

**VIP Stakeholder Advisory Group**  
**Minutes of the seventh meeting held on 19<sup>th</sup> April 2016**

**Stakeholder Advisory Group members present:**

- **Chairman** Chris Baines
- **Cadw** Ashley Batten, Senior Planning Archaeologist,  
Gwynedd Archaeological Planning Service
- **Campaign for National Parks** Fiona Howie, Chief Executive
- **CPRE** Neil Sinden, Landscape Consultant
- **Historic England** Shane Gould, Senior Local Government & National  
Infrastructure Advisor
- **Landscape Institute** Mary O'Connor, WYG Associate Director
- **National Association for AONBs** Howard Sutcliffe, AONB Manager, Clwydian Range  
& Dee Valley AONB
- **National Grid** George Mayhew, Director of Corporate Affairs
- **National Parks England** Sarah Kelly, Landscape Officer, New Forest National  
Park Authority
- **National Parks Wales** Jonathan Cawley, Director of Planning & Cultural  
Heritage, Snowdonia National Park Authority
- **National Trust** Dr Ingrid Samuel, Historic Environment Director
- **Natural England** Liz Newton, Director Landscape and Geodiversity
- **Natural Resources Wales** John Briggs, Landscape Architect
- **Ofgem** Anna Kulhavy, Senior Economist

**Apologies:**

- **CPRW** Peter Ogden, Director
- **The Ramblers** Nicky Philpott, Director of Policy and Campaigns
- **Visit England** Amy Gray, Head of Tourism Affairs
- **Visit Wales** Lawrence Manley, Head of Investment and Funding

**Secretariat in attendance:**

- **National Grid** – Hector Pearson, Planning Policy Manager and VIP Project Manager; Gareth Williams, Lead Project Manager; Ian McKenna, Senior Policy Planner
- Professor Carys Swanwick, Independent Advisor to National Grid
- **Camargue** – Stuart Fox; Matt Sutton; Jane Dalton

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The purpose of the meeting on 19<sup>th</sup> April was for the VIP Stakeholder Advisory Group to hear updates on progress with the following elements of the project:

- The four schemes from the shortlist that have been prioritised to be taken forward
  - The Landscape Enhancement Initiative
  - Discussions with the Scottish Transmission Owners
  - Stakeholder and community engagement
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## **1 – Update on the four schemes from the shortlist prioritised for capital engineering projects**

At its last meeting on 8<sup>th</sup> and 9<sup>th</sup> September 2015, the Advisory Group agreed four schemes out of the possible shortlist of twelve that would be taken forward. The prioritised schemes were:

- Dorset AONB – 4YA.7
- New Forest National Park – 4YB.2
- Peak District National Park – ZO.2 (the Eastern section)
- Snowdonia National Park – 4CZ.1

Hector Pearson, Gareth Williams and Ian McKenna gave an update on the work that has been carried out since September to progress the schemes.

### **1.1 – Project development and local stakeholder engagement**

Following the decision of the Stakeholder Advisory Group in September 2015, National Grid has been working on developing projects based on the options appraisals in the four prioritised areas. It has appointed a number of engineering and environmental consultants to help with the process including Mott MacDonald (Dorset and New Forest) and Parsons Brinckerhoff (Peak District East and Snowdonia) - engineering, RSK and AECOM – ecology and environment, and Bruton Knowles – land agents. Engagement has taken place with local stakeholder reference groups (SRGs) in Dorset, the New Forest and Peak District East, and a meeting is planned in Snowdonia for April 26<sup>th</sup>. Conversations have also started with key stakeholders including local access groups, environment / heritage groups, councillors and landowners.

The Environmental Impact Assessment programme of work commenced in September 2015 and will continue until July 2017. EIA Screening Opinions for each scheme were submitted to the relevant local planning authorities in December 2015, and a more detailed update on this process is planned for the next Stakeholder Advisory Group meeting on 27 / 28 September 2016.

The aim is to submit planning applications for each of the four schemes in mid-2017, with construction taking place from 2018 to 2022. It was noted that while all four schemes are currently running in parallel, different conditions in each locality will inevitably mean that some variation will occur in relation to the programmes for each project (see Snowdonia section 1.5 for example).

A summary of progress on each of the four schemes is outlined below.

### **1.2 – Dorset AONB**

Of the three sections of shortlisted line in the Dorset AONB, Section 4YA.7 was prioritised by the Stakeholder Advisory Group. The key issue for this section of line is the potential impact of the cable route on known and unknown archaeological sites. The eventual route that the cable will take is dependent on any archaeological finds, and local archaeologists are keen to work with National Grid to find the best solution. Discussions have taken place with Historic England and archaeologists at Dorset County Council, and a technical group is being set up to investigate the main issues.

National Grid is also working closely with the AONB Partnership and landowners to identify the best locations for sealing end compounds. There has also been a request from local stakeholders to consider continuing with the burial of the cable beyond the line section prioritised and removing an adjacent high impact (red) section at the same time as 4YA.7. While this section of over-head line was not prioritised, the need to find an appropriate end point for the sealing end compound means that the work is likely to extend into this section in order to find a good location. It will also be essential that a location is found at the southern end of the line section that does not make a line that was identified as high impact (red) into one where the infrastructure has a very high impact (purple).

### **1.3 – New Forest National Park**

This scheme has two very good sealing end compound locations and National Grid has opened discussions with both landowners. The key issues for the New Forest are heathland restoration, and issues around access and grazing rights on the large areas of common land. There are also numerous environmental designations; gaining consent to carry out the necessary works will be challenging. Following the recent meeting of the SRG for the New Forest, it has been proposed that a technical group should be set up to investigate the issues and potential solutions more fully.

Current thinking is focused on two potential options. The first has the underground route closely following the line of the existing route (to the north or south). The alternative route would go further south – this route is longer but follows the contour lines and is within land that is currently (or has recently) been established as pine woodland. It is believed that locating the cables within this land would reduce the ecological impact of going through the adjacent heathland. The choice of route corridor will be determined in agreement with the local stakeholder groups.

The New Forest is more densely populated than the other prioritised areas, and there are a greater number of stakeholders and diverse interest groups to be included in discussions. There is a large amount of support for the project to be progressed but extra effort will be required at grass roots level to ensure that the community is fully engaged and informed if it is to remain positive.

The ability to successfully mitigate the impact of the construction works on the heathland will be critical to the project's success: reinstatement strategies such as seed harvesting and translocation of heathland species are all being considered.

At public drop in events during 2015, local people expressed their disappointment that the pylons from the adjacent section of line to the prioritised one that runs around the north of the village will not be removed. Members of the Stakeholder Advisory Group also suggested that National Grid should look at an option running south of Woodgreen which would potentially enable the removal of this section of line. This has been considered, and a paper has been prepared based on the guiding principles of the project and the original landscape assessment that deals with this issue and why it would not be appropriate to proceed. The Landscape Enhancement Initiative (LEI) should potentially be considered as an option for the village.

#### **1.4 – Peak District National Park (Eastern section)**

National Grid has explored a number of route options and has met with the SRG to discuss them. A number of difficulties apply to each option including constructing in steep-sided slopes and access north of the River; putting cables under the River Don (again contending with steep gradients and the potential generation of significant quantities of spoil); and potential impacts on a local wildlife site, Wogden Foot. There is also a legal requirement to keep the Trans Pennine Trail (TPT) open or provide a temporary and appropriate (DDA compliant) diversion during construction works. Although positive relationships have been built with the local rights of way officers and user groups, the ability to identify and build a temporary diversion will be critical.

Discussions with the SRG have narrowed the routing options down to keeping the new route to the south of the River Don to avoid the steep slope and moving the sealing end compound location down along the TPT into Wogden Foot. This will require local mitigation, and discussions with the biodiversity team at Barnsley Metropolitan Borough Council are under way to ensure that plans are developed that include appropriate mitigation and the provision of some additional improvements to the site. There are also plans to meet with Yorkshire Wildlife Trust - who have recently taken over management of the site from Sheffield Wildlife Trust - and with local conservation volunteers who are responsible for the upkeep of the TPT.

The potential undergrounding project in Peak District West was briefly discussed; National Grid advised that they had met with United Utilities at a senior level and are now trying to set up a meeting with the regional United Utilities Reservoir Manager to explore the issues surrounding the reservoirs in this area.

#### **1.5 – Snowdonia National Park**

The main visual impact of this scheme is across the Dwyryd Estuary. From the desk-based and site-based work done to date, a cable tunnel is likely to be the only option for installing cables under the estuary. Horizontal directional drilling is not looking possible and would also have impacts on the SSSI.

The main issue in the last few months has been trying to identify appropriate locations for the sealing end compounds and tunnel head shafts on both sides of the estuary. A potential location has been found on the east side, but in the west there is no ideal location. For the western end the project team has been focusing on two search areas, one close to the existing sealing end compound at Garth

where cables already run underneath the Glaslyn Estuary and a second on land between the estuary and Penrhyndeudraeth. Further work is planned to establish the costs, efficiencies and consenting risks for both options.

A further major issue is the potential impact on this section of line arising from a new nuclear power station that is proposed to be built on Anglesey by 2024. This new power station will require the construction of a new line across Anglesey, and the upgrading of the circuits between Pentir and Trawsfynydd. These circuits include the section of line being considered for undergrounding as part of the VIP project.

Three scenarios have been considered regarding the interaction between the VIP works and the circuit upgrades required for the new nuclear connection:

- **Scenario 1:** Match the existing capacity only and construct a 3 metre diameter tunnel to fit six cables. The work can start within the VIP project timeframe but when the nuclear power station goes ahead, a very similar level of works would have to be repeated in the future i.e a second 3m diameter tunnel. This would cause significant disruption to local people and the environment potentially over six years (as opposed to two to three).
- **Scenario 2:** Build in future capacity for the nuclear scheme now. This would require building a 4m tunnel to fit 12 cables, but only 6 would be put in at the moment and the nuclear project would fit the further 6. This option would need to consider the uncertainty of the nuclear project potentially not going ahead and the potential abortive cost. Further work would be needed if the power station proceeds, but at much lower cost and with less disruption than Scenario 1.
- **Scenario 3:** Align with the new power station programme i.e. do all of the development works on the VIP scheme up front to take into account both options (i.e. a 3m and 4m tunnel) but align the construction with that required for the nuclear power station as opposed to doing it now. This would take construction outside of the VIP project period (the current programme for the circuit upgrades are 2020 to 2024).

National Grid proposed pursuing Scenario 3 (i.e. continue with the pre-construction, environmental survey and planning works in order to commit the funds from the VIP allowance, but align construction activities with the North Wales project to minimise impacts on the local community and the environment). If a decision is made, not to go ahead with the nuclear power station development, then construction of the VIP section could be brought forward to the earliest opportunity.

A number of discussions were held including the timescales for the financial investment decision for the nuclear power plant, the likelihood of it going ahead and the costs of future-proofing. National Grid advised that building a 4m tunnel would be significantly more expensive than a 3m tunnel, and for Scenario 2 this would have to come out of the VIP allowance as it is not required for the North Wales connection project and would be at risk of not being recoverable. Some costs would be shared under Scenario 3 but because undergrounding the Dwyryd estuary is outside the scope of the North Wales connection project the contribution from that element would be limited. Ofgem advised that there are issues around putting consumer money at risk which would be greater if Scenario 2 was adopted.

Following further discussion (see also 1.6 below) it was agreed that National Grid should continue with the pre-work and planning applications for the Snowdonia scheme, and prepare comparative costs for both a 3m and a 4m tunnel. If the North Wales connection project does not go ahead a 3m tunnel will be constructed. The preference of the Stakeholder Advisory Group was also to take the tunnel through to the next underground section (i.e. remove the remaining three spans). This will be subject to further discussion with local stakeholders, the planning authority and Ofgem.

The outcome of these discussions will be shared at the SRG meeting in Snowdonia on 26<sup>th</sup> April. The outcome of further options work for the Snowdonia and all other schemes will be reviewed at the eighth meeting of the Stakeholder Advisory Group in September.

### **1.6 – Pipeline of alternative projects**

Following on from the above discussions, the need to have alternative projects lined up should any of the four prioritised projects fall away was debated. There was a reminder that one of the key reasons that Tamar Valley and Peak District West were not progressed at this stage was due to the complexity of the schemes and the risks of not delivering them during the current price control period. It was noted that opportunities for bringing forward other shortlisted schemes should be discussed further at

the September Stakeholder Advisory Group meeting, with a particular focus on how it might be possible to have alternative projects on the 'back-burner'.

There was also discussion regarding preparing some potential and complex VIP schemes (such as Tamar Valley and Peak District West) for the next price control period in advance – this would save time at the onset of the next price control period. Ofgem was receptive to this approach and National Grid was asked to prepare a scope of works that could be undertaken at this early planning stage which would help to prepare these schemes.

The Stakeholder Advisory Group reiterated its commitment to the project and its desire to see funding for VIP-type projects continued into the next price control period.

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## **2 – Update on the Landscape Enhancement Initiative**

Ian McKenna gave an update on progress with the Landscape Enhancement Initiative (LEI).

### **2.1 – Review by Ofgem**

Ofgem has now reviewed the draft LEI policy. The two main changes that have been made as a result are:

- The LEI approvals panel should be chaired by an independent expert as opposed to a National Grid manager.
- Removal of the funding category 'Projects to improve people's enjoyment / interpretation or education', as Ofgem felt that these kinds of project should not come within the scope / purpose of this fund. Stakeholder Advisory Group members agreed that this should not be a primary focus, but it was noted that interpretation/education may be included/woven in as part of an applicant's 25% contribution, and this needs to be included in the guidance documentation.

### **2.2 – Scheme launch and application / approvals process**

The scheme will launch formally on 3<sup>rd</sup> May when the first four week application window will open. There will be a dedicated website and all of the documentation will be online including the application forms, guidance documentation and FAQs.

The application and approvals process will work as follows:

- Two application windows per year (four week window)
- A three stage application process:
  - 1) Submission of an expression of interest (EOI) i.e. a short application form with a summary of project outcomes, costs and benefits
  - 2) LEI project team assess whether the EIO meets the LEI scheme criteria and invite a number of applicants to submit a more detailed application
  - 3) Full applications submitted
- Funding decisions made by the independent Approvals Panel (first meeting in September 2016)
- Successful schemes submitted to Ofgem for review

Applications can be for up to 75% of total projects costs with 25% match funding. Match funding does not need to be money e.g. inclusion of volunteer time.

Ofgem was asked how long it anticipated it would take to review successful schemes submitted by the Approvals Panel. It was agreed that it was difficult to be precise on timings without knowing the volume of submissions and as this was the first time such a scheme had been operated.

### **2.3 – Independent Approvals Panel and administrators**

The independent approvals panel membership has been agreed as:

- Chair – Mary O'Connor (Stakeholder Advisory Group member)
- Cadw – Dr Kate Roberts, Head of Archaeology
- Historic England – Sarah Tunnicliffe, Policy Officer
- Natural Resources Wales – awaiting representative
- Natural England – Gary Charlton, Landscape Senior Advisor

Ofgem will not be represented on this panel but will need to approve all projects. It was suggested that membership of the panel should be reviewed after the first application window, and that further representation can be added at that stage if any gaps are identified.

Trust CSR has been appointed as the scheme administrators. They will be supported by project / landscape assessors from Gillespies and LUC [the consultants who carried out the landscape and visual impact assessment], who will comment on whether the EOI / project applications will go onto the next stage, and / or provide feedback to the applicants (e.g. requests for further information and feedback on eligibility of the proposed scheme(s)).

**Actions:**

- **John Briggs, Natural Resources Wales** – Follow up internally to identify a representative for the Approvals Panel from Natural Resources Wales.

**2.4 – Early engagement with the shortlisted areas**

Early engagement has taken place with the four shortlisted areas where major schemes were not taken forward i.e. Tamar Valley AONB, North Wessex Downs AONB, High Weald AONB and Brecon Beacons National Park. This engagement has included discussing potential projects, sharing and discussing the guidance documentation, developing information on the types of projects that may be funded, providing support on developing initial ideas for schemes, and testing the online application forms / links on the website. It was noted that the areas have needed more help with identifying potential projects than was envisaged, but the process has been useful for National Grid and Trust CSR in feeding into the documentation i.e. the FAQs, guidance documentation, application forms etc.

An Expression of Interest (EOI) has already been submitted by High Weald AONB; Brecon Beacons National Park is due to submit one shortly. Challenges identified by the other areas include limited resources to be able to submit an application in the early window and difficulties in identifying eligible schemes. It was reiterated that there is still a great deal of enthusiasm for the LEI scheme: both National Grid and the Stakeholder Advisory Group noted that it is important to demonstrate that the process is working, capture good reference material and provide the necessary support to make the scheme successful.

**2.5 – Innovation**

There was a reminder that at the first Stakeholder Advisory Group meeting in April 2014, a discussion was held about the potential for innovation. It was suggested that this would be worth revisiting with National Grid at a future meeting e.g. the potential for funding different research into new innovations, new approaches to constructing / screening sealing end compounds, fencing / security options, coloured conductors, visual impact of insulators in AONBs / National Parks, alternative materials for temporary road construction and so on.

**Actions:**

- **Camargue** – Send out the link to the LEI website and an overview email to all Stakeholder Advisory Group members (similar to the one issued to all 30 eligible AONBs and National Parks). Tailored communications can also be provided if required.

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**3 – Update on discussions with the Scottish Transmission Owners**

Hector Pearson advised that National Grid has been in discussion with SSE and Scottish Power Energy Network (the two Scottish Transmission Owners (TOs)) about their plans for making use of the Ofgem allowance. Both companies have now developed a scheme:

- SSE's scheme is called Visual Impact of Scottish Transmission Assets (VISTA)
- Scottish Power Energy Network's scheme is called Changing the VIEW (Visual Impact of Existing Wirescape)

One scheme has been submitted to Ofgem for review, and the other is likely to be submitted within the next few months. Like National Grid's VIP project, both schemes are stakeholder led, with initial prioritisation of projects based on a landscape and visual impact assessment on sections of line. Website pages for both VISTA and VIEW have been developed.

Projects in Scotland are less likely to include significant undergrounding as most of the overhead transmission lines are in remote areas where there is little public habitation and / or exclude themselves due to the nature of the geology (i.e. granite). There are some sections of line where pylon locations could be changed but from stakeholder engagement to date, the Scottish TOs believe that only a limited number of small capital schemes are feasible; an LEI style approach is the more likely outcome for use of the allowance. All three TOs therefore believe that their aspirations in this price control period are likely to be met from the existing £500m LEI allowance.

It was suggested and agreed that the Scottish TOs should be invited to attend the next Stakeholder Advisory Group meeting in September to provide an update on the VIEW and VISTA schemes.

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**Actions:**

- **National Grid VIP team** – Issue an invitation to the Scottish TOs to attend the next Stakeholder Advisory Group and include a section in the agenda for them to present.
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#### **4 – Communications and engagement**

Stuart Fox from Camargue gave an update on the latest communications and engagement strategy.

##### **4.1 – Engagement plans in the shortlisted areas**

Plans have been drawn up for each of the four shortlisted locations in liaison with the AONBs, National Parks and, where relevant, other major stakeholders and their communication teams. A programme of phased events will take place over the next few months, including targeted engagement with major stakeholders and public drop-in events in the summer. Feedback from these events will be shared with the Stakeholder Advisory Group at its September meeting.

Stakeholders have been identified in each area and grouped to include:

- Local stakeholder reference groups
- Principal stakeholders i.e. the relevant AONB Partnership, National Park Authorities and other bodies responsible for determining planning applications
- Landowners
- Statutory consultees
- Local representatives of bodies on the Stakeholder Advisory Group e.g. CPRE, Ramblers, Friends of the National Parks
- Other local interest groups e.g. RSPB, Wildlife Trust, local access forums etc.
- Local parishes (as appropriate) and parish/community councils
- Politicians including ward members, lead members, MPs, AMs, etc.
- Schools and educational establishments
- Communities – immediate neighbours, AONB/Park users and wider communities in the areas

##### **4.2 – Methods of communication/engagement**

A variety of direct engagement and communication methods are being planned with a greater focus on promotion than previously. As well as one-to-one meetings and presentations to interest groups, a main focus will be the public drop-in events scheduled for June and July. Activities to promote them will include: sending out information via third party organisations, updates to the VIP website, the creation of specific websites for the four VIP locations, direct mail (letters / emails), updates in parish council newsletters, a dedicated email and contact number for people to make contact and give feedback, media work (local and regional), attendance at county shows, local access forums, online message boards, notice boards (e.g. in community sites/doctors' surgeries), school book bags, leaflet drops and social media.

As previously, where possible, members of the Stakeholder Advisory Group were encouraged to attend one of the public drop-in events – even if only for a relatively short period of time.

Contractors engaged on ground-intrusive work have been briefed on the project and will be given cards that can be handed out with the contact details for the VIP project team (including a Welsh language option).

### 4.3 – Updating consumers

A discussion was held about the plans for updating consumers. This will be done via information in National Grid's annual report on VIP, updates to the VIP website and press releases to national media at milestone stages of the project. Ofgem also advised that they would update their stakeholders as part of the process of the next RIIO (Revenue = Incentives + Innovation + Outputs) negotiations. It was also noted that there will be opportunities for promotion of the VIP scheme through the LEI and third party endorsement e.g. stories from AONBs / National Parks and in member organisations' magazines / websites.

#### Actions:

- **Camargue** – Circulate dates of public/stakeholder engagement events.
- **All** – Advise availability for attendance at events.

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### **5 – Any other business: Plans for a new transmission line in/around the Lake District National Park**

Sarah Kelly of National Parks England raised the issue of the plans to construct a new section of high voltage overhead power lines along the west coast of Cumbria to connect the proposed new nuclear power station at Moorside with the existing National Grid network near the M6. The planned line will consist of 24km of high voltage pylons including 14km that would go through the National Park.

The consultations manager at the Lake District National Park Authority (LDNPA) had asked for the key points in the Authority's recently published position paper to be raised with the VIP Stakeholder Advisory Group, primarily noting the inconsistency between the VIP project and the current proposals for the Lake District National Park. It was further noted that Cumbria County Council, Friends of the Lake District and the local National Trust are also against the proposals.

Whilst it was acknowledged that these are two very different projects with different regulatory requirements, a number of Stakeholder Advisory Group members expressed support for the concerns that had been raised. Key issues that were raised included the following:

- There will be significant landscape and visual impacts on that section of the Lake District National Park. So much so that it would - stakeholders believe – lead in some locations to a score of very high (purple) on the landscape assessment that was used in the VIP process. The inconsistencies of planning a new scheme that would essentially become a 'purple candidate' to be addressed through any future VIP allowance were highlighted.
- The VIP project has been a very open / transparent process and it is felt that the same should be happening at a local level for specific schemes. The opportunities to share learning from this process and potentially address how schemes within protected areas are dealt with by National Grid were noted.
- There is a strong reputational risk for Advisory Group members *and* National Grid resulting from the inconsistencies / tensions between the two projects e.g. messages about the different schemes are and will be very difficult to manage, and for some Advisory Group members it is becoming increasingly difficult to be seen to be supportive of the VIP process when a new scheme that seems to directly conflict with the project's aims is being planned.
- Concerns were expressed that consideration was not given to the need for new connections as part of the decision-making process for determining locations for proposed new power stations.

A discussion was also held about the other options that have been considered for the new connection including offshore cables and alternative routes for overhead transmission lines. National Grid reiterated that they have an obligation to connect any new power station to their existing network. The plans for new transmission line construction in Cumbria have not yet been finalised and are due to go out for public consultation this summer [subsequent to the meeting, the consultation has been re-scheduled for September 2016].

Ofgem noted that the regulatory framework for new schemes / connections has rigorous expectations on developers to engage with stakeholders as part of the planning process. Ofgem themselves do not, however, have a role to play in the planning process and their funding processes are intended to efficiently fund the consented option as opposed to 'unwinding' decisions that have been made between developers and local stakeholders.



**Actions:**

- **National Grid (George Mayhew / Hector Pearson)** – Share the concerns raised by the Stakeholder Advisory Group with senior colleagues.
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**6 – Future meetings**

The next Stakeholder Advisory Group meeting will take place on 27<sup>th</sup> and 28<sup>th</sup> September 2016. The Scottish TOs will be invited to attend to give a presentation during the morning of 28<sup>th</sup> September. On 27<sup>th</sup> September it was suggested that a site visit to one of the prioritised locations would be beneficial. It was agreed that the New Forest would be the ideal location for this. The location will be confirmed in the near future but Stakeholder Advisory Group members should hold both dates in their diaries.