
BRIA Business Interview- SHE-T

Q1. Briefly describe your business objectives

Answering on behalf of Scottish Hydro Electric Transmission (SHE Transmission).

We own and maintain the 132kV, 275kV and 400kV electricity transmission network in our licence area. Our network area extends over a quarter of the UK land mass across some of its most challenging terrain. Our operating area is home to vast renewable energy resources, and this is being harnessed by wind, hydro and marine generation.

Our Strategic Objective is to enable the transition to a low carbon economy through building and maintaining the transmission infrastructure required to connect renewables and transporting that energy to areas of demand.

Q2. Do you agree with the objectives of the SIRMP?

Yes

Benefits of Implementing the Different Options

Q3. Do you agree/disagree with the suggested benefits as an outcome of implementing each of the three options?

We believe there is a risk of double regulation which needs to be considered to ensure there is no unnecessary bureaucracy or additional cost which for SHE Transmission, as a regulated business, would ultimately be borne by GB energy consumers.

With three levels of overarching policy - The Marine Scotland Act; the National Marine Plan and Regional Planning, it could result in one project requiring consents under several different regimes for one piece of work i.e. the installation of a cable leading to an increase in cost and consenting risk.

It is critical that all policies are aligned and they all link together, particularly to avoid potential conflict across the planning regime. There is a risk that one policy within the Plan may push us into conflict with another policy

We also have concerns that the Plan could have an effect on work already in development and would seek reassurances that changes in policy will not be applied retrospectively. Our Transmission projects can have a long development process i.e. potentially in excess of 10 years and we do not feel it would be appropriate for projects already in development to face additional hurdles which could threaten their viability.

[Rachel- 4th Edition already Supplementary Guidance so need to comply. There is a caveat for most policies within the SIRMP to allow for greater social or economic benefits of national importance]

Q4. Are there any further potential benefits of each option to your business/sector?

Once the Plan is adopted it will give a firm understanding of marine planning and consenting requirements in relation to Shetland's waters for all future developments, which we welcome.

Costs of Implementing Options 1 & 2

Q5. Do you agree/disagree with the costs associated with implementing option 1?

As we already have an understanding of the costs associated with implementing Option 1, this would be business as usual for us.

Q6. Do you agree/disagree with the costs associated with implementing option 2?

As we already have an understanding of the costs associated with implementing Option 2, this would be business as usual for us.

Costs of Implementing Option 3

Q7. Do you agree/disagree with the cost assessment of the new/amended policies within the SIRMP as detailed in **Table 1**?

Costs are as yet unknown, however, several of the policies have wording which does not give temporal or spatial limits which makes understanding the implications challenging. We would therefore seek more clarity on this, and the opportunity to comment further before its introduction

Q8. Are you in favour of implementing the SIRMP and the policies within it?

Yes, we are in favour and believe the Plan is a good thing. It provides local communities opportunities to understand and manage local marine environment.

However, we do have concerns over some policies but we believe they can be addressed through the consultation process.

In Summary, we are generally supportive of the policies subject to some wording clarifications and potential minor changes.

Q9. Can you foresee any specific positive/negative impacts to your business resulting from the implementation of the SIRMP?

As set out above we believe there is a risk of double regulation which needs to be considered to ensure there is no unnecessary bureaucracy or additional cost, which for SHE Transmission, as a regulated business, would ultimately be borne by GB energy consumers. This could result in having a works licence with conditions that don't match the marine licence.

As energy and telecommunication industries have not had a chance to sit on policy working groups, we have had limited opportunity to set out the potential implications of changes in marine planning policy on the future development of transmission infrastructure in Shetland's waters.

However, the SIRMP does provide a clear understanding of requirements with 12 nm of Shetland, with this clarity welcome for future developments.

Amended Policy-Waste Minimisation (Pg 28 SIRMP)

See Table 2: Amended and new policies

Q10. Do you currently consider waste minimisation as part of the EIA process?

Subsea cables of the type we design and operate do not require an EIA, however waste is considered in the project development, covered by our sustainability strategy, and covered by numerous legislative instruments

Q11. Do you create waste minimisation plans in-house? What does it entail? How many man hours does it take?

The standards we have on vessels are more rigorous than the standards in the Plan. Waste is fully traceable and logged including the ash from incineration, where permitted, of waste on board vessels. This is driven by legal requirements for the vessels themselves with the vessel Master legally responsible for compliance.

Onshore, SHE Transmission have robust standards for waste management on our sites and we require contractors to produce and implement waste management plans prior to the commencement of works on site. Our new Sustainability Strategy published in 2018 provides further information on waste minimisation targets and how we will implement these.

Q12. Do you currently have written waste management procedures?

See answer for Q11

Q13. Can you foresee any other costs that could be associated with the amended policy?

Other than previously mentioned, no additional costs are foreseen as a result of this policy.

Amended Policy- Safeguarding Navigation Channels and Port Areas (Pg 32 SIRMP)

See Table 2: Amended and new policies

Q14. Are you likely to submit an application for a development adjacent to a port/harbour area?

Yes-Scalloway and offshore, and island connections to connect future island wind development.

Q15. Do you envisage that this policy would cause you any economic impact on your business?

In term of the currently worded policy, yes. It could impact on route selection for cables.

No definition of the word 'adjacent'- for example it could mean 50m or 5km

No definition of the word 'future'

Unspecified area for an infinite amount of time- is challenging.

[Rachel- look into if this could be changed to link to the harbour master plan for an area]

It would be useful to have defined shipping channels into the major ports. Wording- 'safe navigation in and out of harbour' but no set routes to show the safe navigation routes.

We would welcome the opportunity to be involved in further consultation on these aspects.

[Rachel states that there are no defined channels into and out of Lerwick harbour. Only traffic management system around Fair Isle to avoid collision]

Q16. Do you think this policy would have a greater impact on the development potential around smaller ports/harbours?

Provided wording changed to give clarity on future and proximity, then we would not foresee any significant challenges.

Amended Policy- Safeguarding Marine Recreation (Pg 94 SIRMP)

See Table 2: Amended and new policies

Q17. Do you think your business/development type could be impacted by the amendment to the wording of this policy?

Provided changes made as noted, no long term issue- minor constraints during construction but none longer term.

New Policy- Harbour Plans (Pg 32 SIRMP)

See Table 2: Amended and new policies

It has always been a requirement that developers comply with specific harbour plans, policies, directions and by-laws, this policy has been included to add clarity and consistency.

Q18. Can you foresee any additional impacts associated with the inclusion of this new policy into the SIRMP?

Policy needs to define, Adjacent, Future and Proximity, and shipping routes.

Provided the above can be included we do not foresee any major challenge. Scalloway is a reasonable distance from our proposed Shetland HVDC link and Sullom Voe is already well understood.

If 'Yes', please give details of any potential impacts and associated costs.

New Policy- Habitat Protected Areas (Pg 49 SIRMP)

See Table 2: Amended and new policies

This policy gives protection to areas closed to fishing by the SSMO (which have been closed to protect PMFs). There is overlap between this policy and policy MP SPCON4 which protects Priority Marine Features.

Q19. Can you foresee any additional impacts associated with the inclusion of this new policy into the SIRMP?

We accept this policy. Routine for us to avoid where possible, if we can't we look to understand the feature and the impact we would have on that feature.

If 'Yes', please give details of any potential impacts and associated costs.

New Policy- Decommissioning of Assets (Pg 100 SIRMP)

See Table 2: Amended and new policies

Q20. Do you agree/disagree with the inclusion of this policy?

Agree with this policy-not a problem for us.

Q21. Have you ever had to create a decommissioning plan?

We develop decommissioning plans as part of our Crown Estate lease. The plans are at a high level due to the 40 year design life of our assets, and we normally note that any decommissioning would be driven by the legislation applicable at the time and a detailed assessment of the environmental and social impact of decommissioning versus leaving in situ would be undertaken.

Q22. If you were directed to create a decommissioning plan, how easy would it be for you to compile the necessary information?

See question 21

Q23. Please give an estimate of the man hours it takes to create a decommissioning plan

Estimate 80 hours to draft a decommissioning plan and up to 200-300 to undertake an impact assessment should one be required, though these figures are estimates as the legislation applicable in the future is unknown.

New Policy- Development Restricted Areas (Pg 101 SIRMP)

See Table 2: Amended and new policies

Q24. Would you be likely to submit an application within a development restricted area?

Yes potentially

Q25. Aquaculture isn't currently allowed within these areas; do you agree with this policy or does it restrict your business development (for example expansion into seaweed farming)?

For visual amenity, it would be helpful if a time scale could be added to the policy. We may be on site for a month installing a cable which could result in a temporary impact on visual immunity, as opposed to the longer term impact of an agriculture site.

Competition Assessment

Q26. Do you think that the SIRMP could directly or indirectly limit the number or range of suppliers?

N/A

Q27. Do you think that the SIRMP would limit the ability of suppliers to compete?

N/A

Q28. Do you think that the SIRMP would limit the suppliers' incentives to compete vigorously?

N/A

Q29. Do you think that the SIRMP policies could limit the choices and information available to consumers?

N/A

Consumer Assessment

Q30. Do you think the policies within the SIRMP will have an effect on the quality, availability or price of any goods or services in a market?

N/A

Q31. Do you think the policies within the SIRMP will have an effect on the essential services market, such as energy and water?

Yes, particularly due to the potential increased cost of development the changes in policy could result in.

As a regulated business, our costs are ultimately recovered from GB electricity consumers and we have a duty to ensure our investments are efficient and economical.

Q32. Do you foresee that the SIRMP would involve storage or increased use of consumer data?

N/A

Q33. Do you think that the SIRMP would increase opportunities for unscrupulous suppliers to target consumers?

N/A

Q34. Do you think the SIRMP would impact the information available to consumers on either goods or services, or their rights in relation to these?

N/A

Q35. Do you think the SIRMP would affect routes for consumers to seek advice or raise complaints on consumer issues?

N/A