



## **Submission on behalf of SWALEC/SSE to the Sustainability Committee**

### **Inquiry into Planning June 2010**

#### **Info about SSE**

SSE, formerly Scottish and Southern Energy, is the UK's broadest based utility company and the second biggest company in the UK in terms of supplying electricity and gas. It operates in Wales under its SWALEC brand, and supplies 1.23 million Welsh customers. SSE is also involved in the generation and distribution of electricity in Wales. SWALEC is headquartered in Cardiff and currently employs over 1200 staff. SSE last year acquired the Uskmoth power station in Newport and is in the process of putting in planning applications for a CCGT gas power station in Baglan and a wind farm near Machynlleth.

#### **How effective are national and local planning policies in helping to deliver key Welsh Government priorities?**

Planning policy in Wales needs where possible to deliver a stable regulatory environment which will provide the correct conditions for industry to invest. There have been many changes to the planning policies over recent years which erodes confidence in the system.

A policy statement on the importance of economic development within the planning system should change the terms of the debate in relation to business development in Wales.

Planning needs to be one of the main planks of the new Economic Renewal programme of the Welsh Assembly Government.

Planning will often need to balance the sometimes conflicting challenges of meeting economic success, providing social justice and respecting the environment.

#### **Do land-use planning policies at both a national and local level adequately reflect the key Welsh Government priorities?**

The system is often cumbersome and more complicated than England in particular for developments over 50 MW, where associated development cannot be included in an IPC application, which could lead to less investment in the future.

#### **Do planning policies help to deliver priorities such as affordable housing, economic regeneration and more energy from renewable sources?**

A structured dialogue with relevant businesses in terms of granting advisory status on planning issues would be welcomed so that opportunities for maximising the production from renewable sources can be made.

#### **Renewable energy .**

##### **On shore wind farms over 50 MW**

SSE has begun a process to apply for permission to build a wind farm in Nant y Moch near Machynlleth. (Within the Strategic Search Area as defined in TAN8)



The wind farm will include around 64 turbines at a height of 150 metres. These should generate between 128-160 MW of power.

As the energy expected to be delivered by the wind farm will exceed 50 MW the planning authorisation lies with the UK Government.

The route for application is the Infrastructure Planning Commission (IPC) which was introduced on 1<sup>st</sup> March and which replaced the Section 36 rule which previously existed. The new Conservative – Lib Dem Government has suggested that the IPC will now be disbanded and will make way for a politically more accountable structure.

The idea of the IPC was that it would stream line the decision making processes and take account of the wider national interest not just the local interest.

However when the IPC was set up it needed to respect the previously agreed devolution settlement so that any associated developments would rest with the appropriate local body.

The Nant y Moch wind farm will need to be linked to the grid via a new National Grid sub-station in mid Wales. While responsibility for planning of the National Grid transmission line to the mid Wales substation lies with the IPC, responsibility on the new sub station however rests with the local authority, so without permission on this, irrespective of any decision by the IPC or replacement body the project and many others in the area would be held up.

It should also be noted that the Nant y Moch wind farm strides two counties in Wales and therefore as a company SSE must address two councils during the IPC application process.

Some turbines may be placed in an area outside of the TAN 8 area but within the “refined area”. However it is unclear how these refined areas should be defined and what are the implications in relation to planning.

Whilst TAN 8 sets a clear planning policy that directs large scale wind farm development within the strategic areas, there is no guarantee that planning consent will be granted for projects within these strategic areas. EIA regulations still require projects to be fully assessed in environmental terms and should the impact be deemed to be unacceptable and the LPA or statutory consultee object on environmental grounds, then it could be deemed appropriate for consent to be refused.

### Recommendations

- a) For large projects – consideration should be given by the Assembly and local authorities to authorise temporary upward subsidiary to a body such as the IPC in order to simplify the process, unless and until such a time that the Assembly receives these powers.
- b) If projects straddle two county boundaries efforts should be made to allow one authority to lead.
- c) Councils should be given clearer guidance on timescales for consultation response times and determination times.

d) Councils should also provide information on what an acceptable refined area would be and what weight if any should be given to refined areas. Developers should be able to provide evidence to amend the refined area if the refined area cannot support the target capacity that it was intended for.

e) Pressure should be placed on councils outside of the Strategic Search Areas to contribute towards renewable energy targets (under 50 MW) .

f) Where areas are identified as suitable for development, planning applications should still be allowed outside of those areas and should be judged purely on merit.

### **Renewable developments below 50 MW**

Bodies in Wales have the prime responsibility for granting planning for developments below 50 MW.

The benefit of the IPC process over the local planning route is that with the IPC there is a time limit on decisions.

In the IPC, public hearings are effectively written into the process which is led by an independent inspector who is not allowed to visit the wider policy debate surrounding a project.

TAN 8 does not give clear guidance to LPAs on how to determine applications for wind farm projects between 5MW small community schemes and 25MW large scale schemes.

#### Recommendations

- 1) Time limited decisions would be welcome for development of under 50 MW
- 2) Very clear guidance on what constitutes a community project outside the Strategic Search Area should be provided to local authorities.
- 3) The TAN 8 refreshment should provide greater clarity for wind farms between the 5MW small community schemes and the 25MW large scale schemes.

### **Conventional Power Developments**

APCL, a wholly owned subsidiary of SSE purchased the Abernedd Power Plant project from BP in 2009. A planning application was submitted to DECC under Section 36 of the Electricity Act in September 2008 for consent to construct a gas fired combined cycle gas turbine (CCGT), grid connected power generation plant on the former BP Chemicals site at Baglan Bay, South Wales.

APCL have yet to receive consent from DECC to build the power plant. The application has been with DECC for 21 months to date. APCL have been working closely with DECC and the other regulators to provide additional information to support the Environmental Statement and to agree appropriate planning conditions prior to any consent being granted.

Although the IPC is now in place, the application route remains with DECC as the application was submitted prior to the Planning Act 2009 being passed. The Section

36 process has no fixed timescales and as such applications can sit with DECC for many months.

There is no defined process for statutory consultees (the LPA, CCW and EA) to respond to DECC on the application or indeed to the developer on any pre application discussions. Whilst in the case of Abernedd, the statutory consultees have engaged fully in the project from inception, they are under resourced and not always able to comment on proposals in a timely manner.

There is some confusion going forward about the planning process for similar projects i.e. power stations of over 50MW. The new government has advised that the IPC will be disbanded in its current form. The IPC had two key objectives of note: first it introduced fixed timescales for decision making; and second that it enabled one application to be made for the main development and any associated developments. (Except in Wales) However, it is noted that in Wales, associated developments would still fall to the LPA or relevant regulator. There is no clear guidance yet how projects will be determined in the future and whether or not associated development in Wales will remain in the hands of the LPAs.

#### Recommendations

- a) Statutory consultees should be encouraged to respond in a timely manner to both formal and informal requests to comment on proposals and application documentation. Further resources may need to be considered to enable this to occur.
- b) Whilst the IPC process introduced fixed timescales for applications to be determined, it is not clear what process will replace the IPC. It is recommended that fixed timescales for decision making are implemented.
- c) Clarity is required for developers on how applications will be managed going forward including transitional arrangements for projects already significantly developed, but not yet in the planning system,
- d) Further guidance is required on associated developments and whether there is likely to be any future changes to enable them to be granted consent under one regime as was intention under the IPC.

#### **Micro Renewable Generation**

SSE agrees with much of the document published recently by the Assembly relating to proposals to grant permitted development rights in Wales that would allow specified small scale renewable energy and low carbon technologies to be installed without the need to make an application for planning permission.

#### Recommendations

1. Efforts should be made to limit noise impacts however we believe that there is a case for allowing more than one wind turbine or air source heat pump. The restriction should be one per dwelling rather than one per building to take account for example of the possibility of using Air source heat pumps in flats. The cumulative noise however should not exceed 45 dB limit.

2. SSE does not see why installations e.g. solar panels sited on an elevation which fronts a highway should not be permitted. Designated areas are protected separately.

3. There is a strong degree of consistency between the approach on permitted development rights across Wales England and Scotland. A coherent marketplace for micro generation technologies will benefit both the microgeneration industry and consumers.

The Welsh Assembly should seek to avoid making permitted development rights any more restrictive in Wales than elsewhere otherwise Wales may benefit less from the revenues from the Feed in Tariff and Renewable Heat Incentive.

**Are they effective in reconciling potential conflicts between different policies in areas such as renewable energy , landscape quality , housing provision, economic development and sustainable development?**

There are times when these policies compliment each other and times when they contradict. e.g. if Welsh building regulations were to insist on a certain percentage of renewables on new developments or on infrastructure for electric vehicles Wales could be the first mover which could lead to increased economic activity. The Merton rule in London has stimulated demand. A pan Wales policy should be introduced by the Assembly stipulating fixed rules on renewables on new build rather than each local authority deciding on its own rules.

**Do they help to ensure that decisions on planning applications contribute to key Welsh Government priorities?**

The planning system on renewable wind farms is cumbersome and complicated and the fact that the targets set out by the WAG are so far behind schedule is testament to this. Although SSE would like to pay tribute to WAG for their ambition in cutting carbon and setting targets for renewables.

**Is the system for preparing and updating these planning policies flexible and responsive enough to cope with new changing priorities?**

Training must be given to planning officials on a consistent basis to ensure that they are up to date on the latest developments.

An easily accessible booklet should be provided by planning authorities to any planning applicant over a set threshold.

**What changes can we recommend to the Welsh Government to improve the current system?**

Resourcing is a key issue for many local authority planning departments and other statutory consultees including CCW and EAW. The Assembly has been generous in helping to staff some local authority offices , but there needs to be flexibility to ensure that qualified and skilled staff are allocated when there is too much pressure on them.

Standardising best practice and issuing a guide to planning.



Ensuring predictability within the system in particular in relation to time tables and decision making.

Ensuring consistency in approach with the Wales Spatial Plan, the local development plans the national policy statement and the new economic renewal programme is necessary where possible.

Ensuring equal access to the political process to developers as well as the public is crucial.