

Consultation Response Form

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<u>Organisation (if applicable)</u>	<u>Vattenfall Wind Power Ltd</u>

1. NDF Outcomes (chapter 3)

The NDF has proposed 11 Outcomes as an ambition of where we want to be in 20 years' time.

- Overall, to what extent do you agree or disagree the 11 Outcomes are a realistic vision for the NDF?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	<i>Don't know</i>	<i>No opinion</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- To what extent do you agree with the 11 Outcomes as ambitions for the NDF?

Agree with all of them	Agree with most of them	Agree with some of them	Agree with none of them	<i>Don't know</i>	<i>No opinion</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- If you disagree with any of the 11 Outcomes, please tell us why:

Vattenfall welcomes the Welsh Government's introduction of an NDF to provide a co-ordinated approach to the delivery of much-needed strategic infrastructure, and we are pleased to offer our views on how the NDF can help support the development of renewable and low carbon energy, and to assist in realising Wales' energy targets.

This is particularly important when considering the planning context for renewable and low carbon energy across the UK. Developers such as Vattenfall operate across a number of national and international markets and as such the policy landscape in those markets has a significant impact on the company's investment strategy. In this regard, the Welsh Government '*Energy Generation in Wales 2016*' (December 2017) report states:

"With the planning system in England currently impassable for most onshore wind projects, developers are looking to Wales and Scotland for sites. This represents a significant opportunity for Wales to attract onshore wind development".

This situation has not changed and the NDF presents a unique and significant opportunity to capitalise on current interest in Wales as an investment location for renewable and low carbon energy development. It is understood that a significant number of responses were received to a recent NRW tender for the development of a wind farm on its land-holdings. Along with Vattenfall's own market intelligence, this demonstrates that despite current economic challenges, the strength of market interest in Wales is very strong.

Vattenfall strongly believes that the NDF presents a once-in-a-generation opportunity, and it is imperative that the Welsh Government gets the NDF 'right first-time round'. The recent Ofgem '*State of the Energy Market 2019*' report highlights that decarbonisation of energy has retracted to its slowest rate of decline since 2012, and to meet carbon budget commitments from 2023 onwards, more investment in low-carbon generation is required, including onshore wind and solar.

The Committee on Climate Change has warned that a raft of new policies, and '*substantial renewables deployment between now and 2030*' will be necessary to hit the 2050 carbon targets. It is imperative that action is taken now and the Welsh Government's '*Prosperity for all: A Low Carbon Wales*' report states (under Policy 6) that the NDF will ensure that the planning system in Wales plays a key role in facilitating clean growth and decarbonisation and will help to build resilience to the impacts of climate change.

This clearly highlights the importance of the NDF to the decarbonisation agenda and the need for it to maximise its ability to facilitate the development of a low carbon energy system.

Vattenfall considers that the NDF as currently drafted does not go far enough to emphasise the urgency of the current climate situation, nor does it provide the policy landscape that will establish Wales as a leader in renewable and low carbon energy development and decarbonisation. This is not to say that it cannot be fixed, however, and Vattenfall strongly believes that with some changes, the NDF can be made fit for purpose. It is important that the mistakes made in TAN8 are not repeated – as a policy document TAN8 is long overdue for replacement as it has failed to deliver the level of wind farm development it was intended to. It is critical that the NDF is as robust and positive as possible, and provides a policy environment which maximises the potential for success.

The 11 NDF Outcomes are overarching ambitions based on the national planning principles and national sustainable placemaking outcomes set out in Planning Policy Wales (PPW). Vattenfall recognises that developing a series of Outcomes is key to achieving the spatial strategy over the time period of the framework, but we suggest that the Outcomes should also make reference to a resilient, balanced energy system, and decarbonised transport patterns. Equally, addressing the climate emergency should run through every outcome, not just Outcome 11, which incidentally should be one of the first outcomes, not the last.

Outcome 11 sets out that the climate change challenge demands urgent action on carbon emissions, and that the planning system must help Wales lead the way in promoting and delivering a competitive, sustainable decarbonised society. However, as currently drafted, the NDF does not provide the urgency required, and it fails to recognise that a range of energy generating technologies will be required to deliver a resilient and equitable low carbon economy, with clean and efficient transport infrastructure.

This is further supported by **Outcome 7**, which demonstrates that all methods of travel will need to have low environmental impact and low emissions. Deployment of ultra-low emission vehicle schemes play an essential role in achieving this outcome.

Considering this, it highlights the importance of ensuring the NDF facilitates delivery of renewable and low carbon energy developments to facilitate the transition to a decarbonised economy. Without this, some of the NDF outcomes may not be achieved.

There is widespread governmental support for the transition to a low carbon and prosperous society through the delivery of low carbon and renewable energy sources. On the 12th of June 2019, the Welsh Government announced its commitment to reducing carbon emission levels by 95% by 2050 and to seek to be carbon zero by 2050. Indeed, the Welsh Government's '*Prosperity for All: Economic Action Plan*' (December 2017) states:

"the shift towards a low – carbon future offers huge opportunities for our economy to diversify and grow – but it also challenges us to support business, people and places in transitioning toward that low carbon future".

In March 2019, the Welsh Government published '*Prosperity for All: A Low Carbon Future*'. This plan sets the foundations for Wales to transition to a low carbon nation and sets out how it aims to meet the first carbon budget (2016 – 2020) and consequently the 2020 interim target through 100 policies and proposals. The vision of this plan states that:

"in 2050, there will be different energy systems that will be ready to fully exploit the inter-relationships and synergies between the power, heat and transport sectors and we will also see greater energy efficiency in buildings and appliances, and the use of new building fabrics turning buildings into power stations".

The NDF is identified within '*Prosperity for All: A Low Carbon Future*' under Policy 6 as follows:

"the NDF will ensure the planning system in Wales plays a key role in facilitating clean growth and decarbonisation and helps build resilience to the impacts of climate change. Achieving our strategic decarbonisation goals is highlighted as a key driver, which all development plans must support."

This highlights just how critical the NDF will be to decarbonisation of the Welsh economy, and how critical it is that the Welsh Government publishes a framework that will deliver.

2. Spatial Strategy (policies 1 - 4)

The NDF **spatial strategy** is a guiding framework for where large-scale change and nationally important developments will be focused over the next 20 years.

- To what extent do you agree or disagree with the spatial strategy and key principles for development in...

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know	No opinion
Urban areas (Policies 1, 2 & 3)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rural areas (Policy 4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- If you have any comments on the spatial strategy or key principles for development in urban and rural areas, please tell us:

To achieve the NDF Outcomes, the spatial strategy sets out three components, with one being *'how we should power and heat places using renewable energy and district heat networks.'* Consequently, this adds weight to the argument that the NDF must deliver renewable and low carbon energy and it is critical that the policies within the framework are worded to provide explicit policy support. Indeed, under 'planning and managing growth', the NDF sets out that *"sustainably planned places reduce the need to travel by car; encourage walking; cycling and public transport; embed green infrastructure; and take action to ensure air is clean"*, further adding weight to the role and influence of electric vehicles.

Vattenfall supports the concept of the spatial strategy but we believe that certain paragraphs lack specific detail and should be amended. It is also considered that the NDF needs to recognise the economic benefits of large scale onshore wind development. This was highlighted by the Vivid Economics Report - *Quantifying the Benefits of Onshore Wind to the UK* - which showed that deploying 35 GW of onshore wind by 2035 could reduce UK electricity costs by 7%, support 31,000 jobs, lift productivity throughout the UK and enable a £360m export industry.

Vattenfall's suggested changes are as follows:

Policy 3: *Public Buildings, Public Investment and Publicly Owned Land* seeks to give positive consideration to the use of public owned land to support sustainable places.

It is Vattenfall's view that this policy should emphasise the need to maximise the use of public land for the development of renewable energy. There are large areas of forest estate in public ownership and many can provide a suitable location for wind farm development as the technology can be deployed with minimal deforestation. This should be recognised in the NDF. Furthermore, the use of forestry for renewable energy generation provides a raft of benefits beyond energy generation – i.e. carbon sequestration, habitat enhancement and diversity, socio-economic, community and human health - and as such fulfils the goals of the Well-being of Future Generations Act. This must be recognised within the NDF. The policy should also set out how renewable energy, district heating and storage can be accommodated within any future development of public assets / estates.

Policy 4: *Supporting Rural Communities* states that Strategic and Local Development Plans should plan positively to meet the needs of rural communities with regard to housing, transport, businesses, services and diversification in the agricultural sector. The supporting text to Policy 4 recognises that “*priority should be given to economic activities with strong links to rural areas, including food and drink processing and energy generation*”.

It is Vattenfall's view that energy generation must also be included within the text of the policy itself to ensure there is no ambiguity over the role of energy generation in the rural economy.

3. Affordable Housing (policy 5)

The NDF sets out the approach for providing affordable housing, encouraging local authorities, social landlords, and small and medium-sized construction and building enterprises to build more homes.

- To what extent do you agree or disagree with the approach to increasing affordable housing?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	<i>Don't know</i>	<i>No opinion</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- If you disagree, in what other ways can the NDF approach the delivery of affordable housing?

4. Mobile Action Zones (policy 6)

- To what extent do you agree or disagree the identification of mobile action zones will be effective in encouraging better mobile coverage?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	<i>Don't know</i>	<i>No opinion</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- If you disagree, in what other ways can the NDF improve mobile phone coverage in the areas which currently have limited access?

5. Low Emission Vehicles (policy 7)

- To what extent do you agree or disagree that policy 7 will enable and encourage the roll-out of charging infrastructure for ultra-low emission vehicles?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	<i>Don't know</i>	<i>No opinion</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- If you disagree, in what other ways can the NDF enable and encourage the roll-out of charging infrastructure for ultra-low emission vehicles?

6. Green Infrastructure (policies 8 & 9)

- To what extent do you agree or disagree with the approach to maintaining and enhancing biodiversity and ecological networks?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know	No opinion
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Policy 8: Strategic Framework for biodiversity enhancement and ecosystem resilience sets out that areas can be safeguarded as ecological networks for their potential importance for adaptation to climate change or other pressures. The policy does not, however, confirm its relationship with the energy policies in the NDF in terms of whether safeguarded areas can be identified within the EPAs. Nor does it recognise the benefits that onshore wind and solar development can deliver from a biodiversity perspective. Vattenfall has very real concerns over this lack of clarity which could provide Local Planning Authorities with a mechanism to erode the EPAs. This policy inter-relationship must be stated explicitly.

Notwithstanding this, Policy 8 states that “*safeguarding does not necessarily prohibit development*”. Vattenfall believes this to be vague and suggests this needs more specific and include reference to renewable energy development. Vattenfall identifies this policy to be a potential risk to the effectiveness of policies on renewable energy development and therefore, requires further attention.

Vattenfall's proposed changes to Policy 8 are as follows:

“To ensure the enhancement of biodiversity and the resilience of ecosystems, the Welsh Government and its key partners will identify:

- areas which could be safeguarded as ecological networks for their potential importance for adaptation to climate change or other pressures, for habitat restoration or creation, or which provide key ecosystems services, to ensure they are not unduly compromised by future development whilst recognising that certain types of development (for example, energy generation) can facilitate habitat and biodiversity enhancement.*
- opportunities where strategic green infrastructure could be maximised as part of development proposals, requiring the use of nature-based solutions as a key mechanism for securing sustainable growth, ecological connectivity, social equity and public-wellbeing”.*

Policy 9: *National Forest*

In relation to the vision of the National Forest set out in Policy 9, it is essential that it encompasses commercial viability, biodiversity net gain, and increased resilience of rural communities. It is only the lynch-pin of commercial viability that is omitted from the policy as drafted. This omission renders the vision not only incomplete, but fundamentally flawed.

Furthermore, there is a paucity of detail given to Policy 9, especially when it is considered against some of the other policies in the NDF such as those associated with renewable energy, specifically Policies 10 and 11. Given the crucial roles that the Welsh Government ascribe to the visions for the National Forest and Renewable Energy in responding to the Climate Emergency and the Sustainable future well-being of its communities for the 21st Century, this imbalance in detail, and links with other plans and strategies, must be addressed.

As demonstrated by Vattenfall's onshore wind project, Pen y Cymoedd, in South Wales, Renewable Energy and the National Forest can coexist to significant benefit for biodiversity, local communities and viability of public land. With the acceptance of higher tip heights and larger generators there is even greater compatibility between onshore wind and forested land. It is essential that joined up thinking installs a backbone through the core policies of the NDF and furthermore the commendable ambition of 2,000 hectares of new woodland cover will wane in the absence of a detailed delivery plan.

7. Renewable Energy and District Heat Networks (policies 10-15)

- To what extent do you agree or disagree with the NDF's policies to lower carbon emissions in Wales using...

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know	No opinion
Large scale wind and solar developments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
District heat networks	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- If you disagree with the NDF's approaches to green infrastructure, renewable energy or district heat networks, what alternative approaches should we consider to help Wales to enhance its biodiversity and transition to a low carbon economy?

Vattenfall understands that the spatial strategy provides a long-term context and framework for infrastructure investment. The NDF spatial strategy for '*powering and heating places with renewable energy and district heat networks*', is entirely supported by Vattenfall. However, for this strategy to be delivered, it is imperative that the need for a mix of technologies is recognised and clearly stated as part of a resilient, low carbon energy system. A number of aspects of the NDF require refinement and clarification in order to ensure that the NDF will maximise its potential to deliver energy generating development in line with the Welsh Government's targets and the outcomes of the NDF. As a starting point, it is considered that the climate emergency is not given sufficient weight within the document.

The National Infrastructure Commission (NIC) published its National Infrastructure Assessment (NIA) in July 2018, which presents recommendations for a programme of upgrades to the nation's infrastructure. Chapter 2 of the NIA refers to low cost and low carbon infrastructure and states that "*reducing emissions has often appeared costly and difficult, but this is no longer the case*". The NIA sets out that the successful delivery of a low-cost, low-carbon energy and waste system requires:

- a flexible electricity system and new generation, primarily through renewables (which will need to be prepared for an increase in demand for electricity as the transition to electric vehicles gains traction);
- determining the best way to deliver low carbon heat in the UK;

- constructing buildings, which require less energy to heat; and
- encourage more recycling and less waste incineration

The NIC believes there is significant scope to build resilience through intelligent deployment of a mix of renewables working alongside sources of flexibility such as storage, interconnectors with other countries, and demand side response. As currently drafted, the NDF does not include any reference to the range of technologies required to deliver a resilient and flexible energy system.

As currently drafted, the NDF does not include any reference to the range of technologies required to deliver a resilient and flexible energy system. The lack of consideration to the need for a range of technologies is compounded by the fact that the NDF, as drafted, does not provide a policy framework for any energy generating technology other than wind and solar. Given the Welsh Government's target to generate 70% of electricity consumption from renewable energy by 2030, the absence of policies or narrative relating to conventional generation (i.e. the remaining 30%), storage and grid balancing is a significant omission. It also fails to recognise the potential for hybrid projects to come forward which incorporate wind, solar and energy storage.

Page 6 of the NDF document notes that the NDF is the "*highest tier of development plan*" and that it comprises the framework which will provide the basis for Strategic Development Plans (SDPs) and Local Development Plans (LDPs) at local planning authority (LPA) level. Within the current draft, the NDF makes it clear that SDPs and LDPs must be in accordance with it, however, its status in decision-making is not explicitly set out.

Vattenfall strongly believe that the NDF's status in the development plan hierarchy and the decision-making process (and the weight that should therefore be attached to it) must be clearly set out in the document in the interests of clarity and certainty for both decision-makers and applicants (and their investment partners).

The proposals for a new infrastructure planning regime in Wales¹ state that decisions on nationally significant scale development, i.e. Developments of National Significance (DNS), will be taken in accordance with the NDF. There should therefore be an explicit and unequivocal statement in the NDF that for any applications falling within the DNS regime, the NDF constitutes the development plan in line with Section 38(4) of the Planning & Compulsory Purchase Act 2004² (PCPA 2004), and that DNS decisions made by the Welsh Ministers must be in accordance with the NDF unless material considerations indicate otherwise (s38(6) PCPA 2004). It is imperative that this is stated explicitly within the NDF.

The relationship between the NDF and Planning Policy Wales (PPW) also needs to be clarified. In decision-making terms, and in line with s38(6) of the PCPA 2004, the NDF constitutes the development plan and PPW constitutes a material

¹ <https://beta.gov.wales/sites/default/files/consultations/2018-04/180430-changes-to-the-approval-of-infrastructure-development.pdf>

² <https://www.legislation.gov.uk/ukpga/2004/5/section/38#commentary-key-f1f801ef2bf2cf4dff9896b62a5503a7>

consideration. It cannot be said therefore that the NDF “*complements*” PPW. Vattenfall recommends that the relationship between the policy documents is made clear and reference is made to s38 of the PCPA 2004 to remove any ambiguity.

Whilst Vattenfall acknowledges that the NDF includes policy for other types of renewable generating stations over 10MW (Policy 13), there is no spatial element to this policy. Vattenfall strongly contends that a spatial element is not required for Policies 10 and 11 (as drafted) either and a criteria based policy approach would be far more effective.

It is Vattenfall’s view that, as the development plan for DNS, the NDF must include policies relating to all types of DNS not just energy generation projects (e.g. overhead grid connections up to 132kV, conventional generating stations >10MW, pumped hydroelectric storage schemes, underground gas storage facilities, facilities for liquid natural gas (LNG), gas reception facilities, airports, railways, rail freight interchanges, dams and reservoirs, transfer of water resources, waste water treatment plants and hazardous waste facilities³). As the development plan for DNS applications which is intended to set a framework through to 2040, the NDF should proactively set policy for all types of infrastructure, not simply react to ones that are currently on the DNS register.

The lack of a solid decision-making framework for all types of DNS is a major shortcoming of the draft NDF, particularly when LDPs are unlikely to include policy provisions against which these types of development can be determined. It is acknowledged that it may not be possible to include policies relating to these types of projects in the first iteration of the NDF, but they should, at the very least, be included at the first NDF review

The NDF confirms that applications for large scale energy developments fall to be determined within the Developments of National Significance (DNS) regimes, and defines these as:

- *All onshore wind generation over 10 megawatts (MW); and*
- *Other renewable energy generation sites with generating power between 10MW and 350MW”.*

This statement is inaccurate as the DNS regime includes any energy generation between 10MW and 350MW, not just renewables. Therefore, Vattenfall requests that the word ‘**renewable**’ in the second bullet point is deleted.

A consistent approach to the Welsh Government’s position on non-devolved projects⁴ would also be welcomed – in this context, the NDF only mentions nuclear projects. Although the Welsh National Marine Plan (WNMP) is the primary development plan for devolved offshore projects (<350MW), the NDF should including narrative in support of non-devolved projects (>350MW), subject to

³ The Developments of National Significance (Specified Criteria and Prescribed Secondary Consents) (Wales) Regulations 2016 (as amended)

⁴ Nationally Significant Infrastructure Projects (NSIPs) determined under the Planning Act 2008

acceptable environmental impacts, including offshore wind (as is currently the case at paragraph 3.1 of TAN8) and tidal lagoons. Local planning authorities and the Welsh Ministers are statutory consultees for non-devolved projects determined under the Planning Act 2008. Additionally, planning permission is likely to be required for onshore installations associated with offshore projects and the NDF should also include narrative in support of such installations subject to acceptable environmental impacts. In these cases, the synchronisation of onshore and offshore consenting (including marine licences) would be welcomed.

The lack of policy for non-devolved projects creates a practical consenting difficulty. The decision making process for non-devolved energy generating projects is reliant on s104 and s105 of the Planning Act 2008. These sections state that application for development consent for nationally significant infrastructure projects (NSIPs) should be determined in accordance with the relevant National Policy Statement (NPS) where one is designated (s104), or important and relevant matters where there is no designated NPS for the technology proposed (s105). If determined under s105, the important and relevant matters would include the NDF, SDPs and LDPs and if these are silent on the type of technology proposed (for example, this is the case for hydroelectric pumped storage) then the policy case which supports schemes that could be critical to an energy system with a high proportion of renewables is extremely unclear. It is essential that the NDF provides policy support for all technologies required as part of a renewables-based energy system whether they are DNSs or NSIP development consent orders (DCOs).

The NDF adopts a '*clear traffic light-based approach to its policy on large scale and wind and solar renewable energy projects*'. According to the NDF, a strategic review of landscape impact identified the Energy Priority Areas (EPAs) for wind and solar projects as the most appropriate locations to accommodate landscape change, however from Vattenfall's review of all of the consultation documents, it is clear that landscape and visual were not the only constraints applied. This is confirmed by Paragraph 3.1 of ARUP's Stage 1 Report (Development of Priority areas for wind and solar energy) which sets out that "*The development of the methodology has been an iterative process, with input from stakeholder workshops, Arup experts, stakeholder engagement, and meetings with the Welsh Government core team*".

The draft NDF sets out that the spatial strategy is for large-scale and solar development to be directed towards EPAs. These areas provide a presumption in favour of large-scale onshore wind and solar energy development, and an acceptance of landscape change and a focus on maximising benefits and minimising impacts.

Vattenfall considers it is critical that the policy approach in the NDF is founded on a robust evidence base if it is to deliver the Welsh Government's commitment to maximising Wales' potential for decarbonisation. Vattenfall has reviewed the EPAs as part of a piece of analysis undertaken by RenewableUK Cymru, along with the background study that informed them. From this review, it is apparent that once industry-standard site criteria are applied, less than 5% of the identified EPAs are suitable for the deployment of wind turbines at the scale required to meet Welsh Government targets for renewable energy and decarbonisation.

As an example, the EPAs exclude an area of land owned by NRW in Neath Port Talbot County Borough Council which has recently completed a tender process for wind farm development. The areas also exclude large parts of the Strategic Search Areas identified in TAN8. This raises serious concerns over the robustness of the studies that informed the EPAs.

- In light of this, it is Vattenfall's view that the NDF should adopt a more positive position with respect to renewable energy development. As currently drafted, the NDF presents a 'green light' for the EPAs but areas with 'amber lights' appear to be more closely aligned with 'red' than 'green'. Vattenfall is confident that this was not the intention of the NDF and believes it can be rectified by deleting the EPAs and the traffic light approach in favour of criteria based policies, as they are misleading and fail to provide a clear position on where development will come forward, and by amending Policy 10 and deleting Policy 11. Vattenfall's reasoning for this is as follows: **Policy 10** refers to a presumption in favour of development of large-scale onshore wind and energy development, however, to meet the Welsh Government's targets, presumption should apply to all development proposals for renewable and low carbon energy generation, not just those within EPAs. Furthermore, the significant weight that is given to proposal's contribution to reducing Wales greenhouse gas emissions and meeting their decarbonisation and renewable energy targets should be applied to all renewable and low carbon energy policies, and not only for large scale onshore wind and solar development within the identified EPAs.
- **Policy 10** also sets out that planning applications must demonstrate how local social, economic and environmental benefits have been 'maximised' that adverse impacts must be 'minimised'. This wording creates uncertainty for developers and decision-makers as no definition is provided as to how these thresholds can be achieved. Use of terminology from the Environmental Impact Assessment Regulations may alleviate this. Vattenfall raises this as a policy flaw that needs to be addressed to maximise the full potential of the policy.

The points raised above clearly demonstrate that clarification is required so developers can judge whether they have met the 'maximise' and 'minimise' tests in their proposals. Vattenfall strongly recommends that the terms 'maximise' and 'minimise' are avoided at all costs, and that if further, more detailed guidance on policy interpretation is to be issued following the publication of the NDF, then this needs to be clearly stated.

The NDF confirms that not all of the area within the EPAs are suitable for the generation of renewable energy. Vattenfall is concerned, however, that the Welsh Government do not fully understand the level of deliverability within the EPAs and as such risk taking forward a policy approach which will not contribute as positively as it could to meeting renewable energy targets. In our view, the EPAs alone, will not accommodate enough development to meet the targets for renewable energy development. Vattenfall suggests the EPAs are removed and the supporting text at

P10 needs to be altered and reworded.

From our review of the supporting text to Policy 10 (identified as P10 within the NDF), the final sentence places an importance on the ability of the EPAs to deliver in order to meet the Welsh Government's renewable energy targets. Regardless of whether the EPAs are retained or removed, Vattenfall considers it is important for the Welsh Government to monitor the delivery of all energy generating schemes as all will contribute to meeting targets.

Policy 11 refers to Onshore Wind and Solar Energy outside of EPAs. As discussed above, Vattenfall understands that the Welsh Government's objective is for the NDF to provide policy support for renewable energy developments outside of the EPAs, but neither Policy 11 nor its supporting text state this explicitly. This policy should be deleted in favour of amendments to Policies 10 and 13.

Policy 13: *Other Renewable Energy Developments* sets out that proposals for other large-scale renewable energy generation will be determined in accordance with the criteria of Policy 11. The transition to a resilient, low carbon energy system will require a mix of technologies and Vattenfall strongly believes that this should be reflected in the NDF. Vattenfall requests that the NDF is amended to reflect this. Vattenfall also requests that the NDF provides explicit support for these types of development as part of a resilient energy system for Wales. Vattenfall's key business areas range from heat networks, E mobility, offshore and onshore wind to solar developments. Vattenfall understands how it is vital that a mix of technologies is utilised.

Recent work by the Institute of Welsh Affairs (IWA) as part of its "Re-energising Wales" project reinforces this view and provides a practical plan by which Wales could achieve its ambition to maximise its of renewable energy resources by 2035. As part of this project, Regen conducted an analysis of Swansea Bay City Region's future, including energy demands and potential sources of energy generation. The vision included the deployment of a mix of energy technologies including tidal, hydro, offshore and onshore wind, solar and Combined Heat & Power.

Vattenfall strongly believes that the NDF needs to highlight the need for a resilient energy system, which also incorporates low carbon non-renewable technologies, which complement wind and solar. P13 refers to technologies, other than wind and solar, but Vattenfall suggests that this needs to be more specific and explicit reference should be made to developments such as battery storage, pumped hydroelectric storage and peaking plants.

The need for a resilient energy system was demonstrated by the Low Frequency Demand Disconnection (LFDD) following generator trips and frequency excursion on the 9th of August 2019. National Grid's interim report (dated 16th August 2019) confirmed that the loss of two transmission connected generators resulted in a loss of 1,378MW. This event meant that secondary backup systems were required to disconnect some demand by automatically disconnecting customers on the distribution network in a controlled way. The interim report states that "*c.5% of Great Britain's electricity demand was turned off to protect the other 95%*", resulting in

approximately 1.1 million customers being without power for between 15 minutes and 50 minutes. This event has not happened in over a decade and National Grid described it as a 'extremely rare event'. Western Power Distribution recorded that in Wales, approximately 29,060 customers were affected by the LFDD.

The above demonstrates that fast response generation is essential to protect energy security and to minimise the duration of any power outage or the number of customers affected by such an event. It also demonstrates that, even if an event does not occur in Wales, it can still directly affect Wales. This reiterates Vattenfall's position that the NDF needs to offer support for other renewable energy development including offshore wind and also strengthen/amend existing policies to support all energy development, particularly energy development that will facilitate renewable energy, e.g. pumped hydro. It also requires a more robust approach to the development on heat networks in terms of additional statutory duties to deliver against targets for those areas identified as being right for low carbon decentralised heat development. By doing so, this will ensure that Wales is prepared for any event in the future and generally increases Wales's energy security.

In light of the concerns identified above, Vattenfall strongly recommends the following policy amendments:

- Delete the Energy Priority Areas from the NDF and replace Policies 10, 11 and 13 with a single policy which provides explicit support for renewable and low carbon energy development across Wales (except the areas covered by Policy 12) and includes an acceptance of landscape change associated with large scale renewable energy development;
- Retain and renumber Policy 12 as necessary.

In terms of Policy 14 (Priority Areas for District Heat Networks), Vattenfall would be fully supportive of a policy that will deliver district heating networks across Wales, but the step towards an area based approach suggested by the NDF is not sufficient in and of itself. We believe that whilst identifying areas for development that are suitable for District Heating is a step in the right direction, it does not go far enough and there should be a tighter focus on zero-carbon heating targets in the planning process.

We welcome the acknowledgement that low carbon heat needs to be included in the NDF, recognising that it is an infrastructure priority. We also welcome the fact that the scope of investment is being addressed through the planning process. However, the policy as it currently stands falls short of the focussed zoned approach we would advocate – an approach which would reduce the risk for large scale capital investment and reduce the cost to consumers. The duty on Local Authorities to explore opportunities for District Heat Networks lacks teeth, without targets and without a duty to deliver in these areas.

In addition, we would like to see more on how the design of new development can be designed for low carbon today and a route to market. Finally, whilst all of the above is necessary, it's not sufficient to deliver the scale of investment needed without providing financial support for an investment framework.

Conclusions

In summary, we agree with the objectives of NDF Policies 10 – 14 but consider that the support provided to energy generating development needs to be strengthened and recognise the mix of technologies required to deliver a flexible, resilient, low carbon energy system. The NDF simply must include a presumption in favour of renewable and low carbon energy development in all areas except those identified under Policy 12.

Vattenfall's proposed policy changes are set out below:

New Policy 10: Large Scale Renewable & Low Carbon Energy Development

The Welsh Government supports large scale onshore renewable and low carbon energy development. There is a presumption in favour of development for these schemes across Wales outside of the areas identified by Policy 12. With respect to the development of large scale wind and solar, there is also an associated acceptance of landscape change for schemes outside the areas identified by Policy 12.

When determining planning applications for large scale low carbon and renewable energy development, significant weight will be given to the proposal's contribution to:

- reducing Wales' greenhouse gas emissions and meeting decarbonisation and renewable energy targets*
- delivering wider environmental, social and economic benefit*
- satisfying an identified need for renewable and low carbon energy infrastructure*
- facilitating the deployment of large scale renewable energy development*

Planning applications must demonstrate the proposal is acceptable in social, economic and environmental terms and that there are no unacceptable adverse effects on, or due to, the following (where relevant to the technology proposed):

- landscape and visual;*
- biodiversity, ecology and nature conservation*
- geo-environmental;*
- historic environment;*
- traffic and transport;*
- noise and vibration*
- residential amenity;*
- Socio-economic*
- Air quality and emissions*
- telecommunications, aviation and defence;*
- hydrology, hydrogeology, the water environment and flood risk;*
- waste; and*
- cumulative impact.*

Suitable access to the site for construction and maintenance purposes must be provided. Plans must also be in place for the end of the development's lifetime, including the decommissioning of the site at the end of its operational life.

It is also suggested that the following text is added to the supporting text to Policy 10 to provide clarity to the issues to be considered in the planning balance:

In considering any proposed development, and in particular when weighing its adverse impacts against its benefits, the Welsh Ministers should take into account:

- its potential benefits including its contribution to meeting the need for energy infrastructure, job creation and any long-term or wider benefits; and*
- its potential adverse impacts, including any long-term and cumulative adverse impacts, as well as any measures to avoid, reduce or compensate for any adverse impacts.*

In this context, the decision-maker should take into account environmental, social and economic benefits and adverse impacts, at national, regional and local levels.

For clarity, the supporting text to the new Policy P10 needs to make specific and explicit reference to the type of technologies that would be supported such as battery storage, pumped hydroelectric storage and peaking plants.

8. The Regions (policy 16)

- To what extent do you agree or disagree with the principle of developing Strategic Development Plans prepared at a regional scale?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	<i>Don't know</i>	<i>No opinion</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. North Wales (policies 17-22)

We have identified Wrexham and Deeside as the main focus of development in North Wales. A new green belt will be created to manage the form of growth. A number of coastal towns are identified as having key regional roles, while we support growth and development at Holyhead Port. We will support improved transport infrastructure in the region, including a North Wales Metro, and support better connectivity with England. North West Wales is recognised as having potential to supply low-carbon energy on a strategic scale.

- To what extent do you agree or disagree with the proposed policies and approach for the North Region?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know	No opinion
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Vattenfall supports Policy 22 (North West Wales and Energy), however in light of comments made earlier in respect of a resilient energy system, it is suggested that the wording is altered in relation to the explicit support provided in the policies on renewable energy development. Vattenfall notes that Policy 22 refers to determining nuclear energy generating stations in this region, however, applications for nuclear energy generating stations (which are likely to exceed 350MW) are not devolved and therefore this wording needs to be carefully reviewed. Furthermore, Vattenfall proposes that the policy must include support for all types of energy generation and needs to be linked with earlier policies on energy generation.

Policy 22 also states that *"the planning system has a key role in supporting renewable energy and ensuring the North plays its part in decarbonising society, and that the region has a strong potential for generating wind, solar and tidal energy"*. It also refers to the positive impacts the nuclear sector can present in terms of investment, skills and training.

Immediately following this statement, Policy 22 highlights that the 'Anglesey Energy Island Programme' seeks to co-ordinate action around new energy developments. Vattenfall is of the view that the policy appears to be overly focussed on nuclear, without making reference to other energy developments and the benefits they can deliver. This policy needs to be reworded to emphasise the economic benefits of other energy developments, including pumped hydro.

Vattenfall proposes the following changes to Policy 22.

The Welsh Government supports North West Wales as a location for all types of new energy development and investment.

New energy-related development should support local and regional communities; provide jobs and investment in training and skills; and work with universities and businesses across the region and North West England to co-ordinate and maximise new investment to support the wider region.

In determining any applications for ~~nuclear~~ energy generating stations in this region, including nuclear, consideration should be given to ~~the need for further non-renewable energy generation~~, their contribution towards Wales' energy mix, their impacts on the natural and historic environment and the economic benefits they would bring to the region.

Vattenfall also proposes a change to the supporting text to Policy 22:

“The Welsh Government supports the North West Nuclear Arc initiative which is a shared vision (with the UK Government, Universities and the National Nuclear Laboratory) of realising the potential impacts the nuclear can bring into an area in terms of investment, skills and training. The Anglesey ‘Energy Island’ Programme researches into low carbon energy development, production and servicing and the potential economic rewards that would come forward with such developments”. Outside of the nuclear sector, the Welsh Government supports all types of energy generation and the economic benefits they bring, including pumped hydro.

10. Mid and South West Wales (policies 23-26)

Swansea Bay and Llanelli is the main urban area within the region and is our preferred location for growth. We also identify a number of rural and market towns, and the four Haven Towns in Pembrokeshire, as being regionally important. The haven Waterway is nationally important and its development is supported. We support proposals for a Swansea Bay Metro.

- To what extent do you agree or disagree with the proposed policies and approach for the Mid and South West Region?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	<i>Don't know</i>	<i>No opinion</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Vattenfall welcomes the proposed approach for this Region as it presents numerous potential opportunities. The NDF presents that the Strategic Development Plan should be informed by the Swansea Bay City Region City Deal and Economic Regeneration Strategy. This strategy (2013 – 2020) represents a long-term vision for economic success for the region and one of the aims is that the “*region will be a leading UK centre for advanced manufacturing and engineering, renewable energy and high value service delivery*”.

The NDF recognises that the region is a ‘resource rich and diverse region’ comprising of outstanding natural resources and supporting a large and diverse tourism industry. P26 sets out that development plans should provide a framework for their management and enhancement, enabling them to be enjoyed by future generations and to provide economic benefits for the region’s communities. In Vattenfall’s view, this can be seen as a potential conflict with earlier energy generating policies and should be given careful consideration.

Vattenfall supports the paragraph within P26, which describes the region as vital in its role in decarbonising society and supporting the realisation of renewable energy. It clearly indicates a strong potential for wind, tidal and solar energy generation within the region, but Vattenfall proposes the paragraph needs to be amended to be clear that the management and enhancement of natural resources should not compromise the delivery of renewable energy schemes. Currently, this paragraph is unclear on the inter relationships between the natural resources and the delivery of renewable energy schemes.

Vattenfall's proposed changes to Policy 26 are as follows:

“It is vital the region plays its role in decarbonising society and supports the realisation of renewable energy. There is strong potential for wind, tidal and solar energy generation and development plans should provide a framework for generation and associated infrastructure. In line with policy 8, the management and enhancement of natural resources and safeguarded ecological networks should not compromise the delivery of renewable energy developments.”

11. South East Wales (policies 27-33)

In South East Wales we are proposing to enhance Cardiff's role as the capital and secure more sustainable growth in Newport and the Valleys. A green belt around Newport and eastern parts of the region will support the spatial strategy and focus development on existing cities and towns. Transport Orientated Development, using locations benefitting from mainline railway and Metro stations, will shape the approach to development across the region. There is support for the growth and development of Cardiff Airport.

- To what extent do you agree or disagree with the proposed policies and approach for the South East Region?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	<i>Don't know</i>	<i>No opinion</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you have any comments about the NDF's approach or policies to the three regions, please tell us. If you have any alternatives, please explain them and tell us why you think they would be better.

Vattenfall welcomes the overview of each region indicating the positive features of the region, however, in terms of the South East, there is no mention of energy generating potential. Similarly, Policy 29 (The Heads of the Valleys) does not refer to energy generation, and Vattenfall requests that this is amended, particularly given that the region accommodates a number of existing wind farms. Another issue Vattenfall would like to raise is the designation of green belt. The land to the north east of Newport has been designated for green belt and Vattenfall questions whether this will constrain solar development in this region. In addition, Policy 30 explains that the Welsh Government requires the identification of green belts through an SDP. Vattenfall believes this is too strong a position to adopt and that the NDF should do more than simply require Local Planning Authorities to explore the potential for green belt designation.

Nevertheless, within Policy 27, it is demonstrated that decarbonising society and responding to the threats of climate change should be central to all regional planning. Vattenfall supports this statement.

Recommended Changes

Page 61 of the Draft NDF should include a text box explaining the “region has significant renewable energy potential”.

Policy 29 – The South East Region of Wales has a significant renewable energy potential, as evidenced by the number of existing wind farms located in the region. The Welsh Government supports renewable energy development in the Heads of the Valleys.

Policy 30 – The Welsh Government requires Local Planning Authorities to explore the potential for green belt identification through a Strategic Development Plan to manage urban form and growth in South East Wales, particularly around Newport and the eastern part of the region.

12. Integrated Sustainability Appraisal

As part of the consultation process, an Integrated Sustainability Appraisal (ISA) was conducted to assess the social, economic and environmental impacts of a plan. The report identified a number of monitoring indicators, including health, equalities, Welsh language, the impact on rural communities, children's rights, climate change and economic development.

- Do you have any comments on the findings of the Integrated Sustainability Appraisal Report? Please outline any further alternative monitoring indicators you consider would strengthen the ISA.

13. Habitats Regulations Assessment

As part of the development of the NDF, a Habitats Regulations Assessment (HRA) was undertaken. The purpose of the HRA process is to identify, assess and address any 'significant effects' of the plan on sites such as Special Areas of Conservation and Special Protection Areas for birds.

- Do you have any comments on the Habitats Regulations Assessment report?

14. Welsh Language

We would like to know your views on the effects that the NDF would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English.

- What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

Please also explain how you believe the proposed NDF could be formulated or changed so as to have:

- I. positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and
- II. no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

15. Further comments

- Are there any further comments that you would like to make on the NDF, or any alternative proposals you feel we should consider?

In terms of renewable energy, there is lack of policy provision and reference to offshore wind generation. It is discussed once, where it is referred to in P20. Offshore wind can make a significant contribution to decarbonising the energy system and as such it must be supported by the NDF. Offshore wind development presents the following benefits:

- there are minimised physical restrictions offshore, such as hills or buildings;
- typically, out at sea, there is a much higher wind speed/force allowing for more energy to be generated;
- generally, they cause less damage in terms of landscape and ecological impacts and are less intrusive on neighbouring areas; and
- finally, offshore, wind farms can be built larger and taller than onshore due to landscape impacts, amongst other impacts.

Vattenfall urges that the draft NDF is amended to include offshore wind.

Finally, as a general presentational comment, it is considered that the NDF should have numbered paragraphs to make reference to the document easier and clearer in practical terms.

16. Are you...?

Providing your own personal response	<input type="checkbox"/>
Submitting a response on behalf of an organisation	<input checked="" type="checkbox"/>

Responses to the consultation will be shared with the National Assembly for Wales and are likely to be made public, on the internet or in a report. If you would prefer your response to remain anonymous, please tick here	<input type="checkbox"/>
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