

The Rt Hon Claire Perry MP Minister of State for Energy and Clean Growth

Department for Business, Energy & Industrial Strategy 1 Victoria Street London SW1H 0ET

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Dear Leaders of Suffolk County, Suffolk Coastal and Waveney District Councils,

Thank you so much for your letter dated 29 March to Greg Clark MP, detailing your concerns about meeting Government's ambition for clean growth while leaving the environment in a better state. I am replying as this matter falls within my Ministerial portfolio.

My officials will be considering how best to work together with officials from the Ministry of Housing, Communities and Local Government (MHCLG) and the Department for Environment, Food and Rural Affairs (DEFRA) on this matter. I would like to begin by thanking you for the work the Suffolk County, Suffolk Coastal and Waveney District Councils, now East Suffolk Council, are doing to support clean growth on the East Coast.

As you are aware, last month I launched the Offshore Wind Sector Deal, in which we stated: "the Government will work collaboratively with the sector and wider stakeholders to address strategic deployment issues including aviation and radar, onshore and offshore transmission, cumulative environmental impacts both in the marine and onshore areas and impacts on other users of sea space such as navigation and fishing." This is to ensure that up to 30GW of offshore wind can be delivered by 2030 in a sustainable and timely way. The Secretary of State has also made it clear in multiple statements to Parliament that cost-effective nuclear energy has an important role to play in our future energy mix as we work towards meeting our binding carbon dioxide emission reduction targets.

I appreciate that Suffolk, and the East Anglia region more widely, could host a significant proportion of this future development, and understand your concerns that a more coordinated approach would be helpful to ensure that the benefits of this clean growth are not overshadowed by adverse impacts on communities and landscape of the region. I am aware that the next Suffolk Energy Coast Delivery Board will be on 7 June. This will provide an opportunity for you to raise your concerns with a wider group of stakeholders and to discuss the issues of coordination and cumulative impacts of energy development in Suffolk. My officials from the Nuclear and Offshore Wind teams will be attending this meeting, which I hope will foster a collaborative working relationship between relevant parties so that opportunities for improved coordination can be discussed.

The Department for Business, Energy and Industrial Strategy (BEIS) is the appropriate consenting authority for offshore renewables, which includes assessment of environmental impacts. Proposals which would generate more than 100 megawatts (MW) are classed as nationally significant infrastructure projects¹ (NSIPs) and require a development consent order granted by the Secretary of State for BEIS. This consenting process includes consultation with Statutory Nature Conservation Bodies (SNCBs) who provide advice on the potential environmental impacts of any proposal. The Marine Management Organisation (MMO) works with BEIS to support the NSIP consenting process. Where an applicant proposes to extend or operate an offshore wind development with a generating capacity of between 1 and 100MW, consent is required from the MMO.

Some electricity generating works may be subject to regulation under the Electricity Works (Environmental Impact Assessment) (England and Wales) Regulations 2000 (as amended)² and require an Environmental Impact Assessment (EIA) to be submitted to the MMO alongside the main consent application. EIAs are required to include a description of the likely significant effects of the development on the environment, including any effects on seabirds, marine mammals and other coastal wildlife. In addition, offshore wind developments are required to have pre and post consent monitoring plans, which are managed by the MMO. Defra is the sponsoring department for the SNCBs and the MMO.

Under the current framework there are multiple policies and processes that are used to minimise the impact of such energy development, many of which we have directed you to previously. Further to my previous letter of 14 January, I would also like to highlight the annual National Grid Networks Options Assessment (NOA)³ which considers improvements to the grid, from an economic and system perspective, that are required to accommodate new generation⁴. The methodology allows National Grid to require wider works to be carried out where these are shown to be beneficial, but the overarching objective is to reduce costs for consumers across Great Britain. The methodology also focusses on projects that have a high probability of completion as there are significant risks with investment in reinforcement works to accommodate projects that ultimately do not come forward. National Grid are due to conduct their annual network options assessment this summer for 2020, and I would suggest contacting National Grid to engage in this process.

Further, those developing energy infrastructure are themselves looking to coordinate transmission infrastructure where possible. For example, the planned Norfolk Vanguard and Boreas wind farms, both being developed by Vattenfall, are considering options to share transmission infrastructure to reduce impacts on the local area and to bring down overall costs.

It is also important for me to reiterate the huge benefits that have been realised by the current regime for delivering connections to offshore wind farms. The current approach has led to at least £700m in savings for consumers across the first three tranches of projects, which have connected more than 5GW of capacity. Supported by this stable framework, costs of delivering offshore wind have also decreased dramatically, investment has increased, and the UK has positioned itself as a world leader in this field.

¹ https://www.gov.uk/government/collections/marine-licensing-nationally-significant-infrastructure-projects

² http://www.legislation.gov.uk/uksi/2000/1927/contents/made

³ Please find a link to the most recent NOA: <u>https://www.nationalgrideso.com/document/137321/download</u>

⁴ Please see the NOA report methodology: <u>https://www.nationalgrideso.com/document/118831/download</u>

I am also aware of a proposal to develop an 'offshore ring main', which I referred to in the adjournment debate on this subject in March. This is an interesting idea, which could help to reduce the number of landing points for offshore transmission by creating a shared infrastructure for future projects to connect to. I have asked my officials to investigate this concept and consider the costs and risks of inefficient anticipatory investment alongside the benefits that could be delivered.

Related to this, my Department participates in the North Seas Cooperation Group, which is working together to evaluate and facilitate the coordinated development of interconnection and renewables infrastructure in the North Sea, to maximise the efficient and economic use of renewable resources and investments. I hope that learnings from this can feed in to future cooperation in offshore wind development in the East of England also.

Despite the success of the framework so far, I can see that there are complex interactions between often conflicting priorities, which combined with the variety and volume of projects planned in the Suffolk area, presents particular challenges. I have asked my officials to meet with you to discuss your concerns and the issues in this letter in more detail. Could you please contact Amanda Webb and Matt Coyne (<u>coyne-webb.jobshare@beis.gov.uk</u>) who will coordinate BEIS officials for a meeting.

Thank you again for taking the time to write. I hope you find this information useful and I look forward to working together on this important matter.

Yours sincerely,

THE RT HON CLAIRE PERRY MP Minister of State