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National Planning Framework Team
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Dear Sir or Madam

NATIONAL PLANNING FRAMEWORK FOR SCOTLAND 2008
CONSULTATION RESPONSE FROM BRITISH ENERGY GROUP PLC.

British Energy welcomes the opportunity to respond to the Government's consultation over the draft National Planning Framework. British Energy is the UK and Scotland's largest single low carbon generator. Headquartered and employing directly some 1200 people in Scotland and indirectly many more via contracts supporting our operations in Scotland, we take a keen interest in Scotland's future infrastructure plans.

Our comments are focused on the energy, and in particular electricity related aspects of the draft Framework.

In summary:

- We applaud the concept of National Developments – Statements of Need.
- We are concerned that whilst renewable electricity generation policy is clearly expressed, there is little policy on non-renewable sources, which currently account for over 80% of the electricity produced in Scotland. Two of Scotland's five large scale generation plants are forecast to close in the middle of the next decade. Replacement requires long lead times. The absence of guidance on large scale power generation in this plan, which covers the period to 2013, is a significant omission.
- The lack of recognition or coherence with UK energy policy and assessment processes as described in the January 2008 White Paper is a further significant omission.
- The current Scottish Government's policy on nuclear power is clear and this draft Framework reflects that. However, we believe the current policy goals for security of supply, affordability and Carbon Dioxide reduction are unattainable without nuclear generation being part of the balance and that the current policy on nuclear power will have to be revisited.
- We are fully supportive of renewables as part of a balanced electricity generation mix. We are a joint venture partner in the proposed Lewis Wind Farm. However the variability of nature and intermittency that causes in electricity supply means other forms of generation are required and they must be low carbon, affordable and offer security of supply. Nuclear makes a valid contribution to those objectives.
- The poor performance of peripheral rural economies and deteriorating social and demographic trends can be addressed in part through appropriate infrastructure developments. The commitment to improve grid connections to the islands is one such measure. However, it needs to be joined up with supportive policies for consenting generation projects on those islands and policies to maximise the economic contribution to the islands, such as encouraging turbine component manufacture at the Arnish Yard, Stornoway.

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Detail Comments

Para 69

Torness current forecast closure date is 2023.

Para 70

The requirement for broad areas of search for renewables is a positive move.

Para 83

Whilst Scotland's Green House Gas emissions fell between 1990 and 2005, emission levels in 2006 are expected to show an increase primarily due to increased fossil fuelled power generation output.

Paras 122/136/162/175/231

Thought needs to be given to what implications arise from a successful biomass energy strategy which is likely to be required to contribute to the UK's share of the EU 20% renewable energy target. Issues include:

- land use changing from food production to biomass production and the implications for importing greater volumes of food;
- local transport networks needed to support biomass fuel movements;
- the requirement or otherwise for District Heating in new housing and retail developments.

Paras 125/127

The current commercial and technical reality is that Scotland's 50% renewable electricity target will need to be met by existing hydro, increasing onshore wind and potentially biomass via cofiring or exclusively biomass fired. Offshore wind in Scottish waters will be limited technically and economically, whilst the timescales for commercialisation of wave and tidal stream are highly uncertain. Harnessing Scotland's marine renewable energy potential in the 2020 decade requires grid infrastructure planning during the planning horizon of this framework as lead times for development are long.

Para 130/131

Whilst the draft Framework recognises the need for baseload electricity generation, no guidance is given as to the form that should be developed, nor the locations. This is a significant omission. The concept of releasing grid capacity from decommissioned large scale power plants without answering the fundamental question of what replacement and where is short sighted.

Paras 133/167/168

We welcome the recognition in the draft Framework that the pollution from the fossil power stations in Scotland needs to be cleaned up if they are to contribute to the 80% reduction in carbon emissions by 2050.

There are 3 steps to reduce carbon emissions from coal plant:

1. Improving efficiency – replacing existing power stations with modern designs could reduce emissions by ~ 20%
2. Co-firing with biomass – a technology already in use that can avoid another 10%
3. Carbon Capture and Storage (CCS) – could reduce emissions by up to 90%

CCS is still unproven technically and economically at the commercial-scale for electricity generation.

The EU and UK are pressing forward with plans to support demonstration projects to enable the technology to be proven and provide a better understanding of the costs. If successful this could lead to further deployment in the UK, with economies of scale for the transport infrastructure being a particular advantage for a number of carbon sources close to sinks in the North Sea.

Placing a high reliance on the successful implementation of CCS (before the results of feasibility studies are known) and wind power increases the risk of not reducing carbon

emissions from electricity generation in Scotland. Greater effort would then be required in more difficult and expensive areas like transport.

If CCS is to be integrated with a high dependency on intermittent renewable generation then careful thought needs to be given to the grid interconnection and back-up plant. A recent report¹, commissioned by Norwegian and UK governments, to examine CO₂ transport and storage in the North Sea highlighted that the economics of CCS determine that the plant will be operated at baseload.

Power plants fitted with CCS and connected to a transport and storage network will be more expensive in terms of up-front and on-going costs, and in the absence of a high CO₂ price or other economic support this gives them low positions in the merit curve. Regulation may be required to make sure plant fitted with capture equipment run at base-load, and not peak conditions.

Para 230

Supporting the development of transmission infrastructure to remote areas and to potential areas for marine energy projects is a positive move. We and our joint venture Lewis Wind Power are pleased that the Scottish Government has taken up our proposal to seek EU funding to look at subsea cable feasibility with the Republic and Northern Ireland.

Paras 235/236/237

We would question the reference to the proximity principle as the key factor in determining the management of higher activity radioactive wastes. In policy terms, Scottish Planning Policy 10 "Planning for Waste Management" sets out the application of the proximity principle and its importance in reducing the adverse environmental impact of unnecessary transport. SPP 10, however only applies to controlled and low level radioactive wastes, In developing policy on higher activity wastes we would propose that the Scottish Government should take into account international guidance on the wider principles for the management of radioactive wastes such as those set out in the International Atomic Energy Authority Safety Principles Series publication "Principles of Radioactive Waste Management".

Para 279

Supportive policies for consenting renewable energy schemes on the Isle of Lewis are required for there to be any purpose of to a reinforced subsea cable connecting the island to the mainland.

Para 282

The draft Framework does not recognise the implications on the Ayrshire economy of the 2016 current forecast closure date of the Hunterston B power station. British Energy employ around 600 people directly and many more indirectly.

Should you require clarification on any of the comments raised I will be pleased to meet and discuss.

Yours sincerely



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Enc. Respondent Information Form.

¹ Development of a CO₂ transport and storage network in the North Sea, Element Energy, Pöyry and British Geological Survey,