Infrastructure 29, National Grid Electricity Distribution

Senedd Cymru | Welsh Parliament

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

Bil Seilwaith (Cymru) | Infrastructure (Wales) Bill

Ymateb gan Dosbarthu Trydan y Grid Cenedlaethol | Evidence from National Grid Electricity Distribution

General principles

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

Whilst this consultation response has been prepared by National Grid Electricity Distribution (NGED) and focuses primarily on the implications of the Bill for the distribution network, National Grid Electricity Transmission (NGET) has provided input into the response and endorses it.

NGED welcomes the purpose and principles of the Infrastructure (Wales) Bill.

By way of background, NGED is the electricity distribution network operator (DNO) for South Wales. Our 1,078 strong team of skilled electricians, engineers and planners operate a network of over 36,000 km of overhead lines and cables in South Wales, keeping electricity flowing for over 1.4m customers.

Providing additional consistency in the planning process, certainty on project timetables, promoting higher quality applications, while reducing confusion and complexity in the Welsh planning system for Significant Infrastructure Projects (SIP) will deliver benefits for the planning and development of the South Wales electricity distribution network.

Greater consistency, simplicity and certainty will enable more confident and predictable network planning by reducing the range of likely energy scenarios within Wales. Greater predictability will reduce electricity network planning costs while increasing the pace that NGED can invest in new distribution network infrastructure necessary to connect the greater volume of low carbon technologies expedited by the Bill.

NGET, which owns the high voltage transmission system in Wales, was consulted throughout the development of the proposed legislation and welcomes the purpose of the Bill.

Electricity transmission is a critical enabler to Wales and the UK more broadly meeting its net zero ambitions. Ensuring networks are in place in a timely manner is essential to connecting new zero carbon sources of generation as well as decarbonising transport, heating, and industry.

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

Part 1 - Significant infrastructure projects

As a distribution network operator, the majority of NGED electrical distribution infrastructure in Wales distributes energy within the 11-33KV voltage range. The company does however operate 21,000 km of high voltage cables and wires across South Wales.

NGED is supportive of the Bill's definition of Electrical Infrastructure classified as SIP - specifically generation of between 50MW and 350MW.

Other infrastructure projects defined as SIP by the Bill - including Liquified natural gas facilities, gas reception facilities, hydraulic fracturing, opencast mining, highways, railways, rail freight interchanges, harbour facilities, airports, dams and reservoirs, transfer of water resources facilities, wastewater treatment plants, hazardous waste facilities, and radioactive waste geological disposal facilities - are all power dependent, requiring a connection to the Welsh electrical grid.

Increased planning certainty for both generation connection applications, the small volume of electricity network assets operated by NGED, and the wider range of other infrastructure facilities meeting the SIP definition, will simplify and streamline electricity distribution network planning in Wales, providing greater cost efficiency and predictability.

With regards to the types of development that would fall within the SIP consenting regime, NGET recommends that consideration is given to whether there is scope for there to be an 'opt-in' for other types of development that are currently consented under the town and country planning regime (such as

substations or sealing end compounds) in order that they may be included within the new SIP consenting regime and be determined by Welsh Ministers instead of the Local Planning Authority.

This would be similar to the section 35 power of the Secretary of State (under the Planning Act 2008) which directs projects to be treated as nationally significant.

Part 2 - Requirement for infrastructure consent

No response.

Part 3 - Applying for infrastructure consent

NGED welcomes the Bill's application process proposals, providing greater certainty, transparency and predictable timetables than the current fragmented consents system.

As a key enabler of SIP connections to the energy system, NGED strongly encourages the committee to recommend that Welsh electricity distribution operators are consulted in parity with the proposed consultation procedures for the transmission operator.

Part 4 - Examining applications

NGED welcomes the proposal to appoint an examining authority responsible for the review of SIP applications, highlighting again that electricity distribution operators be classified as interested organisations requiring consultation.

We would advise the committee to recommend that the new SIP application process does not establish a higher bar for consent than the current fragmented planning system in Wales.

This would risk delaying the development and connection of essential low carbon generation, storage and infrastructure technologies, slowing progress towards the Welsh Government's targets of reducing carbon emissions by 63% by 2030, 89% by 2040 and achieving Net Zero in 2050.

Part 5 - Deciding applications for infrastructure consent

NGED supports empowering Welsh Government Ministers to decide consents for SIP applications or to delegate this power to appointed examining authorities.

We would advise that consideration of available electrical network capacity and affordability be included within the "material considerations" considered within

the SIP consents process.

While we welcome the Bill's proposals to increase certainty and predictability of the SIP consents process by setting a defined consent timetable, however we would urge the committee to recommend that the Welsh Government to up its ambition, reducing the proposed 52-week timetable.

A truncated timetable would increase the benefits of consistent and timely decision making, without compromising the Welsh Government's commitment to consult widely with stakeholders relevant to each SIP.

By including consent for "associated development" within the overall Infrastructure Consent, the new process will automatically provide planning consent for additional electricity network infrastructure required to connect SIP. NGED strongly welcomes this consolidation and streamlining of the planning process, cognisant that securing consent for connecting network infrastructure for already approved generation projects can significantly delay, or in worst cases, prevent development and construction of these projects.

Part 6 - Infrastructure consent orders

NGED advises that infrastructure consent orders should also support the compulsory purchase of enabling works for SIP, including the construction of additional electricity distribution infrastructure and connections, to ensure that consent for these works are not a blocker to SIP development.

NGED supports the proposal that infrastructure consent orders should specify whether the installations of overhead lines are permitted as part of the SIP development.

Part 7 - Enforcement

No response.

Part 8 - Supplementary functions

No response.

Part 9 - General provisions

No response.

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

No response.

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

No response.

Are any unintended consequences likely to arise from the Bill?

While NGED welcomes the purpose and principles of the Bill, intended to implement a more consistent, transparent and streamlined planning consents system for essential national infrastructure, we foresee two potential unintended consequences of the legislation as currently drafted:

1. Raising the bar for consultation

In addition, as outlined within Part 4 of the Bill, the legislation risks establishing a higher bar for consultation and consent than the current fragmented planning systems in Wales.

NGED advise that this risk could be mitigated by the committee recommending that the Welsh Government commits to not increasing the threshold for planning consent within the proposed Infrastructure Consent process beyond those already required by current processes.

2. Lengthened timetables

As outlined within Part 5 of the Bill, the legislation proposes to set a maximum consent process period of no more than 52 weeks.

We are concerned that by setting a 12-month process period, the legislation as drafted risks establishing a longer timetable than the current fragmented processes.

NGED would advise that this risk could be mitigated by stipulating concurrent stakeholder consultation and application assessment processes, enabling the Welsh Government to set a more ambitious process timetable of less than 52 weeks.

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

As detailed, NGED forecasts that the Bill will have positive financial implications for the Welsh energy system. By providing additional certainty, transparency and predictability.

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

No response.