

Local Government and Regeneration Committee
Scrutiny of the Draft Third National Planning Framework

NATIONAL PLANNING FRAMEWORK 3 AND SCOTTISH PLANNING POLICY

SCOTTISHPOWER WRITTEN EVIDENCE – JANUARY 2014

INTRODUCTION

ScottishPower is a major UK energy company with networks, retail and generation interests. It is part of the Iberdrola group, a major international utility and the world's leading renewable energy developer. In Scotland ScottishPower have a wide variety of conventional and renewable generation projects in the development pipeline which will be covered by National Planning Framework 3 (NPF3), as will elements of our transmission and distribution network investment plans in South and Central Scotland. We believe ScottishPower is widely considered to be a responsible developer of energy projects, and one who engages constructively and effectively with stakeholders at all stages of the planning process.

We welcome the review of the NPF3, and in particular the strong emphasis on energy infrastructure. It is clear that the energy sector can play a critical role in realising the Scottish Government's aspiration to make best use of Scotland's abundant natural resources and capitalise on our existing national infrastructure.

NATIONAL PLANNING FRAMEWORK (NPF) AND SCOTTISH PLANNING POLICY (SPP)

We have followed the process for developing NPF3 and in general welcome the revisions which have been made as the process has progressed. We support the fact that the proposed NPF3 is more ambitious in its aspirations for attracting investment to Scotland's energy sector, in particular with the inclusion of hydropower and energy storage.

It is our view that the revisions will bring better alignment between SPP and NPF3, which will be important in helping to reinforce that the two documents are working towards a common planning vision over the long term and will support increased focus on strategic outcomes.

Above all, we welcome the ambition shown by the Scottish Government as reflected in the NPF and SPP documents, to make Scotland a world leader in low carbon energy generation.

RENEWABLES DEVELOPMENT

General

While Scotland continues to make progress towards the target of 100% of electricity use from renewable sources by 2020, success depends upon continued development of suitable onshore wind farm projects in appropriate locations. As a responsible developer, with over 1.3 GW installed renewables capacity, and 16 onshore windfarms in Scotland, we view the proposals for a separation distance of 2.5km between settlements and wind farms, and a perceived presumption against onshore wind farms in Core Areas of Wild Land as disproportionate and believe they could severely constrain future development of onshore wind, and therefore undermine Scotland's renewable and climate change targets.

Core Areas Wild Land

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We have reviewed the Core Areas of Wild Land mapping produced by Scottish Natural Heritage (SNH) which is identified as a key tool to inform future planning for wind farm development, and to more clearly identify areas to be protected.

In general we support the concept that there are areas of Scotland which could be classified as 'wild land' where development may not be appropriate.

However, we believe that these areas are already effectively safeguarded by existing designations (including Natura 2000, National Parks and National Scenic Areas designations) and by the rigorous Environmental Impact Assessment process that already exists as a cornerstone of the planning process.

The introduction of a 'quasi-designation' based on the wildness of land, which in itself is subjectively defined, has the potential for significant adverse impacts on the production of onshore wind energy in Scotland, and as a consequence may hamper the Scottish Government's ability to meet our world-leading renewable energy and climate change targets, and undermine developments which will benefit the rural and national economy.

It is our view that the SNH mapping exercise could have been more effectively conducted, in a way that improved stakeholder confidence that wild land has been appropriately identified. Specifically it is our assessment that neither the SNH Core Areas of Wild Land Map consultation nor the draft SPP included:

- A scientifically robust mapping exercise;
- An assessment of the range of threats to wild land;
- A fair and equitable management regime to address those threats.

In our opinion the mapping exercise also has methodological shortcomings in that:

- It fails to differentiate levels of wildness although the test explicitly accepts a significant level of variation;
- The map is based on a series of assumptions that have not been, in our view, sufficiently rigorously tested;
- Many of those assumptions are based on "perceived naturalness" and hence subjective – the level of naturalness subscribed to conifer plantation for example, seems anomalous;
- Due to the prohibitive cost of acquiring necessary data, it is not practicable for the methodology to be independently tested.

Responses to the SNH Core Areas of Wild Land Map consultation have been noted in the media, and we support the views expressed by both the Crofting Commission and Community Energy Scotland, as highlighted below:

- "Whilst the perception of wildness can be an important factor for both recreation and economic benefit, the need and opportunity to generate renewable energy is also vital and is one of the few things that can make a transformational difference to the socio-economic status of communities in the remoter parts of Scotland" (Community Energy Scotland).

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- "The purpose of establishing a map based 'Wild Land' status is to create a designation status against physical structural development in these identified areas for the protection of the experience of a quality of 'wildness'....Having established that some areas of land appear to be 'natural, uncultivated, desolate or inhospitable', it is then assumed such a quality is desirable, without any explanation of how it has been established that such a quality is felt to be desirable, and by whom" (Crofting Commission).

Separation Distance

We are concerned that the proposal to extend the boundary between settlements and areas of search for wind farms from 2km to 2.5km could have an adverse impact on the continued development of the Scottish renewables industry.

The proposal in the draft SPP was for a separation distance between settlements and wind farms, not areas of search for wind farms. This is a significant departure from the existing SPP.

We strongly support a continuation of the existing approach, which advocates a separation distance of 2km between areas of search (as opposed to wind farms) and communities. This has proved adequate and proportionate. Environmental Impact Assessment will further assess the impact of each wind farm proposal on its own merits, allowing variable separation distances based on local circumstances.

The proposal to extend the separation distance to 2.5km would have a significant adverse impact on the successful deployment of onshore wind generation, as shown by Scottish Renewables mapping exercise in response the SPP consultation. It is also unduly onerous and discriminatory when contrasted, for example, with the separation distance of 500m for opencast mineral extraction.

To propose an increased separation distance without any clearly demonstrated need (as further demonstrated by Scottish Government commissioned research)¹ is likely to be unnecessarily damaging to both the Scottish economy and Government renewable energy targets.

We also note that 60% of respondents to the draft SPP expressed opposition to this proposal.

NON RENEWABLE GENERATION DEVELOPMENT

Thermal Generation and CCS

We support the identification of national developments which would help realise the Government's energy targets by providing a clear spatial policy framework that recognises a continuing role for power generation sites, and encourages investment in nationally important energy projects.

We therefore welcome the recognition given to the role of thermal generation as part of a balanced generation mix which aligns with the Scottish Government's commitment to deliver a portfolio containing renewable and cleaner thermal generation (consistent with Electricity Generation Policy Statement 2013).

¹ Review of the 2km separation distance between areas of search for onshore wind farms and the edge of cities, towns and villages, Onyango et al, University of Dundee, 2013

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We note that the Scottish Government's reaffirms its commitment to CCS infrastructure development in support of the decarbonised agenda and sets a target to achieve at least 2.5GW of thermal generation, progressively fitted with Carbon Capture and Storage (CCS), in order to secure UK security of supply.

Against this backdrop we support the identification of Cockszie as strategically important location for development of an energy hub and we similarly welcome the identification of Longannet as a nationally importance place for continued thermal generation and potential development of CCS infrastructure around the Forth Estuary.

Realistically, there continues to be significant technological, economic and policy hurdles to overcome before CCS technology can deliver commercially at industrial scale. We are therefore cautious about raising expectations about what is credibly deliverable from CCS in the short to medium term until the results of potential Front End Engineering Design projects in Scotland and the rest of the UK are better understood. To reflect the current reality, we therefore suggest a minor change to wording on page 21 may be appropriate to make a clearer distinction between the minimum amount of thermal generation needed to meet our needs and potential delivery of CCS in the longer term, and consider that paragraph 3.10 could be amended to read:

“Some of our coal and nuclear power stations are nearing the end of their current life. In Scotland, we need a minimum of 2.5 GW of thermal generation to meet our requirements and support diversification of supplies.”

Ultimately, we believe it may be important for the Scottish Government to retain some optionality around the target electricity generation mix for Scotland to reflect technology, economic and energy policy developments. Should, for example, advancements in CCS not be as rapid or significant as hoped this could have implications for Scottish planning policy and the future utilization of current generation sites and infrastructure.

Hydro generation and pumped storage

In assessing options to develop the capacity for storage of energy to be exported we believe there is a strong rationale for the development of hydro generation, in terms of energy security, protection from peak prices and wider benefits to the Scottish economy from investment in this technology.

We therefore welcome inclusion of hydropower and pumped storage as spatial planning priorities for future growth and investment, providing more certainty to prospective developers in the energy sector at a time when there remains a degree of uncertainty on the final design of electricity market reforms being driven by UK Government.

In particular we support identification of Cruachan as a national development for pumped storage. The current Cruachan pump storage facility is a reliable and flexible plant with 99% availability. It can respond to a request to generate electricity within 30 seconds and come up to full load in just two minutes to help manage to the intermittency of wind generation. It also has the capability to provide ancillary services to the national grid including 'black start' capacity and fast reserve services.

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It is likely that pump storage will be required to play an increasingly important role in terms of peak load and balancing services, due to the technology's inherent flexibility and fast response time. Further development of the technology using existing sites and infrastructure has the potential to significantly enhance the overall resilience and flexibility of the electricity generation system. A number of technical and policy questions remain to be addressed as to how investment in pump storage could come to market, however the inclusion of sites such as Cruachan within NPF3 is an important milestone in this regard.

In assessing the potential for this technology within Scotland's future generation mix we believe there may be merit in reviewing and updating the 'Energy Storage and Management Study' report to reflect the current situation. If considered appropriate, this study could also explore policy options to ensure the potential contribution of hydro and pump storage in Scotland is maximised.

On a minor point of detail for the NPF3 document, we would highlight the need to change the information shown on the map on page 19, entitled "A low carbon place", which identifies two locations for Cruachan: one in Argyll and one in East Lothian.

ENERGY NETWORKS

High Voltage Transmission Network

We welcome the continued recognition in NPF3 of the important role electrical networks play in the delivery of electricity generation, statutory climate change targets and security of energy supplies. We strongly support the identification of the High Voltage Transmission Network as a national development. In particular we support the identification of key strategic transmission developments as set out in the '*Low Carbon Place*' map. We also welcome the recognition, through the use of a criterion based approach to the statement of need and description, that High Voltage Transmission Networks will continue to develop and react to emerging generation scenarios.

Distribution Network

Whilst recognition is given to the role of distribution networks, particularly for their role in releasing renewable energy from remote locations, the role of the distribution network operators must also be recognised in their work to secure the network and improve its resilience during severe storm events. The distribution network has an important role to play in many areas highlighted within the NPF, underpinning investment and development proposals throughout Scotland's rural and urban economies.

On a more detailed drafting point, we would suggest that paragraphs 3.27 and 3.28 be moved towards the beginning of chapter 3, perhaps under the heading of 'Scotland Tomorrow'. These paragraphs, which are specific to networks, currently sit awkwardly under the heading of '*Rural communities will benefit from well-planned renewable energy development*'. As networks are not specific to either rural areas or cities and are required regardless of generation type, their importance is best considered in the more general context of what is required to achieve a low carbon place.

NPF3 DRAFT ACTION PLAN

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We welcome preparation of a draft Action Plan which will help to assess progress towards achieving the Government's long term goals. In reviewing the current draft of the Action Plan we consider it may be appropriate to provide more detail in certain areas including:

- The identification of relevant stakeholders;
- Considering the appropriateness of expanding responsible bodies to include, for example, industry groups and energy developers;

We have a number of additional comments on points of detail within the Action Plan and would be interested in discussing these issues in due course.

It is vital that stakeholders understand how NPF3 is implemented and are kept up to date with progress at all times. It will therefore be important to articulate what indicators and monitoring processes will be used to understand the extent to which Government and all stakeholders are working effectively towards strategic outcomes and a cohesive planning vision for Scotland.

SCOTTISH PLANNING POLICY

In addition to the comments noted above, we would highlight some further specific comments in relation to the development of the Scottish Planning Policy.

We support the principle policy on sustainability and planning, and in particular the introduction of a presumption in favour of development that contributes to sustainable development. Similarly, the focus on a plan led system that is up to date and relevant for driving strategic planning outcomes is very encouraging.

The suggestion that this presumption in favour of development will be a material consideration in decision making when local development plans are out of date or don't contain relevant policies is vital and the shift in emphasis will lead to more consistency and, ultimately, decisions which support delivery of strategic policy outcomes.

We note that the Scottish Government asked SNH to provide further advice in relation to its core areas of wild land map which led to a consultation in late 2013, and ScottishPower was one of over 400 bodies who responded to this consultation. We understand that SNH is continuing to review these representations, but it is not clear how stakeholders might be involved before a finalised SPP is presented to Ministers for approval in June 2014.

We are therefore concerned that ScottishPower (and other stakeholders) could be excluded from this process and we encourage Government and SNH to continue to work alongside stakeholders to ensure that process remains open and transparent.

ScottishPower

January 2014