VIP Stakeholder Advisory Group Minutes of the first meeting held on 1st / 2nd April 2014

Stakeholder Advisory Group members present:

- Chairman Chris Baines, Environmentalist, author
- Campaign for National Parks Julian Woolford, Chief Executive
- CPRE Neil Sinden, Policy and Campaigns Director
- English Heritage Charles Wagner, Head of Planning and Urban Advice
- Landscape Institute Mary O'Connor, WYG Associate Director
- National Association of AONBs Tim Owen, Kent Downs AONB Unit
- National Parks England Peter Currell, Partnerships Delivery Manager, South Downs National Park Authority
- National Trust Dr Ingrid Samuel, Historic Environment Director
- Natural England Liz Newton, Director Access and Engagement
- The Ramblers Tom Fewins, Policy Consultant
- Visit England Phil Evans, Head of Policy & Analysis
- Ofgem Anna Kulhavy, Senior Economist, Smarter Grids and Governance
- National Grid -George Mayhew, Director of Corporate Affairs

Apologies:

- Cadw Judith Alfey, Head of Regeneration and Conservation
- CPRW Peter Ogden, Director
- National Parks Wales Jonathan Cawley, Director of Planning and Cultural Heritage
- Natural Resources Wales Keith Davies, Head of Strategic Planning Group
- Visit Wales Jane Richardson, Head of Partnerships and Policy

Secretariat in attendance:

- National Grid, Hector Pearson, VIP Project Manager; Ian McKenna, Senior Policy Planner
- SLR Consulting Professor Carys Swanwick
- Camargue Stuart Fox; Matt Sutton; Jane Dalton

Session 1 – Welcome and introductions

The Stakeholder Advisory Group had met on the previous day/evening (April 1st) for introductions and a presentation from National Grid, followed by introductory discussions. The presentations from National Grid were educational in nature covering the background to the project, issues involved and an introduction to the technical aspects of the high voltage electricity network across England and Wales. The purpose of the meeting on 2nd April was to formally start the process, set the expectations of the group, and consider how to address some of the issues that are outside of the process. Questions and areas of discussion arising from this first meeting are summarised below.

1.1 - Role of Ofgem

Anna Kulhavy from Ofgem explained:

- The role that the regulator has played in setting the amount of funding for this project and approving National Grid's Visual Impact Provision (VIP) policy.
- The ongoing role of Ofgem in the project, which will include overseeing how the policy is implemented, and ensuring that the process is operated in a collaborative way, with stakeholders playing a key role in determining how projects are identified and prioritised.
- That Ofgem is keen to be part of the Advisory Group in a supportive role but not in a decisionmaking capacity.

1.2 - Infrastructure in Scotland.

A discussion was held about the implications for this VIP process in England and Wales if the Scottish transmission network owners come forward with a scheme for Scotland. National Grid confirmed that they have had brief discussions with both of the Scottish Transmission Owners (TOs), and that at this stage they have not as yet prepared a policy for use of the fund.

Ofgem reiterated that the process is voluntary and that it is open to the Scottish TOs to come forward and identify/prioritise their own projects. The long lead time from the point of deciding to take part and being at the stage of being able to put projects forward for consideration by Ofgem was also noted.

If the Scottish companies do decide to take part they would need to first develop their own policy(ies). The option of joining forces with the Scottish TOs for projects close to the Scotland/England border was discussed, together with the potential for passing on learning and best practice from this process to avoid replication of work. There was also a reminder of the onus on National Grid and the Advisory Group to engage with broader stakeholders and keep them involved and updated.

It was agreed that the Advisory Group needs to be continually mindful of the potential for Scotland deciding to take part, and that National Grid's contacts in Scotland should be kept up to date.

Session 2 – Visual Impact Provision (VIP)

Hector Pearson from National Grid gave a presentation on the VIP policy including the background to developing the policy, its Guiding Principles, what the fund can be spent on, programme timescales/deadlines, the published Landscape and Visual Impact Assessment Methodology and the project selection/decision-making process for both intrusive and non-intrusive projects.

2.1 - Financial treatment of different options

It was agreed that it would be useful to get a sense of the National Grid and regulatory business cases for building overhead lines vs undergrounding, and how that relates to profitability.

Action: National Grid – Prepare a presentation for the next meeting on the financial aspects of different engineering options and how these are viewed by both National Grid and the regulators from the perspective of capital vs operational expenditure.

2.2 – Undergrounding

It was acknowledged that the process for replacing overhead lines with underground cables (referred to as 'undergrounding') is very complex and a discussion was held about what is involved during construction. National Grid explained that it involves approximately a two year programme of work (depending on how much is taken out/restored at any one time, how many sections are involved and the complexity of the engineering that is required). During the works there is approximately 30m width of construction to accommodate the power lines and the construction vehicles etc. For directional drilling the working width needs to increase. Once restoration is complete there should be no lasting visual impact.

Costs are very specific to location; the most economical construction is for straight line construction on virgin agricultural land. Directional drilling and tunnelling are possibilities for e.g. going beneath rivers or avoiding archaeological sites, orchards, ancient woodland etc, however these are both very expensive.

A question was asked about the experience that has been gained from National Grid's construction for gas distribution, but it was noted that, as the technology is very different, the most relevant learning from this kind of project is in relation to reinstatement and community engagement.

2.3 - Other options

It was acknowledged that there is a tendency for people to only focus on construction of overhead lines *or* burying cables underground, however these are two ends of a continuum. Other options along that continuum and the potential trade-offs were discussed including e.g. shorter/wider pylons (including the T Pylon), screening, re-routeing, landscaping etc.

2.4 - Timescales

A discussion was held about the timescales for the project, including concerns about how realistic/fixed they are, whether enough flexibility has been built in, and concerns regarding the amount of work that needs to be done. It was confirmed that the early deadlines are in relation to making decisions about where undergrounding should take place as it is such a long process for consents and construction. There is, however, scope for making decisions later in the process about solutions that are quicker to implement.

It was suggested that there might need to be a conversation with Ofgem about the potential to carry unspent money into the next price control period, and securing funding for any projects that have started but are not complete by the end of the current period. It was also suggested that if the Advisory Group identifies more projects than the current funding will cover, it could be a strong argument for further money in future price control periods.

Session 3 – Structure and Process of the Stakeholder Advisory Group

3.1 - Makeup of the Advisory Group

A discussion was held about the makeup of the Advisory Group and whether there is any missing representation. The possibility of landowners and the farming community being represented was discussed. National Grid advised that they had already considered their inclusion during the consultation which ran as part of the policy development process. It had ultimately decided to leave them out at this initial stage and include only those groups with a direct remit for the landscape. These groups will form part of the next phase of wider consultation. It was also stated that it is more productive to engage with such groups when there is something more definitive (i.e. specific locations) to consider. There was general agreement with this but it was also emphasised that it is important to keep these groups up to date and it was suggested and agreed that it might be beneficial to engage with them early and to offer to present at the their conferences and/or speak to their advisory boards.

Actions: Camargue – Draw up a list of other potential stakeholders (including farming/landowner groups and forestry) and circulate to all for comment/advice.

3.2 - Stakeholder Advisory Group meetings

It was agreed that:

- Four Advisory Group meetings a year will be held and dates will be set for these as soon as
 possible to enable members to factor in their own organisational processes and internal
 consultation etc.
- The next meeting will be in June/ July 2014.
- Meeting agendas and papers should be issued well enough in advance to allow adequate time for preparation.
- Most meetings will take place in National Park/AONB locations that are relevant to the project, and will be booked to include a preceding afternoon/evening to allow a site visit followed by a whole day meeting.

Actions:

- All Send any June/July dates that you cannot do to Ian McKenna at National Grid.
- National Grid/Camargue Set dates/locations for the next four meetings as soon as possible.

3.3 – Terms of Reference

The draft Terms of Reference (ToR) for the Advisory Group were accepted and agreed subject to changes to the first bullet point on Page 2.

Action: National Grid – Make agreed amendments to the ToR, reissue and publish on its Talking Networks website as Version 1.

Session 4 – Project Communication and Engagement

Stuart Fox from Camargue PR, who have been appointed by National Grid to assist on this project, gave a presentation on the proposed strategy and plans for communication and engagement during the different stages of the project including media activity, stakeholder engagement and communication tools.

4.1 – Key challenges

It was noted that some of the key challenges include managing stakeholder and public expectations about what can be achieved, explaining how projects will be prioritised, and providing clarity about what is and is not included in the project (including e.g. pylons which are *not* part of the National Grid network). A key part of this will involve working with Advisory Group organisations' communication teams to determine how best to communicate and engage with their members. The strength of organisational publications and websites as vehicles for communication was discussed, and it was noted that a suggestion has been made to get editors of the various Advisory Group member publications together to share ideas.

The use of Twitter was discussed and it was agreed that at this stage it is better to do this via National Grid's main Twitter account, but further consideration should be given to using Twitter more fully at a later stage.

Actions:

- National Grid/Camargue Circulate copies of 'Gridlines' (National Grid publication), and the link to the National Grid communications website.
- All Send any stories for the National Grid website to George Mayhew.
- All Give details to Camargue of contacts for internal communications teams/editors including
 information about how they operate, details of internal/member publications, when
 meetings/conferences are happening etc.

4.2 - Balance of spend between major and smaller projects

It was suggested that the balance of spend between major projects and smaller projects should be discussed at the next meeting. There was a note of caution about managing expectations about what can be achieved with the smaller projects as the gains are not necessarily huge. It was also emphasised that the whole process will be underpinned and informed by the landscape and visual impact assessment. (This issue was discussed further later in the day – see 5.5 below.)

4.3 – Inclusion of other work and collaboration with partner organisations

A discussion was held about the limitations of this project including not being able to address lines that are operated by local distribution network operators (DNOs), and concerns were expressed about the public not being able to distinguish between what can and cannot be included.

It was pointed out that the DNOs have a similar allowance (but smaller scale of funding) potentially available. Where eligible National Grid lines run next to DNO lines, it was recognised that VIP could only cover the National Grid lines. However the two companies could investigate a joint solution. Once again, it was also emphasised that the whole process will be underpinned and informed by the landscape and visual impact assessment.

4.4 – VIP Communication Toolkit

Camargue outlined the proposals for the VIP Communication Toolkit which is intended to be a resource for Advisory Group members and their communications teams containing e.g. ready-made descriptions, images, presentations, animations etc. Immediate suggestions for resources included:

- A 4-5 slide presentation on what VIP is.
- Computer generated animations/images of e.g. before and after construction works.
- Images of e.g. different types of pylon, end of line infrastructure etc.

Actions:

- All Send any further suggestions for the VIP Toolkit (Camargue will also discuss with communication teams).
- All Send high quality pictures of overhead lines in National Parks/AONBs to Ian McKenna.
- National Grid/Camargue Provide photos and plans of end of line infrastructure (see 5.3 below), and images of different types of pylon.

4.5 - Handling challenges to the project

A discussion was held about how challenges to the project should be handled, particularly in relation to why this money is being spent on this project in a climate when there is so much focus on energy prices. It was acknowledged that communication about the project needs to manage sensitivity in this context, and National Grid confirmed that any challenges, concerns and queries should be directed to them.

Actions:

National Grid – Provide a breakdown of the impact of the VIP fund on utility bills, and if possible
also give consideration to the potential value the projects could have on tourism/ecological value
etc.

4.6 - Impact of other infrastructure projects

It was reiterated that the VIP funding is not applicable to new construction projects and only relates to existing electricity infrastructure.

It was suggested that it would be useful for the Advisory Group to be alerted to announcements and/or key decision points in relation to new infrastructure development projects where there is the potential for issues to be raised that are not related to the VIP project but may be confused with it.

Actions: National Grid/Camargue – Circulate existing summary information about new infrastructure development projects.

4.7 – Consultation and engagement on the SAG's proposals

A question was asked about whether a formal consultation is planned on the Advisory Group's recommendations/proposals. National Grid and Ofgem confirmed that this has not yet been determined, and it was reiterated that the policy is clear that views will be sought from stakeholders to inform decisions, but this is not a commitment to formal consultation. It was also noted that if a proposal goes into the planning process it will be consulted upon heavily as part of that process.

A discussion was held about the differences between stakeholder engagement and formal consultation, and there was some debate about the relative advantages/disadvantages of both. It was suggested that this could be one of the themes for the next Advisory Group meeting, but it was felt that it would also be useful to do some work in the interim on developing an engagement plan as wider stakeholders will want to know more about the planned approach.

Actions:

available.

- Camargue In preparation for discussion at the next meeting, propose a methodology for public consultation after the SAG has shortlisted projects.
- Chris Baines, Carys Swanwick, National Grid and Camargue Hold an interim meeting to discuss the engagement plan further.

Session 5 – First Phase Prioritisation

Professor Carys Swanwick, who has been appointed by National Grid to assist the project, gave a presentation outlining the timescales and methodology for carrying out the landscape and visual impact assessment.

5.1 - Contact between landscape consultants and National Parks/AONBs

The landscape and visual impact assessment work is due to start imminently, and the consultants will need to have conversations with the technical people in the relevant National Park/AONB authorities relatively soon.

Action: National Grid/Camargue – Draft a letter to be sent to National Parks/AONB CEOs to advise that consultants will be in touch with their technical teams as part of the VIP project.

5.2 – Dealing with transmission lines in close proximity to National Parks /AONB boundariesA discussion was held about how to deal with transmission lines that are outside of but in close proximity to a National Park/AONB. It was confirmed that some of the lines that 'clip' boundaries are already included, and examples of others that are right on the edge of a designated area were discussed. A number of suggestions were made including e.g. extending the inclusion area to a fixed distance beyond the National Park/AONB boundaries, carrying out elimination studies and considering the cumulative effects of other planned infrastructure, however concerns were expressed

about extending the landscape and visual impact assessment task further because of the limited time

It was agreed that the AONB and National Park bodies on the SAG should write to their member authorities to alert them to this issue. It should be stressed that as currently defined the VIP project would only consider lines classified as falling within the boundaries of designated areas. If individual authorities wish a transmission line to be included that lies outside the boundary but in the setting of a designated area, they should submit a short written statement giving details of the line and its location and making the case for inclusion based on its landscape and visual impacts. Any such case would be considered on its merits, based on the submitted statement, by National Grid and its advisors. Any cases need to be submitted by the end of May if they are to be included in the landscape consultants work programme.

Action: National Grid/Camargue – Draft wording for Advisory Group members to use when writing to National Park authorities, AONBs and other relevant parties regarding potential consideration of transmission lines that are outside of the designated areas for the project.

5.3 – Judging the value of landscapes

Advisory Group members were asked for their views on whether and how judgements should be made about the value of the different areas of landscape affected by transmission. While it was noted that all areas within National Parks or Areas of Outstanding Natural Beauty have equal value by virtue of their designation, it could also be argued that there are local subtleties/nuances that should be taken into account. It was also reiterated that it is important to note that in legal/policy terms landscape value is the same in National Parks and AONBs.

There was support, in principle, for making judgements about landscape value and potential factors that were discussed included:

- Considering other users and levels of usage e.g. National Trails.
- Using information from prior engagement work carried out in some National Parks/AONBs that has e.g. identified people's favourite places and viewpoints.
- Reviewing an existing CPRE study that looks at relative tranquillity across the whole of England.
- Looking at future impacts and the cumulative effects of other planned/potential developments.
- Identifying indicators from other work (e.g. sensitivity assessments in relation to wind farms) that could be extrapolated.

In terms of 'scoring', to assist in prioritising the sections of transmission line, it was suggested that additional weight could be attached to these and other factors that might contribute to variations in value including e.g., scheduled monuments, SSSIs, rural landscapes vs townscapes, greenbelt areas, amenity value etc. Whilst there was support for this approach, concerns were expressed about how the criteria for scoring will be determined and the importance of having a level playing field so that comparisons are valid.

It was noted that some landscapes are considered to have value because they are completely unspoilt, and others have value because lots of people visit them. There was some debate about whether projects would be scored higher or lower because of the number of people who would benefit from them (e.g. the removal of an overhead transmission line from a 'remote' area that would only be seen by climbers/hillwalkers).

The role of this project in raising national awareness of the importance of landscapes was discussed, and the potential for the Advisory Group to adopt a strategic viewpoint by 'putting down markers' about what should be valued/protected was debated. Concerns were expressed about overcomplicating what the group is trying to achieve, and potentially undermining the process that National Parks and AONBs have gone through to be designated by concentrating only on a certain kind of place. The importance of separating the objectivity of the technical landscape assessment process from any subsequent more value-based assessment was also noted.

It was suggested that the most sensible route might be for the group to decide to capture projects from the full range to signal what is valuable e.g. choose some projects in areas that are remote and tranquil, and some that are more about visitor numbers. National Grid also emphasised that success for them is for the group to come up with the right projects to pursue based on robust data.

Actions:

- CPRE Neil Sinden Send the details of tranquillity study to Carys Swanwick for reference (Note: Neil provided further information and contact details after the meeting, for Carys to pass on to the consultants).
- All Send any other useful information that relates to the LVIA and valuing landscapes to Carys Swanwick (asap).

5.4 – Timescales for decisions about undergrounding schemes

National Grid advised that there is significant technical assessment work required to assess the feasibility of undergrounding schemes which would take around six-eight months to carry out for, say, three - five schemes. The project therefore has a tight deadline for reaching the point where individual projects have been identified to be put forward for technical feasibility. It was also noted that these assessments will need to include identifying potential end points (sealing ends) for the point where overhead lines link with potential underground sections.

5.5 – Soft engineering options for smaller projects

It was noted that a lot of responses to the National Grid consultation on its policy supported focusing the money on undergrounding, and a discussion was held about whether it is acceptable for the Advisory Group to put forward smaller, scale, soft engineering projects in addition.

Examples of such projects were discussed, but it was apparent that there is a lack of clarity about the nature of the possible solutions and how effective they might be. A presentation at the next meeting on the different soft engineering options was therefore requested.

It was suggested that a proportion of the total fund could be put aside for smaller projects, and that this could make a significant difference without eroding the bigger projects. It was also suggested that the Advisory Group could decide to put some of the fund aside for people 'on the ground' to decide how to spend. Although there was support for this, it was reiterated that until the landscape and visual impact assessment has been completed it is difficult to gauge what could be achieved and how much projects like this would cost. Ofgem agreed that this approach would be OK in principle, but reiterated the need for clear information about what is being proposed and what would be achieved.

A discussion was also held about the extent to which the fund can be used to e.g. restore or enhance habitats underneath the pylons. It was suggested that the VIP policy could be read to include this kind of work, but it was acknowledged that more clarity is needed about whether these kinds of projects would be acceptable to Ofgem.

Action: National Grid /Carys Swanwick – Prepare a presentation for the next meeting on the options for 'soft' engineering solutions and what these might look like.

5.6 - Next steps in the process

The landscape and visual impact assessment information should be received from the consultants by mid-July, and this information will then be reviewed and evaluated by Carys Swanwick in discussion with the consultants and National Grid. A summary report would be prepared by Carys Swanwick, concentrating on the high level information and the prioritisation/ranking process, backed up by the technical assessment of all of the sections of line. The summary report should be ready for the Advisory Group meeting in September/October, and members will then be able to start the process of debating/deciding which projects to take forward and on what basis.

<u>Session 6 – Any other business</u>

6.1 - Representation on the Stakeholder Advisory Group

Following this first meeting of the Advisory Group, attendees were asked to confirm whether they are comfortable with being part of the process, and whether they are the appropriate person to represent their organisation or if there is somebody else in it who is better placed.

Action: All – Ensure that any issues regarding membership and representation on the Advisory Group are discussed and resolved with the relevant parties before the next meeting.