

National Planning Framework Team
The Scottish Government Planning Directorate
Victoria Quay
Leith
Edinburgh
EH6 6QQ

Dear Sirs,

Response to NPF 2 Draft

Please find enclosed my response to NPF 2 Draft Discussion document.

I have also enclosed the Respondent Information Form and the Delegate Information Form.

Yours faithfully,



Colin Gibson C.Eng., FIEE

Response to NPF 2 Draft Discussion Document

Colin Gibson

Para 125 – There is little evidence to date that these renewable sources ‘will become more competitive and commercially attractive’. For example, the UK Government’s paper ‘The Future of Nuclear Power’ (May 2007) gives the mean figure for the levelised cost of offshore wind as £84/MWh compared to £38/MWh for nuclear. Also, it not clear that the figure of £84/MWh takes full account of all the extra costs of the intermittency of wind power, both in the operational and the planning timescales, nor the extra costs of transmission. Overall, offshore wind generation could cost three times that of the alternative mix of nuclear, coal and gas even allowing for carbon capture.

Para 126 – Because ‘Energy must be seen as a key economic resource’, great care must be taken in the assumptions in the NPF regarding Scotland’s energy mix. A plan based on high costs (as in the paragraph above) could have a seriously deleterious effect on Scotland’s overall competitiveness.

Para 189 and para 227- There could be scope for misunderstanding regarding the need case for electricity transmission grid reinforcements. Para 189 states the general case that the mechanism for establishing the need for ‘national developments’ is ‘designation in the Framework’. But this paragraph also specifically mentions energy infrastructure projects. However, paragraph 227 states correctly that OFGEM has the role of approving transmission grid reinforcements. Moreover, not only does OFGEM approve such reinforcements ‘on he basis of economic assessment’ as stated, but it also has the role of approving reinforcements on the basis of need to meet the Standards of Security of the System. For convenience, I append below my note of 25 July 2007 to Mr.Purves on this issue.

Great care will have to be exercised to ensure that the inclusion of a development in the National Planning Framework (NPF) does not add support to include such a development in the list of approved investments for the Transmission Companies baseline capital investment plans. The NPF is a long term plan covering some 30 years and is not an appropriate vehicle for the endorsement of transmission developments which could be completed in time periods of between 1 and 5 years depending on their nature. For example, many of the current planned developments of the transmission system in Scotland are being driven by proposed renewable generation developments which in turn are being driven by subsidies such as Renewable Obligation Certificates (ROCs). The review of the monitory levels of ROCs for new developments is already underway and this will influence the extent of renewable generation development. Shorter term changes such as this should (and are) better dealt with in an appropriate planning timescale. Moreover, proper economic assessment of many of these developments requires to be done on a GB basis. For example, when considering wind generation development in northern Scotland, it is not sufficient to limit the economic assessment to Scotland when the power transfer will have effects well into the Midlands of England. All of the associated reinforcements on the GB system need to be taken into account.

Para 230 - This seems to be advocating that we build renewable projects (with subsidies) in order to sell the output to Europe. The plan should contain some explanation of the economics of this, particularly if Scotland is also paying for part of the interconnectors.

DELEGATE INFORMATION FORM

Organisation	
Delegate Name	ECLIN GIBSON
Address	
Contact e-mail	
Any special requirements of Delegate	

Please tick which conference and which workshop you wish to attend (details of the formal arrangement for each venue will be issued nearer the time):

<input checked="" type="checkbox"/>	VENUE	WORKSHOP	<input checked="" type="checkbox"/>	DATE
<input checked="" type="checkbox"/>	Dumfries - Easterbrook Hall Conference Centre, Crichton University Campus	Workshop 1	<input checked="" type="checkbox"/>	13 February
		Workshop 2	<input type="checkbox"/>	2008
<input type="checkbox"/>	Glasgow - Royal Concert Hall	Workshop 1	<input type="checkbox"/>	15 February
		Workshop 2	<input type="checkbox"/>	2008
<input type="checkbox"/>	Aberdeen - The Foyer	Workshop 1	<input type="checkbox"/>	20 February
		Workshop 2	<input type="checkbox"/>	2008
<input type="checkbox"/>	Inverness - Ramada Jarvis	Workshop 1	<input type="checkbox"/>	21 February
		Workshop 2	<input type="checkbox"/>	2008
<input type="checkbox"/>	Edinburgh - Victoria Quay	Workshop 1	<input type="checkbox"/>	07 March
		Workshop 2	<input type="checkbox"/>	2008

Please use this box to note any key questions you would like to be addressed at the event:

How will the renewables programme affect electricity prices (and/or taxes) and what effect will this have on economic activity?

Please return this form to NPFTeam@scotland.gsi.gov.uk or Freepost RRHE-GBSA-BJLR, National Planning Framework Team, The Scottish Government Planning Directorate, Victoria Quay, Leith, Edinburgh EH6 6QQ.