types of renewable and low carbon energy (*offshore wind, tidal, onshore wind, hydro-power, nuclear, bio-energy/waste, micro-generation, community energy projects*) will be capable of delivering the Welsh Government's aspirations for energy generation as set out in *A Low Carbon Revolution – Energy Policy Statement* and the *UK Renewable Energy Roadmap*;
- the potential contribution of these different types of renewable energy to meeting the Welsh Government's annual target for Green House Gas emission reduction;
- the potential role of other forms of energy production in Wales such as coal-bed methane and shale gas;
- the transport issues relating to wind turbines and other forms of renewable energy including their impact on roads, traffic and tourism.

Annex A: Energy projects in Wales: responsibility for consenting

Project type	Size	Consent	Current	Future
Onshore¹				
Nationally Significant Infrastructure Projects (Energy generation)	>50MW	Development Consent Order (<i>Electricity Act 1989</i> as amended by <i>Planning Act 2008</i>)	Infrastructure Planning Commission	DECC Secretary of State (Planning Inspectorate - Major Infrastructure Planning Unit)
Nuclear power installation		Nuclear Site Licence (<i>Nuclear Installations Act 1965</i>)	Office for Nuclear Regulation	Office for Nuclear Regulation
		Development Consent Order (<i>Electricity Act 1989</i> as amended by <i>Planning Act 2008</i>)	Infrastructure Planning Commission	DECC Secretary of State (Planning Inspectorate - Major Infrastructure Planning Unit)
Nationally Significant Infrastructure Projects such as electricity grid/gas pipelines	Overground lines > 132 Kv, cross-country gas pipelines (> 10 miles)	Development Consent Order (<i>Electricity Act 1989</i> as amended by <i>Planning Act 2008</i>)	Infrastructure Planning Commission	DECC Secretary of State (Planning Inspectorate - Major Infrastructure Planning Unit)

Oil and gas exploration and extraction (including 'fracking')		Petroleum Exploration and Development Licences (PEDLs)	Department of Energy and Climate Change	Department of Energy and Climate Change
		Planning Permission (<i>Town & Country Planning Act 1990</i>)	Local planning authorities (Planning Inspectorate/Welsh Ministers)	Local planning authorities (Planning Inspectorate/Welsh Ministers)
Smaller Energy generation projects	<50MW	Planning Permission (<i>Town & Country Planning Act 1990</i>) ²	Local planning authorities (Planning Inspectorate/Welsh Ministers)	Local planning authorities (Planning Inspectorate/Welsh Ministers)
Smaller scale energy infrastructure and 'associated development' such as sub-stations, lower voltage distribution network ³		Planning Permission (<i>Town & Country Planning Act 1990</i>)	Local planning authorities (Planning Inspectorate/Welsh Ministers)	Local planning authorities (Planning Inspectorate/Welsh Ministers)
Offshore (Welsh territorial waters - up to 12 nautical miles)				
Nationally Significant Infrastructure Projects (Energy generation)	>100MW	Development Consent Order (<i>Electricity Act 1989 as amended by Planning Act 2008</i>)	Infrastructure Planning Commission ⁴	DECC Secretary of State - Planning Inspectorate - Major Infrastructure Planning Unit ⁴

		Marine Licence (<i>Marine & Coastal Access Act 2009</i>)	Welsh Ministers	Welsh Ministers
Other Energy generation projects	1-100MW	<i>Electricity Act 1989</i> Consent	Marine Management Organisation ⁴	Marine Management Organisation ⁴
		Marine Licence (<i>Marine & Coastal Access Act 2009</i>)	Welsh Ministers	Welsh Ministers
Sub-sea cables		Marine Licence (<i>Marine & Coastal Access Act 2009</i>)	Welsh Ministers	Welsh Ministers
Oil and gas pipelines		<i>Petroleum Act 2008</i>	DECC Secretary of State	DECC Secretary of State
Offshore (UK waters - beyond 12 nautical miles)				
Nationally Significant Infrastructure Projects (Energy generation) + associated development such as cabling	>100MW	Development Consent Order (<i>Electricity Act 1989</i> as amended by <i>Planning Act 2008</i>)	Infrastructure Planning Commission	DECC Secretary of State - Planning Inspectorate - Major Infrastructure Planning Unit
		Marine Licence (<i>Marine & Coastal Access Act 2009</i>)	Infrastructure Planning Commission	DECC Secretary of State - Planning Inspectorate - Major Infrastructure Planning Unit

Sub-sea cables (not 'associated' with a NSIP)		Marine Licence (<i>Marine & Coastal Access Act 2009</i>)	Marine Management Organisation	Marine Management Organisation
Oil and gas pipelines		<i>Petroleum Act 2008</i>	DECC Secretary of State	DECC Secretary of State
Other Energy generation projects	<100MW	<i>Electricity Act 1989</i> Consent	Marine Management Organisation	Marine Management Organisation
		Marine Licence (<i>Marine & Coastal Access Act 2009</i>)	Marine Management Organisation	Marine Management Organisation

¹ In some cases Environmental Permits may also be required from the Environment Agency

² Some micro-generation projects are 'permitted development' and so do not require planning permission

³ Also applies to onshore 'associated development' for offshore energy projects

⁴ It is also possible for Welsh Ministers to consent large energy projects in territorial waters under the *Transport and Works Act 1992* if applicants apply to them rather than to the IPC or its successor and where the proposals could interfere with navigational rights

Annex B – Witnesses

The following witnesses provided oral evidence to the Committee on the dates noted below. Transcripts of all oral evidence sessions can be viewed in full at: <http://www.senedd.assemblywales.org/mgIssueHistoryHome.aspx?Ild=1308>

21 September 2011

Carwyn Jones AM	First Minister
John Griffiths AM	Minister for Environment and Sustainable Development, Welsh Government
Rhodri Asby	Welsh Government
Clive Bates	Welsh Government
Matthew Quinn	Welsh Government

29 September 2011

Dr Richard Cowell	Cardiff University
Dr Calvin Jones	Cardiff University
<i>Dr Roisin Willmott</i>	Royal Town Planning Institute Cymru

13 October 2011

Sir Michael Pitt	Infrastructure Planning Commission
Ian Gambles	Infrastructure Planning Commission

19 October 2011

Llywelyn Rhys	RenewableUK Cymru
Piers Guy	Nuon Renewables
Caroline McGurgan	Eco2

3 November 2011

Wayne Cranstone	npower renewables
Steve Knight-Gregson	National Grid
Janice McLaughlin	Scottish Power Renewables
Sam Peacock	SSE
Colin Taylor	Scottish Power Energy Networks
Simon Wells	RWE npower

23 November 2011

Peter Burley	Planning Inspectorate
Morgan Parry	Countryside Council for Wales
Roger Thomas	Countryside Council for Wales

Dr Sarah Wood
Ceri Davies
Anthony Wilkes

Countryside Council for Wales
Environment Agency Wales
Environment Agency Wales

1 December 2012

Llywelyn Rhys
Gerry Jewson
Steve Salt
Martin Murphy
Craig Mitchell
Cllr Graham Brown
Steve Packer
Alan Southerby
Cllr David Lewis
Geoff White

RenewableUK Cymru
West Coast Energy
West Coast Energy
Tidal Energy
Welsh Local Government Association
Powys County Council
Powys County Council
Powys County Council
Neath Port Talbot County Borough Council
Neath Port Talbot County Borough Council

12 January 2012

John Day

Lead petitioner, P-04-024 Say No to TAN 8
- Windfarms and High Voltage Power Lines
Spoiling our Community

Huw Morgan
John Morgan
Peter Ogden

Montgomeryshire Against Pylons
Cambrian Mountains Society
Campaign for the Protection of Rural
Wales

Neville Thomas QC
Jonathan Cawley
Morag Ellis QC
Simon Power
Mike Webb

Shropshire and mid Wales Alliance
West Coast Energy

Arup
RSPB Cymru

26 January 2012

Cllr Estelle Blevais
Robert Robinson
Nick Oliver
Kevin McCullough

Welshpool Town Council
Welshpool Town Council
AECOM
Business, Enterprise, Technology &
Science (BETS) Sector Panel

9 February 2012

Michael Butterfield
Peter Davies
Andy Rowland

Llangattock Green Valleys
Commissioner for Sustainable Futures
ecodyfi

Rod Edwards
Michael Phillips
Andrew Padmore

Dulas Ltd
Dulas Ltd
Egnida

22 February 2012

Dr Miles Willis
Tonia Forsyth
Dr Dickon Howell
Toby Gethin
Dr David Tudor

Low Carbon Research Institute Marine
Marine Energy Pembrokeshire
Marine Management Organisation
The Crown Estate
The Crown Estate

1 March 2012

Dr Sandra Esteves

Clifford Parish

Kath McNulty

Darren Williams
Dr Aonghus McNabola
Ewan Campbell-Lendrum
Richard Rees

Wales Centre of Excellence for Anaerobic
Digestion, University of Glamorgan
Chartered Institution of Wastes
Management Wales
Confederation of Forest Industries
(Confor)
Eco2
Hydro-BPT project, Trinity College Dublin
Infinis
North Wales Hydro Power

15 March 2012

Carwyn Jones AM
John Griffiths AM

Edwina Hart AM

Carl Sargeant AM

First Minister
Minister for Environment and Sustainable
Development, Welsh Government
Minister for Business, Enterprise,
Technology and Science, Welsh
Government
Minister for Local Government and
Communities, Welsh Government

21 March 2012

Mark Picton
Dr Michael Gandy
Prof. Jim Watson

RWE npower
Celtic Energy Ltd
Sussex Energy Group, University of Sussex

29 March 2012

Cllr Stephen Churchman
Prof Kevin Anderson,

NFLA Welsh Forum
The Tyndall Centre

Dr John Broderick
John Harrison
Dave Jones

The Tyndall Centre
Environment Agency Wales
Environment Agency Wales

Annex C – Written evidence

The following people and organisations provided written evidence to the Committee. All written evidence can be viewed in full at <http://www.senedd.assemblywales.org/mgIssueHistoryHome.aspx?IId=1336&Opt=0>

<i>Organisation / Name</i>	<i>Reference</i>
Anwen Roberts	EPP 01
Roland Baskerville	EPP 02
Judith Stretton	EPP 03
Llansanffraid Action Group	EPP 04
KD & BM Holland	EPP 05
Salop leisure	EPP 06
British Holiday & Home Parks Association Ltd	EPP 07
Calor Gas	EPP 08
Geoffrey Weller	EPP 09
Snowdonia National Park	EPP 10
Cilgwyn Community	EPP 11
Mrs J Hanratty	EPP 12
Frances Cartwright	EPP 13
Jenny Butler	EPP 14
Paul Butler	EPP 15
Chloe Read	EPP 16
Energy Saving Trust	EPP 17
Oili Hedman	EPP 18
Robert Trueman	EPP 19
Infrastructure Planning Commission	EPP 20
J Vaughan Gronow	EPP 21
Philip Jones	EPP 22
David Lewis	EPP 23
Derek Wick	EPP 24

John & Christine Rowland	EPP 25
Louise Guidery	EPP 26
Maggie Eaton	EPP 27
Mark & Helen Rivers	EPP 28
Paul Sear	EPP 29
Peter Foulkes	EPP 30
Rhondda Cynon Tâf County Borough Council	EPP 31
Tim Ware	EPP 32
Nigel & Stella Bullock	EPP 33
Ken Whitmore	EPP 34
Elaine Williams	EPP 35
ER Hughes Consultancy Services	EPP 36
Alun Bunford	EPP 37
Mrs Beryl Crone	EPP 38
Kathleen Harries	EPP 39
Cambrian Mountains Society	EPP 40
Mark Michaels	EPP 41
Steve Galloway.	EPP 42
Steve Southam	EPP 43
Phil Bettley	EPP 44
Mrs H Ravenhill	EPP 46
Dr Helen K Little	EPP 47
Sandra Vaughan-King	EPP 48
Jack Watkins	EPP 49
Julie Jones	EPP 50
Howard Jones	EPP 51
Sandra & Paul Evans	EPP 52
Montgomeryshire Wildlife Trust	EPP 53
James and Susan Grafton	EPP 54
Mr A G Letts	EPP 55

Mrs Jitka Novak	EPP 56
Sarah Faulkner	EPP 57
Ray Mitchell	EPP 58
Tony Burton	EPP 59
Miss Tamasine Stretton	EPP 60
Roger Goff	EPP 61
Gillian Foulkes	EPP 62
Debbie Gilbert	EPP 63
Irene Earis	EPP 64
Ms A Ra & Miss A Brain	EPP 65
Carole O'Reilly	EPP 66
Pat Atkinson	EPP 67
The Planning Inspectorate	EPP 68
Richard Noyce	EPP 69
Steve & Karen Howland	EPP 70
Diane & Richard Goodchild	EPP 71
T Foley	EPP 72
Mrs J Hussey	EPP 73
John & Sue Beynon	EPP 74
William Beament	EPP 75
Nuclear Free Local Authorities Secretariat	EPP 76
D J Dunkley	EPP 77
D Evans	EPP 78
Paul, Laura & Richard Barnes and Louise Lloyd	EPP 79
Deb Justice Ian Turford Michael Justice	EPP 80
Ms G Taylor	EPP 81
Gordon Dibbs	EPP 82
Pat & Robin Murchie	EPP 83
Charles Turpin	EPP 84

Buddug Mai Bates	EPP 85
The Revd. J. Ll. W. Williams	EPP 86
Mrs S Smith	EPP 87
Victoria Morgan	EPP 88
Pontrobert Women's Institute	EPP 89
Diane Whittingham	EPP 90
Rory D Trappe (Trade Union representatives at Trawsfynydd Nuclear decommissioning site)	EPP 91
David Millett	EPP 92
David Hughes	EPP 93
Mrs E L Pemberton	EPP 94
John Clarke	EPP 95
George Whitworth	EPP 96
John & Maria Jones	EPP 97
Marie Shirley Smith	EPP 98
Jill Kibble	EPP 99
Cllr. E A Jones	EPP 100
Gwynedd Council	EPP 101
David Morgan	EPP 102
Montgomeryshire Against Pylons	EPP 103
Energy Solutions	EPP 104
Gordon Dibbs	EPP 105
William and Carolyn Gough	EPP 106
Barry Smith	EPP 107
West Coast Energy Ltd	EPP 108
Mr R Watson	EPP 109
Jane Stewart	EPP 110
Linda & Jenny Shepherd	EPP 111
Steven and Joyce Jary	EPP 112
D J Bispham	EPP 113

Jennifer Bispham	EPP 114
Sheila & Mike Price	EPP 115
Daphne Bursell	EPP 116
G E Evans	EPP 117
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