

Review of energy National Policy Statements Consultation – Regen response

November 2021

Introduction

The Energy NPS is a vital set of policy documents that provides the decision-making process for Nationally Significant Infrastructure Projects (NSIPs). The Energy NPS, therefore, guides large-scale energy developers across the UK on how to develop appropriate projects that should deliver the large-scale energy infrastructure needs of the future UK energy system.

Regen is an independent, not-for-profit centre of expertise in sustainable energy with nearly 20 years' experience in transforming the energy system. We have over 150 members from business, local authority, community energy, clean energy developers, academic institutions, and research organisations across the energy sector. Our consultation response is drawn from our substantial engagement with organisations across the sector – including a paper on [Planning for a Smart Energy Future](#) commissioned by the Royal Town Planning Institute.

Headline recommendations

As recognised in the consultation, the current Energy NPS is severely out of date and not in line with the UK government's net zero ambitions. Regen recognises the efforts of the Good Law Project and its associates to ensure that Government undertook this much needed review.

Overall, the rationale behind this update to the energy NPS is to be welcomed, as it attempts to bring planning for energy infrastructure into line with the UK's climate ambitions. In particular, statements in EN-1 represent a valuable shift in the focus of the Energy NPS towards zero carbon generation, for example: *"Our analysis shows that a secure, reliable, affordable, net zero consistent system in 2050 is likely to be composed predominantly of wind and solar."* Similarly, ruling out new coal and large-scale oil-fired electricity generation is a clear requirement of the transition to net zero and Regen welcomes statements to this effect.

However, there remains within the draft energy NPS the potential to consent a range of technologies that are not net zero compliant – and therefore it fails in its ambition to align planning policy with the UK's climate ambitions. If the UK is to meet its ambition of a net zero energy system by 2035, no projects should be consented now that will continue to create unabated emissions beyond 2035. The Energy NPS should set requirements for all new energy projects to demonstrate that they are net zero compliant, or can be made to be net zero compliant by 2035 at the latest.

We discuss the specifics of this issue in more detail below, making the following recommendations:

- 1. The Energy NPS should only allow consent to be granted for energy infrastructure that is net zero compliant.**
- 2. "Urgency" and "presumption in favour of development" should only relate to net zero compliant projects.**
- 3. Carbon Capture Readiness requirements should apply to all scales of new gas fired projects.**
- 4. New gas pipelines should not be supported through the NPS.**
- 5. A requirement for effective community engagement should be woven through the Energy NPS.**
- 6. The NSIP consenting process should be reviewed to streamline the process in line with devolved administration decisions.**
- 7. The government should commit to regular reviews and updates of the Energy NPS.**

1. Net zero compliance is vital

The draft Energy NPS allows the consenting of a number of technologies that are not net zero compliant. The rationale set out for this is predominantly based on security of supply arguments, as well as asserting that it is not the role of planning to limit which technologies are developed:

“3.2.4 It is for industry to propose new energy infrastructure projects within the strategic framework set by government. With the exception of new coal or large-scale oil-fired electricity generation, the government does not consider it appropriate for planning policy to set limits on different technologies but planning policy can be used to support the government’s ambitions in energy policy and other policy areas.”

Regen argues strongly that planning is a key lever that can and should be used to deliver the UK’s net zero ambitions. We strongly disagree with the statement that planning is not an appropriate way to set limits on different technologies – ultimately setting appropriate standards for developments and technologies is one of the critical functions that robust planning policy can and should deliver. If the UK is to achieve a net zero power system by 2035, it is absolutely vital that every tool in the government’s toolbox is deployed to that end.

Our recommendation: The Energy NPS should only allow consent to be granted for energy infrastructure that is net zero compliant.

2. Arguments about urgency and the presumption in favour of development

The draft Energy NPS includes clear statements that there is a presumption in favour of developing energy NSIPs and that there is an urgent need for new energy infrastructure. Regen supports this messaging to the extent that there is an urgent need for new zero carbon generation capacity, storage and supporting infrastructure. Arguments around urgency should not be used as justification for consenting projects that are contrary to the UK’s net zero aims.

Our recommendation: “Urgency” and “presumption in favour of development” should only relate to net zero compliant projects.

3. Carbon Capture Readiness should apply at all scales

The proposals on new gas-fired electricity generation are particularly weak, with the main proposal requiring only sites that are over 300 MW to be Carbon Capture Ready (although we recognise this is subject to the ongoing consultation on Decarbonisation Readiness).

At present, gas-fired power generators over 300 MW in scale make up 72% of gas generation capacity in the UK, with around 27.3 GW of capacity from 27 sites, from a UK total gas generation capacity of 38 GW.

The CCC’s Sixth Carbon Budget sector summary on Electricity Generation highlights that “efforts to decarbonise electricity generation will need to focus on displacing unabated gas”. In its Balanced Pathway, CCC estimates approximately 4 – 7 GW of gas Carbon Capture and Storage (CCS) is required in 2035, with unabated gas needing to be entirely phased out. This represents an 80 to 90% reduction in capacity of gas generation compared to the current (unabated) total.

The CCC highlights the need to:

“Prevent lock-in of unabated gas technology. That includes ensuring that any new-build unabated gas plant are properly able to retrofit for CCS or hydrogen and, subsequently, ensuring they are no longer built.”

Given the government's ambition for a net zero electricity system in 2035 and the CCC's analysis, it does not make sense to be consenting any new gas-fired power stations that are not Carbon Capture Ready at present.

We recommend that the Energy NPS should require all new gas generation to have a demonstrable route to capturing emissions by 2035. Where sites fail to successfully install CCS in time, they should be required to decommission. Given the uncertainties surrounding CCS development, this is likely to limit the number of sites that are consented, forcing an increased focus on developing and deploying dispatchable technologies that are net zero compliant.

Our recommendation: Carbon Capture Readiness requirements should apply to all scales of new gas-fired projects and a date should be set by which all new projects need to have CCS operational.

4. Extending the gas supply and distribution networks

The proposed policy does not require new gas pipeline projects to demonstrate that they can convert to a zero carbon compliant alternative in future. Investment in new gas pipeline without a route to decarbonise its use risks creating stranded assets and inefficient investment.

The rationale given in the consultation for not considering this issue is that *"this approach is more likely to give confidence to developers to come forward with planning applications which if approved will contribute to security of supply and affordability, whereas the alternative may compromise security of supply and affordability and lead to adverse economic effects"*.

It is vital that UK government prioritises and invests in alternatives to continuing to extend the UK's gas supply and distribution networks, creating a secure, affordable alternative that produces investment, jobs and other positive economic effects.

Our recommendation: New gas pipelines without a very clear route to decarbonisation should not be supported through the Energy NPS.

5. Effective community engagement

The proposed Energy NPS misses the opportunity to comment on the need for effective community engagement on projects of all technologies or scales. Whilst engagement with relevant stakeholders is mentioned throughout the section in EN-3 on offshore wind, similar engagement requirements are missing from other technology sections. Effective engagement is paramount to ensuring that new energy infrastructure maintains the support of the public.

The principles of good engagement for onshore wind projects were set out [by Regen for BEIS \(DECC\) in 2014](#). BRE's National Solar Centre [Community Engagement Good Practice Guide for Solar Farms](#) sets out principles for solar developments. Similar principles apply to all energy developments and the Energy NPS should set clear requirements for effective engagement. Without effective engagement, there is a risk that projects are not suitably conscious of specific local issues and concerns and that as a result, communities move to block the delivery of the energy infrastructure needed to deliver the UK government's net zero commitment.

Our recommendation: A requirement for effective community engagement should be woven through the Energy NPS.

6. Review of NSIP consenting process

The NSIP consenting process is considered slow and expensive by energy developers. Feedback from Regen members is that developers often seek to avoid the NSIP regime by sizing projects beneath the threshold in order to go through the Town & Country Planning process instead.

The Net Zero Strategy refers to government plans to “explor[e] ways of streamlining processes through the NSIP reform programme”. The UK government should consider aligning the process more closely with the devolved administrations’ approach. The devolved administrations have more nuanced requirements that depend on the type and scale of application rather than blanket requirements that apply to all NSIPs

Our recommendation: The NSIP consenting process should be reviewed to streamline the process in line with devolved administration decisions.

7. Regular reviews and updates of Energy NPS

As recognised in the consultation documents, the 2011 Energy NPS is now very much out of date after 10 years, both from the perspective of its aims and the technologies it covers. We recommend an annual review cycle for the Energy NPS that seeks feedback from developers and other stakeholders to ensure that over time the Energy NPS remains fit for purpose. In particular, the proposed revised Energy NPSs contain a significant volume of detail. It is likely that some of these details cause unforeseen issues for developments and so an early review after a year of use would be strongly beneficial. This review process should engage stakeholders through a range of formats, including industry roundtables to discuss the issues.

Our recommendation: The government should commit to regular reviews and updates of the Energy NPS.

About Regen

Regen is an independent, not-for-profit centre of expertise in sustainable energy with nearly 20 years’ experience in transforming the energy system, and we have extensive experience delivering independent expert advice and market insight on all aspects of sustainable energy delivery.

Regen is also a membership organisation and manages the Electricity Storage Network (ESN) - the UK industry group formed in 2008 dedicated to electricity storage. Regen and the ESN have over 150 members from business, local authority, community energy, clean energy developers, academic institutions, and research organisations across the energy sector.

In particular, we draw our experience from substantial engagement over several years with renewable energy developers, Distribution Network Operators and local planning authorities – including a paper on [Planning for a Smart Energy Future](#) commissioned by the Royal Town Planning Institute.

This response is based on this extensive practical experience and input from our members.

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