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Sirs,

Consultation: General Principles of the Planning (Wales) Bill

Vattenfall is the Swedish state owned utility and one of Europe's largest generators of electricity and heat. Renewable energy, and wind power in particular, is at the core of our business – 33% of Vattenfall's total investments in generation assets in the period 2012-2016 will be in wind power.

Vattenfall is a major inward investor in the UK, investing over £2bn since 2008 operating four onshore and three offshore wind farms with a significant portfolio in development. Vattenfall has made final investment decisions worth a further £0.6bn in 2013, onshore at Pen y Cymoedd and Clashindarroch and offshore on the Kentish Flats Extension.

The 228MW Pen y Cymoedd Wind Project is on track to be operational in 2017. It is potentially worth £1bn to the Welsh economy over the lifetime of the project and Vattenfall has already awarded £45m in contracts to Welsh business supporting over 600 Welsh jobs in the first four months of construction. The community benefit fund is worth £1.8m annually over the lifetime of the project. Vattenfall has a further c. 130MW of onshore wind in development in Mid Wales and seeks to create similar economic and community benefit on these projects.

Vattenfall welcomes the principle of greater devolution of planning matters to Wales. Any reforms must focus on ensuring the planning process works more effectively for communities and business and delivers Welsh Government objectives. In Vattenfall's experience of developing, constructing and operating renewable energy projects, the most significant issue is the delays caused by the planning system. One example is Vattenfall's Llanbadarn Fynydd project in Mid Wales where the project was submitted to planning in November 2007, went to Committee in March 2012 and a consent decision is expected in Q1 2015 at the earliest – a process of over 7 years. Delays of this length create major challenges for developers and ultimately delay the delivery of economic benefit to Wales. Reforms must focus on addressing this issue which will strengthen Wales' competitive advantage in the global marketplace.

Yours sincerely,



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To make the following comments on the Planning (Wales) Bill:

National Development Framework

- There should be a clear statement on the purpose of the NDF.
- The NDF must contain a clear statement regarding planning for energy projects, particularly renewables, and their associated infrastructure. Given the NDF's importance in providing the context for Local Development Plans and decisions on Developments of National Significance, there must be no 'grey areas' in understanding or interpretation. Any lack of clarity will result in delay and possible legal proceedings. As the foundation of the Bill, it is essential that the NDF is clear and concise.
- The Bill allows for revision of the NDF at any time. The NDF must not be continually amended. It must be given time to 'bed in' and allow developers, communities and LPAs time to understand and work constructively with the document.

Pre-application procedure

- Vattenfall undertakes early, transparent and in-depth pre-application engagement on all projects, making particular effort to ensure the hard to reach are consulted.
- A clear structure for pre-application engagement will help facilitate better projects by understanding the needs of statutory consultees and local communities. Any statutory requirement to undertake pre-application consultation should not be over-prescriptive and provide the developer with flexibility to consult in a way that does not add further cost or delay to the project. Part 3 61Z (9) (a) risks being over-prescriptive.
- Pre-application consultation procedures must be proportionate to the scale of development proposed.
- Supporting Welsh developers with clear engagement and best practice guidelines, for example those provided by DECC for English projects, would assist in supporting the delivery of the Welsh Government's objectives of ensuring communities can influence proposals. The provision of guidance would help ensure any statutory requirements are not overly prescriptive for developers.
- Communities should also be supported by guidance and a form of 'advisory service' to ensure the new framework is understood.
- Any guidelines or best practice principles should be general rather than by technology for clarity and efficiency.
- Clear guidelines will help ensure that pre-application moves forward without unnecessary and costly delay.
- A public register or portal to capture best practice in pre-application engagement may also assist with improving transparency and increasing knowledge sharing. The

Government's objective will not be achieved by the 'Pre-application consultation report' alone.

- Care must be taken that the pre-application consultation report required to be submitted by developers is proportionate to the scale of development proposed.
- Consideration should be given to the introduction of a competency framework or training to achieve the required improvements in skills and knowledge in LPAs.
- The management, monitoring and evaluation of mandatory guidelines will require further resource.

Requirement to provide pre-application services

- The regulations must make provision about the timelines by which statutory consultees should respond to any information requirements or requests. The delays experienced in the current system create uncertainty for all parties and delay the delivery of the economic benefits that renewables projects provide. This provision will improve the system by helping to provide developers and communities with more certainty about response times.
- Planning Performance Agreements have a clear role to play in agreeing service levels expected by developers, statutory consultees and LPAs in the provision of pre-application advice. A proportionate fee is appropriate if a professional service is provided. Any fees must remain at a consistent level.

Developments of national significance (DNS)

- Vattenfall welcomes the principle of the designation of onshore wind projects 25-50MW as DNS. This will help to efficiently bring forward the projects that Wales needs to contribute to the UK's renewable/2050 targets and to grow the Welsh supply chain. However, the supporting policy and secondary legislation will be crucial in determining how far this designation improves the current consenting process and how successful this will be in achieving the Welsh Government's objectives. The supporting policy and legislation must ensure that the DNS designation does not create extra practical or cost burdens on developers, particularly at a time when significant efforts are being made to reduce costs.
- Fundamental to the DNS achieving the Welsh Government's objectives is a clear statement in the NDF relating to renewable energy projects and secondary consents.
- The clarification of what constitutes a secondary consent is welcome. DNS applications must include all related consents to help ensure projects can proceed to agreed timelines and at least cost.
- The Bill does not state at what point in the development timeline a developer should notify Ministers that a DNS application will be made. This should be clarified to avoid

confusion. Care must be taken throughout that provision is made for clear timescales for decisions at each stage of the DNS process. This will provide developers and all parties with the certainty they require and which the Bill is intended to achieve.

- The process undertaken by the Planning Inspectorate to progress the application using the written representations procedures must be efficient and time limited. The timetable for receiving representations and providing the report must be made public at the start of the process and adhered to.
- The Welsh Government must provide clear guidance for LPAs and developers for this new process to ensure it is clearly understood and does not create further delay when introduced.

Option to make application to Welsh Ministers

- Vattenfall welcomes the principle of the option for developers to make a direct application to Welsh Ministers where the LPA is designated poorly performing.
- The Bill must provide clear timescales for evidence gathering and decision making by Ministers to ensure this option achieves the Welsh Government's objective of more timely and efficient decision making and greater certainty for developers.

Statutory Consultees

- Vattenfall welcomes the principle of legislation to ensure statutory consultees are obliged to respond in a timely and substantive way. This will help ensure that applications can progress within proposed timescales and will help developers better manage costs and resource.
- The relevant development order must be clear on the deadline for response and the penalty for not doing so. Response times should be monitored and regularly reported on.

Appeals etc: Costs and procedure

- The provision for the award of costs at Part 6: 44 have the potential to increase exponentially increasing cost on developers. These costs must be transparent and reasonable.
- The provision of a time limit at Part 6: 45 for any party to respond and for Ministers to proceed to decisions is welcome. Similar provisions should apply to statutory consultees and be clearly stated throughout the Bill, not just in this section.