

Environment and Sustainability Committee

Inquiry into Energy Policy and Planning in Wales

EPP 225 - Farmers' Union of Wales

**NATIONAL ASSEMBLY FOR WALES'
ENVIRONMENT AND SUSTAINABILITY
COMMITTEE'S INQUIRY INTO ENERGY
POLICY AND PLANNING IN WALES**

Response from the Farmers' Union of Wales

September 2011

NATIONAL ASSEMBLY FOR WALES' ENVIRONMENT AND SUSTAINABILITY COMMITTEE'S INQUIRY INTO ENERGY POLICY AND PLANNING IN WALES

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INTRODUCTION

1. The Farmers' Union of Wales welcomes this opportunity to contribute to the Environment and Sustainability Committee's Inquiry into Energy Policy and Planning in Wales, with particular reference to how the current policies and planning in Wales affect the farming industry's contribution to renewable energy production.
2. The Farmers' Union of Wales (FUW) supports the generation of energy by renewable processes as a means of reducing Wales' dependence on fossil fuels and the negative impacts associated with them on the environment.
3. Owing to an abundance of natural resources, Wales is ideally placed to lead by example in the generation of renewable energy. With the Welsh Government actively encouraging alternative enterprises and diversification, the farming industry in Wales is ideally placed to play an important role in meeting the Government's targets for renewable energy.
4. The Union believes that the farming industry in Wales can make a significant contribution to meeting the Government's targets for renewable energy production whilst helping to reduce greenhouse gas emissions and other adverse environmental impacts of climate change.
5. As part of this contribution, the Union favours the development of on-farm or small scale local energy generation, which is less intrusive to the landscape and the benefits of which can be passed directly to the local community.

Questions

Question 1

What are the implications for Wales if responsibility for consenting major onshore and offshore energy infrastructure projects remains a matter that is reserved by the UK Government?

6. Wales cannot act in isolation on the issue of climate change and the production of renewable energy.
7. The Union believes that a holistic approach across the devolved nation is needed, especially as some industries in Wales, such as electricity

generation, are outside the Welsh Government's 'areas of devolved competence'. This places Wales at a considerable disadvantage as a significant proportion of production, for example 26% of electricity produced in 2009¹, is consumed outside the region whilst the emissions associated with manufacture are attributed to Wales.

8. Wales, with its abundance of natural resources has the potential to generate a considerable amount of energy from a number of renewable sources. However, as outlined in the Energy Policy Statement, the greatest potential and, consequently the concentration of Government policies, are on generation using onshore wind energy.
9. The present system of consenting for major onshore and offshore energy infrastructure projects has created considerable controversy and animosity; this is often exacerbated as decisions on developments within Wales are made 'outside' Wales.
10. This concern has been noted in the Welsh Government's Energy Policy Statement which states that 'we [the Welsh Government] continue to believe that it is anomalous that consents for large power stations are executively devolved to Scotland and not to Wales'.
11. Whilst acknowledging that the Infrastructure Planning Commission, with its responsibility for consenting major energy infrastructure projects over 50MW, consults with local planning authorities on any applications which are passed to it for consent, only a small number of Commissioners have a direct understanding of the Welsh landscape, its farming practices and the predominately rural nature of its communities.
12. The FUW believes that the Welsh Government should have a greater say on developments proposed for Wales, either through the Infrastructure Planning Commission or directly to the Westminster Government. Consideration should also be given to the devolution of consenting powers, for all infrastructure projects, to the Welsh Government.
13. Whilst the Union accepts that targets need to be set for the amount of energy generated from renewable sources, there appears to be very little continuity between the targets set by the Westminster Government and the Welsh Government and how these targets relate to each other. For example, the UK Renewable Energy Roadmap² has set a target for 15% of energy demand to be met by renewable sources by 2020 whereas the Welsh Government's Energy Policy Statement sets the broad target to "Renewably generate up to twice as much electricity annually by 2025, as we do today".
14. The Union believes that there needs to be a more uniform approach to setting targets for the amount of renewable energy to be generated.

¹ http://www.decc.gov.uk/assets/decc/statistics/publications/trends/articles_issue/1095-electricity-generation-supply-trends-art.pdf

² <http://www.decc.gov.uk/assets/decc/11/meeting-energy-demand/renewable-energy/2167-uk-renewable-energy-roadmap.pdf>

15. Whilst the Union doesn't have a specific view on whether a formal review of TAN 8 should be undertaken, it fully agrees that, as stated in the Energy Policy Statement, the TAN should be kept under review in light of progress towards achieving its targets.
16. Due to rising input costs, including the cost of electricity, farmers in Wales are seeing renewable energy as a viable means of reducing costs and improving the environment. However, many are deterred from doing so by the level of bureaucracy associated with gaining planning permission for developments. While welcome changes have been made to the planning system, such as the domestic permitted development rights for certain types of renewable energy generation technologies, the Union believes that further changes are needed particularly regarding the consistency of decision making across planning authority areas and of consents from the Environment Agency for hydro-electric schemes etc.

Question 2

How does this affect achievement of the Welsh Government's aspirations for various forms of renewable and low carbon energy as set out in the Energy Policy Statement?

17. The FUW believes that, within the context of 'devolved competence' particularly relating to planning, the current regulatory framework is sufficient to make a positive impact on increasing the uptake of renewable energy.
18. The current emphasis on the use of wind energy to deliver the renewable energy production target could mean that Wales and the UK will become reliant on one source for renewable energy production.
19. Given this perceived concentration on a single means of power generation, it is difficult to envisage how the Welsh Government's aspirations for a range of renewable energy sources, to be used to generate electricity, can be achieved.
20. The Union believes that reliance should not be placed on one single form of generation to meet the targets for renewable energy generation. Greater use of other sources should be exploited although these might be on a smaller scale.
21. Due to its topography and geography, Wales has an abundance of natural resources including water, biomass in the form of timber and, to a lesser extent, solar. The utilisation of these is vital to ensure that a variety of sources are used to generate renewable electricity.
22. In its final report, the Land Use and Climate Change Group highlighted the potential to generate 0.3TWh per year from small scale hydro schemes in upland Wales, 1TWh/year from community or personal scale wind turbines, 1TWh/year from biomass and 0.03TWh from solar photovoltaic panels.

23. As outlined in the introduction, the Union favours the development of small-scale renewable energy projects which would be less intrusive on the landscape and offer farmers an opportunity to diversify their businesses.
24. The Welsh Government has already taken some welcome steps towards increasing the amount of small-scale renewable energy generation projects including the extension of the Domestic Permitted Development Rights to allow certain forms of renewable energy generation equipment to be installed without the need for planning permission and a recent consultation on extending similar proposals to non-domestic premises including farms.
25. The current Welsh and Westminster Government strategies – the Energy Policy Statement, UK Renewable Energy Roadmap – concentrate on the installation of renewable energy generation equipment on a major infrastructure scale. The FUW believes that all scales of generation have a part to play in achieving the various targets set and believes that now is the time to establish a strategy to encourage renewable energy generation on a smaller scale.
26. The FUW believes that a greater emphasis should be placed on smaller renewable energy generation projects as this will not only provide the 'energy mix' desired by the Welsh Government, but will also alleviate the issues previously identified with the consenting arrangements for larger scale projects.

Question 3

How does this affect delivery of the Welsh Government's target for a 3 per cent reduction in Green House Gas emissions per annum from 2011?

27. As the target to reduce Greenhouse Gas Emissions by 3 percent annually is in its first year, it remains to be seen how achievable the target is.
28. Since the 3 percent emissions reduction target was first consulted on, the Union has remained unclear as to how the target was initially conceived and what scientific basis and baseline data were used to determine this figure.
29. The various documents and strategies also do not make it clear how or where renewable energy produced in Wales but exported to England will be accounted in the numerous targets set for renewable energy production and the emissions reduction target.
30. The FUW believes that the agricultural sector in Wales can make a significant contribution to the achievement of the Welsh Governments' 3 percent emissions reduction target through the mitigation of its own emissions as well as the emissions of other sectors through carbon sequestration in soils and timber and the production of energy crops to replace fossil fuels.

31. However, to date, the uptake of renewable energy projects has been slow. In addition to public perception issues (mainly with wind turbines) and constraints within the planning system, the main barrier to uptake is the high costs associated with planning and installing the generation equipment. Within Wales there are also issues with the infrastructure associated with connections to the National Grid to allow excess energy to be exported.
32. The Union strongly believes that, as central Government has signed up to the various International renewable energy generation targets as well as targets to reduce carbon emissions, provision should be made for central funds to reduce the costs associated with planning and installing renewable energy generation equipment as a means of encouraging uptake.
33. The Union believes that the contribution of renewable energy to achieving this target will involve numerous projects from small scale through to major infrastructure based projects. The smaller scale and community based developments, which local planning authorities and the Welsh Government have control over, will bring about more tangible benefits as local people will benefit directly from these developments.

Question 4

What will be the impact if consenting decisions on major infrastructure projects and associated development are not all taken in accordance with Welsh planning policy?

34. Wales is already affected by the impacts of developments not being taken in accordance with Welsh planning policy. For example, the Strategic Search Areas set out in TAN 8 were identified as areas suitable for development so that the targets set by the Welsh Government could be attained. However, these areas are seeing proposed developments which exceed the limits originally proposed.
35. Welsh planning policy is drafted specifically to reflect the needs of the Wales. Once developments exceed the limit over which the Welsh Government are able to make a decision, then there is no requirement for the UK Government or the Infrastructure Planning Commission to take these policies into account.
36. The proliferation of large scale developments could also impact on smaller scale projects which could benefit a single dwelling, business or community as local authorities could be less willing to grant permission for smaller developments particularly where larger scale developments are proposed or have already taken place.
37. All of the sites identified within the Strategic Search Areas are within rural areas of Wales. This will represent a considerable challenge in terms of transporting the components of wind turbines into these areas and developing the associated infrastructure to export electricity from the sites which will impact on local residents and tourists.

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