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Lord Dafydd Elis-Thomas	Date:	21 <sup>st</sup> September
Chair, Environment and Sustainability Committee	Your ref:	N/A
National Assembly for Wales, Cardiff	Our ref:	110921-PJH-MP
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Dear Sir,

**Re: Energy Policy and Planning in Wales**

I am writing on behalf of Dulas Ltd in response to your request for submissions relating to your inquiry into energy policy and planning in Wales.

Dulas Ltd originated in Wales and has been a well established renewable energy consultancy for many years now. We continue to expand as the market grows, and in part this has been due to the strength of planning policy in Wales since 2005 which has been a major stimulus to the growth of renewables in the country. As a company we would also support, in principle, further devolution of decision making powers to the Assembly where appropriate and where the Assembly is demonstrating the right level of governance and leadership that are in the interests of the Welsh people and international commitments on climate change.

In recent months we have become increasingly perturbed by messages emanating from Welsh Government in respect of policies on renewables. Not only have Ministers been making statements contrary to TAN8 and PPW but they are introducing considerable doubt into the minds of the people of Wales that the Welsh Government has the determination to follow through on its own policy and its international commitments. Particularly in this respect we point out that the recent statements that TAN 8 policy is now largely irrelevant, due to changes in UK wide policy toward the determination of large infrastructure projects, are very misleading. Under the UK planning system when TAN 8 was revised in 2005, decision making for wind energy projects in excess of 50MW was not a devolved matter and remained with the Secretary of State under the Electricity Act 1989, although it has always been understood that Welsh policy and the opinion of Welsh Government is a material consideration. Similarly, whilst the National Policy Statements set out the UK-wide policy on energy, they also state the requirement to have due regard to devolved and decentralised policy and planning policy. We do not as such comprehend the recent statements of Ministers that appear to contradict this situation.

The increasing failure of the present Government to follow through on its policy direction leads us to question whether further devolved powers would be in the interests of Wales. This position is very much unlike Scotland, where they are grasping the opportunity to become 100% reliant on



renewable electricity by 2020 and in doing so are building a strong economic foundation in the energy sector for the nation. We had hoped that the Assembly would similarly follow such a path but we are no longer convinced that it is doing so.

May I remind your Inquiry that the current suite of policy documents in Wales on renewables and climate change have been predicated, to our knowledge, on maintaining the current status quo on devolved powers in Wales. As far as we are aware none of the policy framework relies upon greater devolutionary decision making to fulfil the objectives; whether the decisions are taken in Westminster or Cardiff we would hope that they reflect the need argument behind renewable energy, which is critical if we not to worsen further the potential impacts of climate change. I would also point out that current Welsh policy is falling behind our European commitments on renewable energy following the Renewable Energy Strategy 2009, which requires an even greater capacity of renewable energy if we are to succeed in delivering our greenhouse gas emissions reductions. It is understandable that more recent policy directions from UK Government, such as the National Policy Statements, may be considered to be superseding devolved policy in Wales – this is because they reflect the need for further renewable energy targets as set at the European level. Wales has a considerable resource for renewable energy generation, and as such is considered to be pivotal in delivering greater low carbon capacity. The moral imperative is therefore to ensure the delivery of such capacity to enable the achievement of more recent European requirements.

We do not feel that under the current climate in Wales we can support a move to greater devolutionary powers on energy until such time as the Assembly and the Welsh Government demonstrates that it can fulfil its current policy obligations and even take courageous steps towards increasing the commitment of our nation to further deliver a low carbon economy. To this end we would request the following of the present Government:

- Make strong assurances to the nation towards fulfilling its ambitions set out in the Energy Policy Statement 2010, and ensuring the delivery of the requirements of TAN8 and Section 12.8 of PPW 2011.
- Clarify that a low carbon economy with significant onshore and offshore renewables will require a new grid transmission and distribution infrastructure, which may themselves bring economic opportunity to deprived areas of Wales.
- Take a much stronger stance including investment in the green energy sector, particularly with the encouragement of a strong manufacturing and supply chain industry.
- Ensure that the local planning authorities in Wales work to deliver on our commitments. Currently there is considerable resistance to renewable energy at the local level, which is reflected in the emerging suite of Local Development Frameworks, and we see no evidence that the Planning Division at Welsh Government is doing its level best to ensure the LPAs are reflecting national policy. Furthermore, there are numerous examples where planning departments are being obstructive to the development of small scale renewable energy projects, and again, there is no evidence that the Planning Division at the Welsh Government is showing any interest.

- Send a strong signal to the renewable energy industry (and not solely the wind industry) that Wales is open for business. There is a growing feeling within the industry that Wales is resistant to renewable energy, and where new players are coming to Dulas to ascertain the potential for renewables, we have to tell them in no uncertain terms that such developments are risky and they may wish to consider going elsewhere.
- Publish regular updates regarding installed renewable generation compared to the targets set in Section 12.8 of PPW 2011 so that there can be benchmarking against progress, and where we may be failing against the targets thereby seek corrective action to get us back on track.

I do not wish to preach to those who may be knowledgeable already, but may I remind you of not inconsiderable challenge we are facing. In order to achieve our commitments to reducing greenhouse gas emissions by 80% by 2050, renewable energy will be foremost alongside energy reduction, energy efficiency and nuclear power is delivering on the commitments. Currently there is approximately 85GW of energy generation in the UK. This will reduce by 22GW of existing generation by 2020 as a result of tightening environmental regulations and ageing power stations, leaving only 63GW of power generation. If this figure is coupled with the expected increase in demand for electricity through to 2050, it is expected that the total capacity of electricity may need to more than double. As such we are likely to need a further 60-80GW of energy generation in the next three decades, a considerable increase on our current capacity. Only through bold and forthright governance at all levels will we be able to even begin making inroads towards these requirements. If we do not we will be reliant on imported energy which will increase our vulnerability to the market and geo-political change, and reduce our nation's resilience in the face of environmental change.

We strongly beseech the Assembly to look inwardly first at its current position on enabling Wales to attain a low carbon economy before embarking on requesting further devolved energy powers. We are not convinced that Ministers and decision makers are aware of the exacting requirements into the future for energy generation and until the Assembly convinces us of its awareness of the need argument and its commitment to it we will withhold any encouragement towards greater decision making powers for Wales.

Finally either myself or another senior member of staff from Dulas Ltd would be pleased to appear before the Committee if requested to present an opinion from a company in Wales facing the very real challenges of delivering renewable energy on the ground.

Yours sincerely

Michael Phillips  
Director, Dulas Ltd