



Cynulliad Cenedlaethol Cymru **The National Assembly for Wales**

Y Pwyllgor Amgylchedd a Chynaliadwyedd **The Environment and Sustainability Committee**

Dydd Iau, 15 Mawrth 2012
Thursday, 15 March 2012

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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Mick Antoniw	Llafur Labour
Yr Arglwydd/Lord Elis-Thomas	Plaid Cymru (Cadeirydd y Pwyllgor) The Party of Wales (Committee Chair)
Rebecca Evans	Llafur Labour
Russell George	Ceidwadwyr Cymreig Welsh Conservatives
Vaughan Gething	Llafur Labour
Llyr Huws Gruffydd	Plaid Cymru The Party of Wales
Julie James	Llafur Labour
William Powell	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
David Rees	Llafur Labour
Antoinette Sandbach	Ceidwadwyr Cymreig Welsh Conservatives

Eraill yn bresennol
Others in attendance

Russell Bennett	Pennaeth yr Uned Prosiectau Seilwaith, Yr Adran Gymunedau a Llywodraeth Leol Head of Infrastructure Projects, Local Government and Communities Department
John Griffiths	Aelod Cynulliad, Llafur (y Gweinidog yr Amgylchedd a Datblygu Cynaliadwy) Assembly Member, Labour (Minister for Environment and Sustainable Development)
Edwina Hart	Aelod Cynulliad, Llafur (y Gweinidog Busnes, Menter, Technoleg a Gwyddoniaeth) Assembly Member, Labour
Carwyn Jones	Aelod Cynulliad, Llafur (y Prif Weinidog) Assembly Member, Labour (First Minister)
Gareth Jones	Llywodraeth Cymru Welsh Government
Dr Ron Loveland	Cynghorydd Ynni i Lywodraeth Cymru Energy Adviser to the Welsh Government
Gwenllian Roberts	Dirprwy Gyfarwyddwr, Ynni a'r Amgylchedd ac Ymgysylltu Rhanbarthol (Gogledd Cymru) Deputy Director, Energy & Environment and Regional Engagement (North Wales)
Carl Sargeant	Aelod Cynulliad, Llafur (y Gweinidog Llywodraeth Leol a Chymunedau) Assembly Member, Labour (Minister for Local Government and Communities)
Rosemary Thomas	Pennaeth Is-adran Cynllunio, Llywodraeth Cymru Head of Planning Division, Welsh Government

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Alun Davidson	Clerc Clerc
Catherine Hunt	Dirprwy Glerc Deputy Clerk
Graham Winter	Y Gwasanaeth Ymchwil Research Service

Dechreuodd y cyfarfod am 9.30 a.m.
The meeting began at 9.30 a.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

- [1] **Yr Arglwydd Elis-Thomas:** Bore da i chi i gyd, a chroeso i'r sesiwn o'r pwyllgor ar gyfer Gweinidogion. Mae'r Prif Weinidog wedi cyrraedd ac ar fin dod i mewn. Nid oes unrhyw ymddiheuriadau.
- Lord Elis-Thomas:** Good morning to you all, and welcome to the committee session for Ministers. The First Minister has arrived and is about to come in. There are no apologies.

Ymchwiliad i Bolisi Ynni a Chynllunio yng Nghymru—Tystiolaeth gan y Prif Weinidog
Inquiry into Energy Policy and Planning in Wales—Evidence from the First Minister

- [2] **Yr Arglwydd Elis-Thomas:** Bore da i chi, Brif Weinidog, a chroeso unwaith eto i'r pwyllgor. Croeso hefyd i Gareth a Ron; mae'n dda iawn eich gweld. Rwyf am ddechrau gyda gair o ddiolch. Rwyf yn ddiolchgar iawn i'r Llywodraeth am gyhoeddi'r papur hwn ddoe mewn pryd i'r pwyllgor hwn er mwyn inni allu ei astudio'n fanwl. Mae'r ddogfen yn dilyn yn weddol agos y maes gorchwyl yr ydym wedi dod ar ei draws fel pwyllgor wrth gasglu tystiolaeth. Rydym yn falch iawn fod y rhaglen waith hon wedi ei chyhoeddi cyn inni gwblhau ein hadroddiad, fel y gallwn dalu sylw manwl iddi.
- Lord Elis-Thomas:** Good morning, First Minister, and welcome once again to the committee. I also welcome Gareth and Ron; it is very good to see you. I will begin with a word of gratitude. I am very grateful to the Government for publishing this paper yesterday in time for this committee so that we could study it in detail. The document follows quite closely the remit that we have encountered as a committee in gathering evidence. We are very glad that this work programme has been published before the completion of our report, so that we can study it closely.

- [3] O gyhoeddi'r ddogfen hon, a ydych yn meddwl eich bod wedi cael gafael o'r diwedd ar yr agweddau strategol uwch ar y polisi ynni?
- In publishing this document, do you believe that you have finally grasped the higher-level strategic aspects of the energy policy?

- [4] **Y Prif Weinidog:** Diolch yn fawr, Gadeirydd. Ni fyddwn yn dweud 'o'r diwedd', ond mae hon yn ddogfen sy'n dangos y cyfeiriad o ran ynni yng Nghymru yn ôl Llywodraeth Cymru.
- The First Minister:** Thank you, Chair. I would not say 'finally', but this is a document that indicates the Welsh Government's direction in terms of energy.

[5] **Yr Arglwydd Elis-Thomas:** A yw hynny'n golygu felly fod eich dealltwriaeth o'r cymysgedd angenrheidiol—mae rhywun yn edrych yn arbennig ar y graff dechreuol ar dudalen 8 sy'n dangos canran y trydan a gynhyrchir yn ôl y math o danwydd—yn golygu eich bod chi fel Llywodraeth wedi mynegi sut rydych am symud tuag at gymysgedd priodol?

Lord Elis-Thomas: Does that therefore mean that your understanding of the necessary mix—one is looking specifically at the initial graph on page 8 showing the percentage of electricity produced according to type of fuel—means that you have as a Government signposted your direction towards an appropriate mix?

[6] **Y Prif Weinidog:** Mae'n bwysig dros ben bod cymysgedd; mae nodyn cyngor technegol 8 yn dweud hynny beth bynnag. Rydym i gyd yn deall nad oes un ffynhonnell o ynni sydd yn mynd i greu ein hynni ni i gyd yn y dyfodol, felly mae'n bwysig sicrhau bod pob ffordd o greu ynni yn cael ei hystyried, er mwyn creu ynni a chreu swyddi yn y dyfodol.

The First Minister: It is very important that there is a mix; technical advice note 8 says so in any case. We all understand that there is no single energy source that will generate all our energy in the future, so it is important to ensure that all types of generation are considered not only for energy generation, but to create jobs in the future.

[7] **Yr Arglwydd Elis-Thomas:** Mae gen i un cwestiwn arall, cyn i mi ofyn i David ddod i mewn. A yw hyn felly yn gadarn drwy'r Llywodraeth i gyd, ac a yw cydlynedd y cydweithrediad rhwng Gweinidogion ac adrannau a swyddogion yn gweithio o ran delifro'r hyn sydd yn y ddogfen?

Lord Elis-Thomas: I have one further question before I ask David to come in. Is this therefore firmly embedded in Government, and is the co-ordination of the co-operation between Ministers and departments and officials working in terms of delivering the content of the document?

[8] **Y Prif Weinidog:** Ydyw. Cymerais y cyfrifoldeb dros ynni er mwyn sicrhau bod gwaith yn digwydd ar draws yr adrannau i gyd, a dyna beth sy'n digwydd. Mae pob aelod o'r Cabinet yn gwybod pa mor bwysig yw sicrhau ein bod yn gwneud y mwyaf o'r adnoddau ynni sydd gennym yng Nghymru.

The First Minister: Yes, it is. I took responsibility for energy to ensure that cross-departmental working takes place, and this is what is happening. Every Cabinet member knows how important it is to ensure that we optimise the energy resources we have in Wales.

[9] **David Rees:** Good morning, First Minister. During this evidence gathering, we have received indications from many developers that the Welsh Government needs to lead and drive forward the energy policies in Wales. You introduced this yesterday in my constituency, where you indicated that Wales is the best possible place to do business by being responsive to the needs of business and industry, and, as a cornerstone of our approach, you will provide leadership to ensure that Wales has a clear and consistent framework. Why should they believe you now?

[10] **The First Minister:** First of all, we have the document that was published yesterday, which provides clarity as to what the future direction should be. Nevertheless, the consents system in Wales is different from that elsewhere in the UK because of the mixture of responsibilities between different levels of Government. Members will know about my clear and strong views on how that could be resolved.

[11] **David Rees:** Does that therefore mean that the Welsh Government will now drive the agenda forward and encourage more leadership across local authorities?

[12] **The First Minister:** We have always sought to drive the agenda forward. It is important that local authorities understand that there are opportunities in terms of community

benefit and job creation as a result of fully developing renewable energy. There is still some work to be done in explaining to some members of the public as to how that is. Nevertheless, there are examples across Wales—in Chepstow and, indeed, in Montgomeryshire—where jobs depend on the development of renewable energy.

[13] **David Rees:** I have one final point for now. The Welsh Government has indicated, and, indeed, the document indicates, changes such as planning law reviews, but what about the resources to support those changes to ensure that we can drive this forward? Is the Welsh Government going to do anything to support the development of those resources, both within the Government and across local authorities?

[14] **The First Minister:** We are confident that we have the resources and the expertise within Government to take forward the document that was produced yesterday. Local planning authorities determine planning applications up to 50 MW. That is something that they are well used to doing, so I believe that there is sufficient expertise in our local authorities to deal with planning applications up to that limit.

[15] **Antoinette Sandbach:** First Minister, I was interested to hear that you wanted to ensure a mix of technologies. What role do you see anaerobic digestion performing in Wales?

[16] **The First Minister:** It is part of the mix. It is right to say that we seek to encourage recycling, re-use and composting as much as possible. However, for the foreseeable future, there will still be waste arisings that cannot be recycled. Therefore, they have to be dealt with in some way. Landfill capacity is reducing significantly in Wales because the amount of landfill space available is diminishing. Therefore, we have to find some way of dealing with those waste arisings that cannot be recycled. If those arisings can be turned into energy in a safe and sustainable way, I see no difficulty with that.

[17] **Antoinette Sandbach:** Can you explain, therefore, why your document yesterday did not mention anaerobic digestion or discuss any aspects of the role of the Wales Centre of Excellence for Anaerobic Digestion?

[18] **The First Minister:** I see anaerobic digestion playing a strong role in terms of recycling. However, when it comes to energy generation, particularly large-scale energy generation, it is clear that the options that are available to us in terms of renewable energy would focus mainly on onshore and offshore wind and marine energy.

[19] **Antoinette Sandbach:** I am glad that you have moved on to marine energy, because, in relation to your document yesterday, were you aware of the evidence that has been given to this committee about the lack of co-ordination with the marine sector and the fact that it was unaware of the energy sector panel that had been set up and had not been asked to contribute to it at all?

[20] **The First Minister:** I am surprised at that. We have funded projects such as the Tidal Energy Limited project in Pembrokeshire to test the potential for marine energy. That is near St Justinian. Part of the issue may lie in the fact that there is a spread of responsibility when it comes to marine energy consenting. Anything under 1 MW, which is pretty small, is devolved. Anything between 1 MW and 100 MW is the responsibility of the Marine Management Organisation, a body that otherwise has no real role in Wales. Anything over 100 MW lies with the Infrastructure Planning Commission. It would be far easier if there were a consenting system that was consistent for the different types of projects that would be proposed, as is the case in Scotland or Northern Ireland.

[21] **Antoinette Sandbach:** Sorry, I was asking you about co-ordination in relation to your energy sector panel and the marine sector. I was not asking about consenting, but about

working across Government departments and whether or not you were aware of that failure and what steps you have taken to address it, because it is contradicted in this document.

[22] **The First Minister:** That has not been made clear to me. I have met potential marine energy providers, but they have not commented to me that there is an issue with regards to input into the Welsh Government. I think that Ron would like to add something here.

[23] **Dr Loveland:** The practical example that we have, as the First Minister mentioned, is DeltaStream at St Justinian. We offered a coherent consenting service for that particular project. More broadly, the document recognises that improvements need to be made to the planning system, but, as the First Minister has also mentioned, there are problems with differing responsibilities.

[24] **Mick Antoniw:** The targets in your paper helpfully set out the objectives. By 2050, it is anticipated that requirements for energy will have almost doubled. How realistic are the Government's targets for energy production and the renewable component of that? To what extent does the inclusion of the Severn tidal element distort those figures?

[25] **The First Minister:** We believe that the figures are realistic. We are aware that there are uncertainties surrounding the future of a Severn tidal project, although we would support the right project, of course. I have met Corlan Hafren, which is bringing forward suggestions for such a project. We believe that the targets are achievable.

[26] **Mick Antoniw:** What about the increase in demand in relation to the targets? Do the targets that have been set accommodate the anticipated requirements for energy in 2050? Is the long-term target achievable?

[27] **The First Minister:** It is difficult to assess demand in a Welsh context. The idea behind the targets is not to try to match demand in Wales, but to recognise that we are part of the national grid in Great Britain. The targets look to ensure that we maximise the potential for renewable energy generation in Wales.

[28] **Mick Antoniw:** If the Severn tidal project that is included—and there is a lot of weight on that—does not go ahead and there is no major development on the Severn, what impact will that have on the targets?

[29] **The First Minister:** We would not anticipate that to have a significant impact on the targets. The Severn tidal barrage is not wholly within Wales in any event. Nevertheless, significant opportunities exist elsewhere in Wales, particularly—but not exclusively—for marine energy. In the right circumstances, I believe that that potential could be realised.

[30] **Vaughan Gething:** On Severn tidal power, I want to clarify the Welsh Government's point of view. On page 22 of 'Energy Wales', when you talk about Severn tidal power, are you talking about a potential range of projects that include a barrage, or do you see it primarily as being a barrage? There is an introductory paragraph and then you talk about the economic benefits of a Severn barrage. Has the Welsh Government reached the point of view of thinking that the most viable project is a barrage?

[31] **The First Minister:** We would support the appropriate project. We have not come to the conclusion that only one project can be supported. It is a question of ensuring that the project is appropriate, sustainable, and able to deal with the environmental issues in the estuary. We are not wedded to one particular project in terms of harnessing the power of the Severn.

[32] **Russell George:** Why is there no specific reference to TAN 8 in the document issued

yesterday? Is the Welsh Government sticking to the same targets and timescales for onshore wind and other forms of renewable energy?

[33] **The First Minister:** Yes.

[34] **Russell George:** We have received evidence that TAN 8 is in place for a good and strategic reason. How important is TAN 8 to the Government?

[35] **The First Minister:** TAN 8 is the planning guidance that we have issued as a Government on renewable energy—onshore renewable energy, of course, as it is a land use planning document. However, it is worth emphasising that TAN 8 has no real force for projects that are larger than 50 MW.

[36] **Russell George:** The One Wales Government made a commitment to review TAN 8 with a full public consultation. When did this Government change its position on that?

[37] **The First Minister:** TAN 8 was brought into being with a substantial amount of public consultation. There were more than 1,700 responses to a consultation process that lasted more than four months. To my mind, no case has been made for reviewing TAN 8. You must bear in mind that, when it comes to major energy projects, the document that carries weight is the so-called national policy statement. The national policy statement makes it clear that, for example, wind turbines could be put anywhere and the strategic search areas could be ignored. That is a position that we could not support. To put it bluntly, it is the imposition of English planning policy guidance on Wales in a way that does not happen elsewhere in the UK.

9.45 a.m.

[38] **Russell George:** We have had quite a bit of evidence from a number of different witnesses, some of whom have suggested that there should be a review of TAN 8, while others have said that there should not. Either way, I think that TAN 8 has been mentioned every week of our inquiry. The previous Government committed to revising TAN 8 with full public consultation. A letter from Jane Davidson to Rhodri Glyn Thomas in December 2009 said that the revision of TAN 8 would be the subject of a full public consultation, in line with standard Welsh Assembly Government procedure, and that, as a result of this public consultation, his constituents would have the opportunity to participate and input into the process at the appropriate stage.

[39] I raise this because many witnesses have come to us frustrated by the fact that they have been promised an input and the ability to be involved in a consultation and yet they have now been told that there will not be a review of TAN 8 with full public consultation. So, I want to help the witnesses in this inquiry to understand the position.

[40] **The First Minister:** It was my understanding that an examination of TAN 8 was carried out by Jane Davidson when she was the Minister. That took place before the last election. In terms of a wider review of TAN 8, the question that I would ask is: what would be the purpose of that? Where are the perceived weaknesses, as some would put it, of TAN 8, and where does that leave people in terms of the NPS? If the NPS is not going to be reviewed in any way, then, when it comes to major planning projects where TAN 8 has minimal relevance—that is not our view, but that is the legal position at the moment—my fear would be that people would get the impression that, somehow, if there were to be a review of TAN 8, that would affect the decisions that would be taken in, for example, Montgomeryshire, whereas in fact many of the decisions would simply be taken by Whitehall.

[41] **Russell George:** My question was not really about Montgomeryshire at all; the letter

was sent to a representative of another part of Wales. The issue is that, when the review that you talked about took place, there was not any public consultation, which is what was promised to the public across Wales.

[42] **The First Minister:** Once again, I come back to the point that I have heard people call for a review of TAN 8, but I am unsure as to why. That is, I understand why people are calling for it, but I do not understand the reasons. What are the perceived weaknesses of TAN 8? Why, then, is there a need to conduct a review?

[43] **Russell George:** I have one final question. Why do you think that the former Minister, Jane Davidson, wanted a full review of TAN 8 with public consultation?

[44] **The First Minister:** Jane Davidson did conduct a review of TAN 8. As you will know, she looked carefully at the targets, or rather the limits on development, in the SSAs, which, as you know, I reintroduced. They have a significant effect in terms of appropriate development in the SSAs, but it is worth emphasising again that the SSAs have no effect, and TAN 8 has no effect—or little effect—when it comes to determining planning applications over 50 MW. We will then see policy guidance developed for England being applied in Wales. That means that, instead of development being limited largely to the SSAs, it could now happen absolutely anywhere in Wales, and I regret that.

[45] **Russell George:** Perhaps I could ask one more question, as I am still a little unclear about this. Jane Davidson committed to a review of TAN 8 with full public consultation, and a full public consultation was not carried out. Why do you think Jane Davidson committed to a review of TAN 8 with full public consultation?

[46] **The First Minister:** I am not Jane Davidson; I cannot answer that question.

[47] **Julie James:** To pursue that point a little further, a number of conflicting pieces of evidence have been given to the committee on the status of various planning policy documents, including TAN 8. On one occasion, we had an argument between two planning officers from different local authorities about the weight to be given to various documents. To return briefly to the leadership point, have you thought about issuing additional guidance to some local authorities on how they should interpret planning guidance, because it is clear that there is not a consensus on that across local authorities in Wales?

[48] **The First Minister:** The guidance is there for the benefit of local authorities. I would not expect local authorities to ignore planning guidance. Nevertheless, we believe that the guidance is clear with regard to renewable energy and across the board. I suppose that slightly different interpretations will be placed by some local authorities, according to local circumstances, but that is local democracy.

[49] **Julie James:** I would go as far as to say that some of them were wrong, First Minister, but that is another point. Turning to a different point, on page 13 of your document, which I also very much welcome, you talk about twenty-first century energy infrastructure for Wales. In the committee, we have had a large amount of evidence about the grid, some of it from National Grid and some from developers and people living around infrastructure projects or possible routes. One thing that struck me is that the evidence from the grid, from the grid's website and in some of the written evidence, is all commercially driven. It does not seem to have any forward thinking in place for what might be required by Wales. It is all driven by what projects it thinks may or may not be connected. It also has a piece on its website about what mix of energy might require to be connected, and that is all driven by what it thinks of as being in the pipeline for applications. In your document, you rightly talk about strategic planning, leadership and future-proofing. Can you tell us a little more about how we could achieve that, given that the grid seems to be so wedded to commercial routes?

[50] **The First Minister:** We have had meetings with National Grid, and we have examined carefully what proposals it might bring forward in the future. However, unlike other parts of the UK, we have no control over the grid infrastructure, which imposes a limit on what can be done strategically.

[51] **Julie James:** When you say that you are working with some of the network distributors, is that part of the same conversation? We have also had evidence about the difficulty of connecting small projects, such as little hydro projects and other community-benefit-type projects, to the grid because of the same sorts of difficulties.

[52] **The First Minister:** I have met with suppliers and distributors on a regular basis. If there are particular examples of difficulties in connecting to the grid on the part of smaller projects, I would like to know about that, to see what can be done.

[53] **William Powell:** Good morning, First Minister. The arguments around the refreshment or revision of TAN 8 have been well rehearsed. The issue that I want to raise is the ETSU-R-97 guidance, which has arisen particularly in cases in Carmarthenshire. It relates to the guidance on noise emissions from windfarms. It is matter of considerable concern in communities there. I believe that, in the spring of 2011, the Department of Energy and Climate Change conducted a review and found this regulation to be wanting, in some respects, because of the way in which technology has moved on. I wonder whether you would consider that reform, or at least some fresh thinking, on this would be useful. Many of the larger developers in mid and west Wales think that the issues to do with noise emissions are causing difficulties for them in progressing their schemes.

[54] **The First Minister:** If there are particular examples of difficulties that have been encountered, I would be more than happy to look at them to see whether greater clarity could be provided through regulations.

[55] **William Powell:** I have another, unrelated, question. Over recent months we have gathered that Dulas Ltd, which is a major, home-grown energy concern based at the Centre for Alternative Technology in Machynlleth, is actively exploring leaving Wales and setting up business in Scotland. What is your message to concerns such as Dulas, which we would desperately wish to retain in Wales?

[56] **The First Minister:** This is the difficulty with the argument that is sometimes put forward by some people that, somehow, there is no benefit locally to renewable energy, particularly wind energy. We have an example there of a substantial number of jobs based outside Machynlleth that could be lost to Scotland. I can give you an example of many more jobs, for example in Chepstow, at Mabey Bridge Ltd, that are dependent on wind energy. It is important that the public realises that renewable energy does sustain jobs in Wales and has the potential to create jobs in Wales. It also has the potential to create a large amount of community benefit. That is a point that is sometimes not presented as well as it might be. Our view is that community benefit might be more generous on the part of the larger energy providers, particularly. I think that that helps to make the case to local communities of the benefit to them of renewable energy projects being based in their areas.

[57] **William Powell:** It is poignant to note that a development that was rejected a few days ago by Powys County Council is about half a mile from a valued village school that is about to close, which has caused considerable local agitation. If things had developed in a different way, with greater emphasis on community resilience and appropriate scale, things could well have been different. Do you concur with that view?

[58] **The First Minister:** I cannot comment on individual planning applications, as you

will appreciate.

[59] **Rebecca Evans:** Good morning, First Minister. You mentioned community benefits, and I was pleased to see that they play such a key role in your document. Renewables UK has told the committee that it is working alongside the Welsh Government to develop a protocol for community benefits. Could you update us on its progress? When can we expect the protocol to be launched? Do you envisage it covering communities affected by the grid as well as by wind turbines?

[60] **The First Minister:** We are working on a protocol, you are right. We want it to be more generous than the protocol that is in place in England. We would look to have that in place by the summer. In terms of renewable energy projects, it does not have to be limited to one particular form of energy generation.

[61] **Rebecca Evans:** So, it could cover the grid too.

[62] **The First Minister:** That is something that we have actively explored with National Grid.

[63] **Rebecca Evans:** In the document, you say that if our transition to a low-carbon future is to be successful, we must ensure that our communities are fully engaged. Could you give us some examples of what the Welsh Government is doing to encourage informed debate among communities, and also to engage communities with the low carbon agenda?

[64] **The First Minister:** I believe that there is an emphasis on developers explaining things clearly and at an early stage to local communities. They can then make a judgment as to what they think is the way forward for them. It is right to say that there will be some people who will be resistant to anything, regardless of what community benefit might be on the table; they will never be won over. However, I believe—and there are examples of this, such as Carno in Powys—that local communities can receive significant benefits as a result of turbines being placed in the area. There is great potential for local communities to harness this energy potential in a positive way financially, and I think that most people would support that, even though there will always be some people who will be resistant to any kind of development, no matter what benefit it might bring.

[65] **Rebecca Evans:** I know that the Welsh Government is keen that one of those benefits would be jobs. How are you ensuring that local people are well placed to take up those jobs, through training and educational opportunities?

[66] **The First Minister:** The first thing that we must do is persuade those firms that are already in Wales, like Dulas, to stay in Wales, because the impression would otherwise be given that Wales is unfriendly to the technology that they produce. That is how they might perceive things. That is not the impression that we convey as a Government, but it is certainly the way that they perceive things at the moment. We will do all that we can to preserve those jobs in Wales.

[67] It is important that there is a realisation that renewable energy is a major sector for us—it employs lots of people in Wales. However, we also have to understand that, when it comes to marine energy in particular, there is enormous potential for creating jobs through the manufacturing and maintenance of the kit that generates the energy, particularly through our ports. We are actively pursuing proposals as to how Welsh ports might become hubs for the maintenance of offshore wind installations. In doing that, not only would we harness the benefits in terms of lowering our carbon footprint, we would also harness the benefits in terms of job creation. The two go hand in hand, to my mind. If we are to properly harness Wales's resources, there has to be a demonstrable benefit to local communities, as well as

benefit in terms of job creation.

10.00 a.m.

[68] **Llyr Huws Gruffydd:** Hoffwn holi rhai cwestiynau am ddatganoli yn y maes hwn. Yn gyntaf, beth yw goblygiadau'r ffaith bod y penderfyniadau ar ddwy ran o dair—os ydych yn mesur y megawat—o'r prosiectau sydd yn y system ar hyn o bryd yn cael eu cymryd y tu allan i Gymru? Onid ydych yn rhwystredig am hynny, gan ei bod yn debyg na fydd elfennau yn cael eu datganoli am rai blynyddoedd, gan na fydd comisiwn Silk yn adrodd ar hyn nes 2014?

[69] **Y Prif Weinidog:** Mae fy marn i yn glir: nid wyf yn cytuno o gwbl â'r sefyllfa ar hyn o bryd, lle mae penderfyniadau ar brosiectau mawr a rhai prosiectau eithaf bach, yn enwedig ar y môr, yn cael eu gwneud y tu allan i Gymru. Nid yw hynny'n digwydd yn Lloegr, yr Alban na Gogledd Iwerddon. Mae gan bobl Cymru yr hawl i reoli eu hadnoddau. Nid dyna yw'r sefyllfa ar hyn o bryd.

[70] **Llyr Huws Gruffydd:** Felly, yn realistig, pa mor fuan y gallwn obeithio gweld yr elfennau rydych am eu gweld yn cael eu datganoli?

[71] **Y Prif Weinidog:** Rydym wedi gofyn sawl gwaith, a'r ateb rydym yn ei gael yw bod yn rhaid aros i weld beth mae comisiwn Silk yn ei argymhell. Y broblem gyda hynny, yn enwedig gydag ynni morol, yw bod swyddi yn cael eu colli o'r herwydd. Rhoddaf enghraifft: gyda'r ROCs, sef y tystysgrifau goblygiadau adnewyddadwy, os mai dyna'r cyfieithad cywir—rwy'n siarad â rhywun sydd â gradd yn y Gymraeg, wrth gwrs—nid ydym yn rheoli'r lefel yng Nghymru, fel y bydd Aelodau yn gwybod. Yn yr Alban a Gogledd Iwerddon, maent yn rheoli'r lefel. O ganlyniad, mae'r Alban wedi gallu symud ymlaen gydag ynni morol, er bod yr amgylchiadau yn yr Alban yn fwy anodd, gan fod y môr yn fwy garw nag ydyw yng Nghymru. Oherwydd bod cymhorthdal uwch ar gael yno, mae wedi gallu tynnu buddsoddiad i mewn i'r Alban mewn ffordd na allwn ei wneud yng Nghymru. Rydym yn gofyn am yr un rheolaeth dros y ROCs ag sydd ar gael yn yr Alban, Lloegr a Gogledd

Llyr Huws Gruffydd: I would like to ask a few questions about devolution in this area. First, what are the implications of the fact that decisions about two-thirds—if you measure by megawatt—of the projects that are in the system at present are being taken outside Wales? Are you not frustrated about that, as it appears that some elements will not be devolved for some years, given that the Silk commission will not report on this until 2014?

The First Minister: My opinion is clear: I do not agree at all with the current situation, where decisions on large projects and some relatively small projects, especially marine projects, are made outside Wales. This does not happen in England, Scotland or Northern Ireland. The people of Wales have the right to manage their resources. That is not currently the case.

Llyr Huws Gruffydd: So, realistically, how soon could we hope to see the elements that you want to see being devolved?

The First Minister: We have asked several times, and the answer that we get is that we must await the Silk commission's recommendations. The problem with that, especially with marine energy, is that jobs are being lost as a result. I will give an example: with regard to the renewable obligations certificates, if I am using the correct term in Welsh—I am speaking to someone who has a degree in Welsh, of course—the problem that we have in Wales is that we do not control the level of ROCs, as Members will know. They are, however, managed in Scotland and Northern Ireland. The result is that Scotland has been able to move forward with marine energy, even though the circumstances in Scotland are more difficult due to the fact that the sea is rougher there than it is in Wales. A higher subsidy is available in Scotland than is available in Wales, so it has been able to draw investment into Scotland in a way that we cannot do in Wales. We are asking for the same control over the ROCs

Iwerddon. Drwy wneud hynny, gallem ddenu mwy o fuddsoddiad mewn ynni morol, gan greu mwy o swyddi. Wrth gwrs, gan fod oedi ynglŷn â gwneud y penderfyniad hwnnw, rydym yn colli allan o ran y buddsoddiad ac, o ganlyniad, yn colli swyddi.

that is available in Scotland, England and Northern Ireland. By doing so, we could draw more investment in for marine energy and create more jobs. Of course, as there is a delay with regard to making that decision, we are missing out on investment and consequently losing jobs.

[72] **Llyr Huws Gruffydd:** Pe bai cyfrifoldebau yn cael eu datganoli, a fyddai'r Llywodraeth o blaid system baralel o ran Comisiwn Cynllunio Seilwaith a'r Arolygaeth Gynllunio, gyda Gweinidogion Cymru yn cymryd cyfrifoldeb ac yn gwneud penderfyniadau am brosiectau ynni mawr yng Nghymru?

Llyr Huws Gruffydd: If responsibilities were devolved, would the Government be in favour of a parallel system with regard to the Infrastructure Planning Commission and the Planning Inspectorate, with Welsh Ministers taking responsibility and making decisions on major energy projects in Wales?

[73] **Y Prif Weinidog:** Mae sawl model. Ni fyddem yn rhoi'r cyfrifoldebau i awdurdodau lleol. Ni fyddai'n deg gwneud hynny, o gofio bod rhai o'r prosiectau hyn yn enfawr ac yn brosiectau sydd, efallai, yn drawsffiniol. Felly, byddai'n rhaid cael system sy'n atebol i bobl Cymru. Mae comisiwn yn un model, ond mae modelau eraill hefyd.

The First Minister: There are several models. We would not give the responsibilities to local authorities. It would not be fair to do so, given that some of these projects are huge and, perhaps, cross county boundaries. Therefore, the system would have to be accountable to the people of Wales. A commission is one model, but there are also other models.

[74] **Llyr Huws Gruffydd:** A fyddai hynny'n estyn wedyn i'r datblygiadau cysylltiedig hefyd?

Llyr Huws Gruffydd: Would that then extend to the associated developments?

[75] **Y Prif Weinidog:** Un ddadl yw y byddai'n rhwyddach i wneud hynny ond, ar hyn o bryd, ni fyddem yn cytuno ar dynnu unrhyw bwerau oddi wrth Lywodraeth Cymru a'u rhoi i'r Comisiwn Cynllunio Seilwaith, oherwydd y sefyllfa y bu ichi ei disgrifio. Yr hyn sy'n bwysig yw bod gennym system yng Nghymru lle mae rheolaeth dros bob datblygiad cynllunio. Nid dyna'r sefyllfa ar hyn o bryd.

The First Minister: One argument is that it would be easier to do that, but, at present, we would not agree to withdraw any powers from the Welsh Government and give them to the Infrastructure Planning Commission, because of the situation that you described. What is important is that we have a system in Wales where there is control over all planning development. That is not the situation at present.

[76] **Llyr Huws Gruffydd:** Mae gennyf un cwestiwn arall. Rydych wedi son am gynyddu lefel y cyfrifoldeb o 50 MW i 100 MW mewn un agwedd benodol. O ble mae'r 100 MW wedi dod? Mae'n swnio fel rhywbeth sydd wedi ei dynnu o'r awyr. A fyddai uchelgais gennych i weld hynny'n cael ei gynyddu ymhellach rywbryd yn y dyfodol?

Llyr Huws Gruffydd: I have one further question. You have mentioned increasing the level of responsibility from 50 MW to 100 MW in one particular aspect. Where has the 100 MW come from? It sounds like something that has been plucked out of the air. Would it be your ambition to see that increase further sometime in the future?

[77] **Y Prif Weinidog:** Mae'r 100 MW yn dod o'r terfyn sydd yn y môr, sef y terfyn lle mae'r cyfrifoldeb yn symud o'r Sefydliad Rheoli Morol i'r Comisiwn Cynllunio

The First Minister: The 100 MW comes from the limit on the sea, namely the limit where responsibility moves from the Marine Management Organisation to the

Seilwaith. A yw'n wir dweud y byddem yn glynu at 100 MW? 'Na' yw'r ateb. Fodd bynnag, dyna lle ddaeth y ffigur. Y rheswm y cyflwynwyd y ffigur hwnnw yn y lle cyntaf oedd bod y Llywodraeth yn credu ei fod yn ffigur rhesymol o ran gweld datganoli. Fodd bynnag, wrth gofio bod gwrthwynebiad wedi bod i unrhyw fath o ddatganoli, nid wyf yn gweld, yn y dyfodol, fod yn rhaid cadw at y terfyn hwnnw o 100 MW.

Infrastructure Planning Commission. Is it true to say that we will stick to 100 MW? The answer is 'no'. However, that is where the figure came from. This figure was first introduced because the Government believed that it was a reasonable figure with regard to devolution. However, given that there has been opposition to any form of devolution, I do not see, in the future, that we must stick to that 100 MW limit.

[78] **Antoinette Sandbach:** I want to move on to the question of infrastructure. We heard evidence from Arup that the main consideration for the TAN 8 areas was wind and that there has not been spatial mapping across Wales to decide where resources may be best used, not only in energy, but overall, for example, in food production and other areas. Does your Government have any plans to strategically map Wales, taking into account all factors, including infrastructure? Do the current arrangements in Wales need to be changed?

[79] **The First Minister:** When TAN 8 was produced, a lot of consideration was given to the grid infrastructure at that time. The situation at the moment is that when it comes, for example, to mid Wales, it is difficult to predict what the grid capacity should be, given that the strategic search areas and their limits will not necessarily be kept to by the Infrastructure Planning Commission. As a result, it is difficult to assess what the grid might need to look like.

[80] **Antoinette Sandbach:** Obviously, the IPC does not have the assistance of a national infrastructure or spatial plan for Wales. Therefore, it cannot see what the direction of Welsh Government is. Does your Government have a plan to spatially map Wales so that there can be the kind of overall approach and leadership that you suggest in your paper you would like to give?

[81] **The First Minister:** There is a spatial plan, as you will be aware.

[82] **Antoinette Sandbach:** There is not one that has been updated since 2008. We had evidence from Arup, for example, that the transport issues were not considered at all when it looked at the strategic search areas.

[83] **The First Minister:** Transport issues were considered at the time, when the TAN was produced. I know that Carl Sargeant, as Minister, will be giving evidence on transport to this committee. He will be able to assist the committee further in this regard.

[84] **Antoinette Sandbach:** Are you therefore contradicting the Environment Agency's evidence that there is currently no overarching spatial plan—

[85] **Lord Elis-Thomas:** Could we proceed with questioning in a sensible manner? It is not a case of witnesses contradicting each other; it is about asking the particular witness's view in relation to any other evidence that we have had. We are not in the business of bringing the First Minister up on charges in these matters.

[86] **Antoinette Sandbach:** First Minister, what is your view of the Environment Agency's evidence that, at the moment, there is no overarching spatial plan that considers all types of infrastructure, including energy? The market is therefore left to determine the location. That has the potential to result in missed opportunities.

[87] **The First Minister:** We have the Wales infrastructure investment plan, which is

being taken forward. However, there is a fundamental difficulty here in the sense that electricity is a market anyway. At one time in the UK, it was possible to plan with some certainty in terms of energy generation and infrastructure. Once you marketise that, you can look to provide a vision for the way forward, but the reality is that it is all determined by the market and you do not get strategic planning.

[88] **Antoinette Sandbach:** I think that we might be misunderstanding each other. Spatial planning goes far wider than energy and infrastructure; it looks at Wales overall and it considers all aspects of how our resources can best be maximised in all areas whether in business and industry, energy, transport and infrastructure or in agriculture and forestry. Are you planning that kind of strategic spatial plan for Wales? Will you look at those factors?

[89] **The First Minister:** There is a spatial plan; I have made that point. The spatial plan has been in existence for some years.

[90] **Vaughan Gething:** You have spoken a lot about marine energy and its potential. We know that it is still a nascent technology. I am interested in the fact that, on page 24 of 'Energy Wales: A Low Carbon Transition', you outline a number of steps in terms of what the Government will do. One of those is to complete the marine energy infrastructure project. When would you expect that project to be completed and how would you expect to share or disseminate that information? Will it be open to the public or will it be shared on a more partial basis, with developers and academics who would want access to that information?

[91] **The First Minister:** I will ask Ron to come in on this.

[92] **Dr Loveland:** We would expect that project, which has now been going for about three years, to be finished around the summer. The information will be open, and it will be fed into the various other things that are happening at the moment to map the resources around our seas, particularly the work of the Crown Estate, as well as a separate study that we are undertaking with the help of Halcrow.

[93] **Vaughan Gething:** You mentioned the Crown Estate, and we have had evidence from the Crown Estate about its work. You say in the document that you are looking to bring forward a marine energy leasing round for Welsh waters as soon as possible. What does 'as soon as possible' mean? How far has that work progressed with the Crown Estate? The evidence that we had from marine energy developers is that that leasing round would be important and that the ability to get testers into the sea as soon as possible is important for developing the industry on a wider level in Wales.

[94] **Dr Loveland:** It is a two-stage process. As you may know, the Crown Estate has recently changed the rules so that smaller array projects can be consented, and we hope that, under that programme, Marine Current Turbines or Tidal Electric will do something off the coast of Anglesey or other areas of Wales, if developers are interested. Separately, there is the issue of following the route that was adopted in Scotland with the Pentland firth. That is a slightly more complicated process, which we would expect to take a year, perhaps, but that will not inhibit the construction of demonstrators of the array-type projects.

[95] **Vaughan Gething:** Finally in this section, you talk about providing robust and timely information and guidance to the emerging marine sector. What will that look like and what do you expect that robust and timely information guidance to be? If it is more than publishing the marine energy infrastructure project and the Halcrow study, what else do you envisage being included in what you will give to the industry?

[96] **Dr Loveland:** This is mostly around the environmental data that are being collected under that study and various other activities, including the Crown Estate. We are trying to

work towards a system whereby those data are available on a general open basis rather than being retained, either through a question of private confidentiality or public confidentiality in respect of CCW.

[97] **Llyr Huws Gruffydd:** Rwy'n sylwi eich bod yn dweud ar dudalen 21 y ddogfen 'Ynni Cymru: Newid Carbon Isel' a gyhoeddwyd ddoe bod Llywodraeth Cymru o blaid datblygu gorsaf ynni niwclear newydd yn Wylfa ar Ynys Môn, ond yn y ddogfen 'Chwyldro Carbon Isel' ym mis Mawrth 2010, roeddech yn dweud, **Llyr Huws Gruffydd:** I note that you say on page 21 of 'Energy Wales: A Low Carbon Transition', which was published yesterday, that the Welsh Government supports the development of a new nuclear power station at Wylfa on Anglesey, but in 'A Low Carbon Revolution' in March 2010, you said that,

[98] 'We remain of the view that the high level of interest in exploiting the huge potential for renewable energy reduces the need for other, more hazardous, forms of low carbon energy and obviates the need for new nuclear power stations.'

[99] Rydych chi, felly, wedi newid eich meddwl. You have, therefore, changed your mind.

[100] **Y Prif Weinidog:** Nid yw Wylfa B yn newydd. Mae sôn am *reactor* newydd, ond ni fydd yn orsaf newydd. Ynglŷn â niwclear, mae'n wir na fyddem am weld safle newydd—mae hynny'n dal i fod yn wir—ond lle mae gorsafoddd niwclear wedi bod, sef Wylfa a Thrawsfynydd—efallai bydd cyfle yno yn y dyfodol—byddem o blaid ystyried *reactor* newydd yn y manau hynny, er mwyn sicrhau bod y swyddi a oedd yno yn cael eu cadw yno, yn enwedig y 600 o swyddi ar Ynys Môn. Mae gennym bwyslais ar ynni adnewyddadwy—nid yw hynny wedi newid—ond nid yw hynny'n meddwl nad oes rôl o gwbl i ynni niwclear. **The First Minister:** Wylfa B is not new. There is talk of a new reactor, but it will not be a new station. Regarding nuclear, it is true that we would not wish to see a new site—that remains the case—but, where there have been nuclear power stations, at Wylfa and Thrawsfynydd—there may be an opportunity there in the future—we would support new reactors on those sites in order to ensure the retention of those jobs, especially the 600 jobs on Anglesey. We have an emphasis on renewable energy—that has not changed—but that does not mean that there is no role at all for nuclear energy.

[101] **Yr Arglwydd Elis-Thomas:** Ddywedaf i ddim am y pwynt hwnnw. **Lord Elis-Thomas:** I will not say anything on that point.

[102] Sorry, David, I got sidetracked by visions of new nuclear reactors.

[103] **David Rees:** First Minister, in your document, you identify that co-ordinating and prioritising delivery is an important issue. In fact, on page 15, you identify several points that the programme will deliver. The environment and energy sector panel recommended that a high-level group, such as there is in Scotland, should be established to help support that. Does the Government have any plans to develop a similar group?

10.15 a.m.

[104] **The First Minister:** On a renewables board, we have the evidence of the sector panel and it is something that we will consider. I would not want to set up a body that would detract from the sector panel or from the work that is being done by Government. We will certainly consider that evidence.

[105] **David Rees:** In one sense, I am looking at it separately. A renewables board would

deal with one issue, but an energy board could cover a wider range of issues. Will it be more of an energy board or a renewables board, if you were to look at it?

[106] **The First Minister:** We will consider what the best way forward might be.

[107] **David Rees:** On a separate issue, we also heard from various developers about strategic search areas and TAN 8, but more from the point of view of smaller community-based projects outside SSA areas that may be used to encourage communities to look at renewable energy. Is the Welsh Government considering any actions to support such smaller community-based projects?

[108] **The First Minister:** We would support small community-based projects in principle, if they are appropriate, wherever they are. TAN 8 was not designed to prevent development outside the SSAs, but merely to identify areas where development was most likely to take place. That has been taken to somehow suggest that there should be no development outside the SSA areas, but that is certainly not the case.

[109] **Julie James:** First Minister, I want to turn to the last section in your document, under the headline 'Leading the way to smart living', which I am very interested in. You state a couple of key things that you will do during the Government's term, which we very much welcome in the Swansea area, particularly with regard to leading research into photovoltaic steel production, and so on, which David and I are very keen on.

[110] You include a couple of bullet points right at the end, where you talk about working with leading-edge developers and research organisations to pilot a smart living project in Wales, which I would love to hear more about. Secondly, you mention using Government and public sector procurement to help support the commercialisation of new research technologies and other smart living projects. Can you elaborate on those two bullet points for us?

[111] **Dr Loveland:** On the first, as we move forward with smart meters, smart grids and future cities developments, it is clear that there are tremendous opportunities for what we call 'smart living'. It is still an open question as to what that will turn out to be in the end, but we would very much like to work with developers such as Tata Steel, people who are behind specific projects and local authorities such as Swansea, which I understand has the local authority lead on sustainability in Wales, to find major demonstrators. We are currently undertaking that search. There are some interesting proposals from bodies such as the Ecological Sequestration Trust about the possibility of Swansea being an eco-city, and benefitting from that trust's experience, not only here, but across the world. However, these are still matters that are very much being explored at the moment.

[112] **Julie James:** On the procurement point, which was the other point that I was interested in, you talk about encouraging Government and public sector procurement to support the commercialisation. How would that work?

[113] **The First Minister:** It is something that Edwina Hart, as Minister for Business, Enterprise, Technology and Science, is focusing on very carefully, as is Jane Hutt as the Minister for Finance. We will look to see how we can encourage the smaller companies of Wales to bid for new contracts, and to make sure that they receive the support that they need in order to do that.

[114] **Russell George:** The issue of tourism is a big concern in mid Wales. Only this week, Powys County Council rejected two large applications and tourism was one of the reasons for its objections. I am not asking you to comment on that decision. When we questioned you last September, you indicated that no impact assessment on tourism had been done by Government. Is this the case?

[115] **The First Minister:** It is not clear what impact renewable energy projects have on tourism. There are projects already in existence across Wales. The evidence is not clear one way or the other. I will deal with another issue in relation to a comment that was made some moments ago in terms of TAN 8 and an apparent contradiction. TAN 8 attempts to identify those areas that are most likely for wind development. There is no bar in TAN 8 to renewable energy of any kind—because, of course, TAN 8 is not just about onshore wind projects—taking place outside the SSAs, but we would not anticipate large projects outside the SSA areas, specifically projects that are more than community level projects. The difficulty with the NPS is that it allows, potentially, large-scale projects to go absolutely anywhere in Wales. That is a position that we rejected when the TAN was produced in 2004, and it is a position that we reject now.

[116] **Russell George:** I have one further question on tourism. A 2008 report commissioned by the Scottish Government and undertaken by Glasgow Caledonian University to examine the impact of onshore windfarm development on tourism concluded that there was an impact on tourism. Has this been examined by your Government?

[117] **The First Minister:** We take into account all evidence that is made available, but the Scottish Government certainly does not seem to have considered that report, because in Scotland, there is a great deal of emphasis on onshore wind developments. So, it seems to have had a minimal effect in Scotland. However, there is a broader question here; it is not just about onshore wind. We focus a lot on onshore wind, but the reality is that we need a mix of technologies when it comes to generating energy. That means, inevitably, that there will be energy generation in Wales, because people want the lights to come on.

[118] **Mick Antoniw:** I would like to take you back to the question on TAN 8. In your paper, you refer to Wales being open to business. We have received some evidence from some companies that suggests that, were there to be a review of TAN 8, there would be serious consequences in respect of the message that that would send to those seeking to invest in Wales, which could have adverse consequences. Does that fit in with your analysis and your thinking on the implications of that?

[119] **The First Minister:** There is a danger that it would send out the message that we are hostile to renewable energy.

[120] **William Powell:** Do you think that it would be good practice for local authorities in Wales to identify areas that would be suitable for the exploitation of renewable energy in their local development plans? I am thinking in particular about those that are outside the strategic search areas.

[121] **The First Minister:** That is a matter for local authorities in terms of the supplementary planning guidance that they produce, but we would expect any supplementary guidance to accord with national planning guidance.

[122] **William Powell:** It is my understanding that, in the current consideration of the emerging LDP in Monmouthshire, the authority has been asked to revisit its proposals, which initially was to set its face against identifying such areas for small and medium-sized development. That was the context of my question.

[123] I have one final question. Do you think that there are any good examples elsewhere in the UK in the devolved administrations, or across Europe, of educational initiatives that have perhaps assisted with a greater understanding of the importance of renewable energy and, indeed, of the energy security issues that you have just referred to?

[124] **The First Minister:** There is an issue with regard to public information. It seems to be an issue that is particularly strong in the UK; it does not exist at the same level anywhere else in Europe. I have heard arguments by people who say that we do not need renewable energy because we can import gas, but I think that it is highly dangerous to have to rely on imports from abroad to any great degree. Others say that there is plenty of coal in Wales. The reality is that the coal seams are under people's houses. Unless you want to kick people out of their houses and demolish their homes, you cannot access the deep mines that were closed in the 1970s and 1980s, so much of the coal in Wales is now inaccessible. It cannot be got at, even if we were minded to pursue a high-carbon energy agenda. That means that, if we reject the idea of mining coal at a high level again and if we reject the idea of being over-dependent on energy supplies from abroad, then we have to have means of generating power in the UK and in Wales.

[125] It is inevitable that the means of generating power should be in places that are appropriate, but not all concentrated in one place so that it creates a great deal of opposition. I will give you the example of Port Talbot, where there is a great deal of capacity for energy generation. The argument that I have heard in some parts of Wales is: 'Why should energy generation be placed here? This is the countryside.' The argument I hear in Port Talbot is: 'We have all this; we have done our bit. Why can't somebody else do it?' Those are contradictory arguments, and the job of Government is to try to balance those arguments and produce a solution that is fair but that also ensures that we have energy to power our economy.

[126] **Llyr Huws Gruffydd:** Gan fynd yn ôl at TAN 8, mae'n bwysig peidio ag anghofio bod rhai datblygwyr, a chynrychiolwyr y sector ynni gwynt yn enwedig, wedi galw am adolygiad i edrych ar ganfod SSAs ychwanegol, oherwydd gofid rhai pobl yw, unwaith y cyrhaeddir capasiti'r ardaloedd presennol, ni fydd yr unman ar ôl i fynd iddo.

Llyr Huws Gruffydd: Getting back to TAN 8, it is important not to forget that some developers, and representatives of the wind energy sector in particular, have called for a review to look at identifying additional SSAs, because the concern of some people is that, once capacity is reached in the existing areas, there will be nowhere left for them to go.

[127] **Y Prif Weinidog:** Rwy'n credu ei bod yn rhesymol rhoi terfyn ar faint o ddatblygu a ddylai fod mewn ardal. Dyna'r hyn yr ydym wedi ei wneud gyda TAN 8, ond nid hynny y mae NPS yn ei ddweud. O'r herwydd, nid yw'n bosibl rhoi addewid i bobl na fydd mwy o ddatblygu na'r hyn a nodir yn y ffigurau yn TAN 8 oherwydd nad TAN 8 sy'n mynd i gael ei ddefnyddio wrth ystyried y ceisiadau cynllunio mawr, wrth gwrs.

The First Minister: I think that it is reasonable to put a limit on the amount of development allowed in an area. That is what we have done with TAN 8, but that is not what the NPS says. Consequently, it is not possible to promise people that there will be no development beyond what is stated in the TAN 8 figures, because, of course, TAN 8 is not going to be used when major planning applications are considered.

[128] **Antoinette Sandbach:** That is because TAN 8 is a planning guidance document for local authorities for projects below 50 MW, is it not?

[129] **The First Minister:** Yes. However, I have to say that our preferred option—I would be interested in views on this, and I look forward to the committee's views on this—would be that planning in Wales should be a matter for the Welsh Government and the Welsh people. While I recognise the legal situation, I could not agree that the right solution for Wales is to have a quango decide planning applications in Wales on Wales's resources based on planning guidance developed in England. I think that that is wrong, quite frankly.

[130] **Antoinette Sandbach:** So, you do not accept that there are overall UK strategic

targets for carbon reduction. Do you consider that nuclear planning issues should be decided in Wales?

[131] **The First Minister:** No, not nuclear, but Scotland and Northern Ireland have these areas devolved to them. Why should Scotland and Northern Ireland have control over their resources and that be denied to the people of Wales? I believe very strongly that it is wrong in principle that large-scale planning applications should be decided on guidance that is produced outside Wales without any input from Wales and determined by an organisation that is not in any way answerable, not just to the Welsh Government, but to the people of Wales. That does not exist in England, it does not exist in Scotland and it does not exist in Northern Ireland. I think that the people of Wales have the right to have substantial control over their own resources.

[132] **David Rees:** I can only concur with your point on the views of the people of Port Talbot, because I, too, have heard those same views.

[133] Going back a little bit, you were talking about gas and other issues, but we have not talked, and I have not seen anything in the document, about fracking. What is the Government's policy on fracking?

[134] **The First Minister:** We take a precautionary approach, and that is mentioned in 'Planning Policy Wales'. It is important to see the assessments that have been done by Cuadrilla Resources in order to examine how safe fracking is. Much of the licensing for fracking is not devolved, and many of the applications would not fall within devolved competence, but where they do, the approach should be a precautionary one.

[135] **David Rees:** You also talk about energy efficiency in this document, and, in the launch yesterday, you mentioned that a very important aspect is big, heavy, energy-intensive industries being efficient. Does the Government have a policy to support industries that are trying to improve the efficiency of their use of energy?

10.30 a.m.

[136] **The First Minister:** Many of them are doing it themselves. Tata Steel in Port Talbot has made a substantial amount of investment in gas capture in particular, and not only in reducing its carbon footprint, but in increasing the plant's energy efficiency. It has seen that that will result in savings in the longer term. The financial assistance that we have given has been mainly directed at individuals, particularly those in danger of fuel poverty. The Arbed and Nest schemes have helped people to become more energy efficient by upgrading their boilers and central heating systems, installing insulation and installing solar panels on some houses. In doing that, we helped individuals avoid the danger of fuel poverty. Many companies, the larger energy users in particular, are taking their own plans forward to increase their energy efficiency in order to save money.

[137] **Yr Arglwydd Elis-Thomas:** Diolch yn fawr i'r Prif Weinidog am roi awr o'i amser i ni ar gyfer sesiwn holi ac ateb. Byddwn yn rhoi ystyriaeth lawn i sylwadau ac anogaeth y Prif Weinidog wrth baratoi ein hadroddiad fel y gallwn fod yn rhan weithgar o'r broses o ddatblygu a gwella polisi ynni yng Nghymru. Rwyf wedi cael digon ar bobl yn cymharu beth sy'n digwydd yng Nghymru a beth sy'n digwydd yn yr Alban yn anffafriol. Mae eisiau sicrwydd ein bod fel **Lord Elis-Thomas:** I thank the First Minister for giving us an hour of his time for a question and answer session. We will give full consideration to the First Minister's comments and encouragements in preparing our report so that we can be an active part of the process of developing and improving energy policy in Wales. I have had enough of people comparing what happens in Wales and what happens in Scotland unfavourably. We need assurance that we as a nation, assisted

cednwl, drwy gymorth gwaith y pwyllgor hwn by this committee's work and the ac arweiniad y Llywodraeth, yn gallu Government's leadership, can achieve. cyflawni.

10.35 a.m.

**Ymchwiliad i Bolisi Ynni a Chynllunio yng Nghymru—Tystiolaeth gan y
Gweinidog Llywodraeth Leol a Chymunedau
Inquiry into Energy Policy and Planning in Wales—Evidence from the Minister
for Local Government and Communities**

[138] **Lord Elis-Thomas:** You are very welcome, Minister. Would you like to make an opening statement? Then, I would like to ask one or two questions about this wonderful document that we have here, called 'Energy Wales: A Low Carbon Transition'.

[139] **The Minister for Local Government and Communities (Carl Sargeant):** Thank you, Chair, for the opportunity to be with the committee this morning. It might be helpful if I quickly run through some of my responsibilities in order to assist with the formulation of your report. As you are aware, Welsh Ministers are the highway authority for trunk roads and motorways in Wales. Like other highway authorities, Welsh Ministers have a duty to ensure safe passage for the public along the highways for which they are responsible. I am also the Minister with responsibility for highways maintenance.

[140] As the Minister with responsibility for transport, I can confirm that the department is committed to ensuring that windfarm turbine components are transported safely to sites around Wales, while minimising the impact on the communities that we all seek to represent. I should stress that the access routes for the county and trunk roads are the responsibility of the responsible highway authority in England and Wales. Therefore, the duty for trunk roads and motorways in Wales lies with me and depends on the decisions that I make, while the Secretary of State for Transport is responsible and makes decisions in England. So, there will be comments from both sides of the border on this.

[141] The element beyond the trunk roads is the responsibility of the local authorities. Therefore, as is the case with my duties, they have responsibility for those local roads. As I said, I am grateful for the opportunity to be here. I welcome any questions that you may have—at least I think that that is the case, but we shall wait and see, Chair.

[142] **Lord Elis-Thomas:** I know that you will welcome the first question, which is from me. It relates to the document 'Ynni Cymru'. One thing that we are exploring as a committee for the purpose of our report is the extent to which there is effective co-ordination across Government at a ministerial level and, obviously, at official level. I warn you that a similar question was asked of the First Minister in relation to his strategic responsibilities. Are you satisfied that it is possible for the Welsh Government, Welsh Ministers and their officials across Government to implement successfully all that is set out in this document and, in particular, as it affects your ministerial responsibilities?

[143] **Carl Sargeant:** Yes. I think that it is really important that, when the Welsh Government launches documents, we are co-ordinated and that we work across departments. My officials work very closely with the Minister for Business, Enterprise, Technology and Science and finance colleagues. While we create ambitious documents, we have to be able to offer cross-Government support. We would not want to create a situation where any Minister was a hostage to fortune where a decision is made, published and a Minister is out of the loop, which would create a problem with regard to delivery. We are very much a joined-up organisation in terms of taking this forward. The First Minister will have articulated the

policy elements of this, and I can assure you that my department is fully aware and appraised of those as they take this forward.

[144] **Mick Antoniw:** I would like to ask you a few questions about the planning and consenting regime, because this features in 'Energy Wales'. You make the very helpful statement that you

[145] 'recognise that a clear, streamlined, consistent, transparent and accountable planning and consenting regime (including ancillary consents) is fundamental if we are to achieve our energy ambitions'.

[146] I would like to ask you a number of questions on this. One of the points that has been made by quite a number of organisations and companies is that planning is one of the key risk areas that concern them when they are considering investment. First, have you given any consideration to the issue of resources and the skills base within the planning regimes? It seems to feature consistently that there is a difficulty and an inability to take decisions promptly and with the degree of expertise and resource required for what are sometimes major planning issues.

[147] **Lord Elis-Thomas:** Before you answer that, Minister, that is the next ministerial witness's responsibility. The structure of local government and capacity issues and funding aspects are within your responsibility, but not, strictly speaking, planning.

[148] **Carl Sargeant:** I was going to respond along similar lines.

[149] **Mick Antoniw:** I am sorry if I have gone over into that.

[150] **Carl Sargeant:** It is worth clarifying my position on this. On the planning element, it would be appropriate for the Minister with responsibility for planning to respond. I believe that he will be with you a little later—

[151] **Lord Elis-Thomas:** He will be, otherwise Dr Ron Loveland will be sitting here on his own again. [*Laughter.*]

[152] **Carl Sargeant:** The Member raises an important issue about capacity—

[153] **Mick Antoniw:** Perhaps we can focus on the resource aspect.

[154] **Carl Sargeant:** Local authorities have the capacity to deal with these issues. They deal with windfarm developments already. As regards my drive around collaboration and using expertise across Wales, across the 22 authorities, there will be a skill set in each authority that will be useful to others. Therefore, I would expect collaboration at the highest level, particularly in large-scale schemes, to involve other authorities' knowledge base. That is already happening in some areas. I can see no reason why it should not happen in the planning system.

[155] **Mick Antoniw:** It does not appear to have started at the moment, while it appears that there is a considerable amount of inconsistency in the resource available. One of the key resources is skills. Should we be looking at that in this whole process?

[156] **Carl Sargeant:** This is not unique to planning. The issue for me is how we get the 22 authorities to work together better. We are experiencing that in another guise around a non-devolved function within local authorities, namely trading standards. Some departments are experts in fields such as mineral planning, or the identification of certain trading elements in other areas. Instead of going out to consultants, paying above the odds and bringing in

services, it is for local authorities, which are working on the Simpson agenda, to look at how they can bring in expertise from across the 22 authorities to support each other. I would be happy to send you a note about capacity more broadly, if that would be helpful, Chair, but I believe that we have the capacity in Wales across the 22 authorities to deliver this.

[157] **Mick Antoniw:** A number of companies made it clear that this is the key risk factor for them, because it ties in to the whole issue of timescale delay. This document is very much about Wales being open for business, but they are suggesting that the capacity to deal with this is potentially deterring investment.

[158] **Carl Sargeant:** Again, I would not offer a determination on the planning element, but I am not surprised that developers often suggest that there is a delay in planning decisions, whether they are for a conservatory or a windfarm. It is about progression and, of course, developers want to develop. I do not believe that the issue is about capacity in Wales. If we are making big decisions on big issues, we should ensure that the capacity is there, and if it is spread among the 22 authorities, we should share those data and that knowledge better.

10.45 a.m.

[159] **Russell George:** Minister, on transport, I am sure that you are aware of the decisions by Powys County Council to reject three windfarm applications in mid Wales—two large applications this week and one last week. Transport concerns were the main issue with regard to rejecting the applications. I understand that you are not able to comment on specific applications, but can you comment on the rationale used by the planning authority to come to those decisions, which is that transporting abnormal loads across the current mid Wales road network was not properly thought through when the strategic search areas in TAN 8 were devised?

[160] **Lord Elis-Thomas:** I am not sure whether a member of Powys County Council, although maybe not party to that decision, may invite the Minister to express a view on that decision. I am not trying to—

[161] **Russell George:** I was very careful not to ask for comments on the planning applications, but about the rationale that the SSAs, when they were considered as part of TAN 8, were not properly thought through. I was asking the Minister to comment on that.

[162] **Lord Elis-Thomas:** That is a material view with relation to the planning consent, I think.

[163] **Russell George:** I am not a decision maker at Powys County Council, either.

[164] **Lord Elis-Thomas:** No, but if the board of a council—

[165] **Russell George:** May I ask my colleague Antoinette Sandbach to ask the question?

[166] **Lord Elis-Thomas:** No. If a local authority, acting in its capacity as a statutory consultee for a large planning development within its area, expresses a view that relates to planning consent, then that is not a matter that a Minister of the Welsh Government should be able to comment on.

[167] **Russell George:** Would you like me to rephrase my question completely?

[168] **Lord Elis-Thomas:** Yes, have a go, and then I will rule it out of order. [*Laughter.*]

[169] **Russell George:** Minister, some planning authorities in Wales have rejected

applications on the grounds of transport concerns, very much relating to the network infrastructure not being properly considered when SSAs in TAN 8 were devised. Can you comment on that?

[170] **Lord Elis-Thomas:** No, I do not think that he can.

[171] **Carl Sargeant:** Probably not, Chair.

[172] **Lord Elis-Thomas:** Definitely not, Minister.

[173] **Carl Sargeant:** I may be able to help in terms of a response around strategic development sites or search areas and transport issues. Each of these decisions will be taken on the individual merit of the planning application, but again, that will be considered as part of the planning decision, and it is not a matter for me.

[174] **Russell George:** What involvement did Welsh Government transport officers have when TAN 8 was developed?

[175] **Carl Sargeant:** The Member will be aware that I was not the Minister then, but I am aware that transport officials in the department were consulted on TAN 8. However, on the basis that the consultation period took place in 2004, I would expect that a lot of those officials are not there now. I know for certain that the department would have been consulted in terms of TAN 8.

[176] **Russell George:** Would you be able to give us any details of that? Would you be able to write to the committee with that detail?

[177] **Lord Elis-Thomas:** I do not think that he can write about a previous Minister, can he?

[178] **Carl Sargeant:** It was in a previous Government, may I add.

[179] **Lord Elis-Thomas:** A very excellent Government, no doubt.

[180] **Carl Sargeant:** I could not agree with you more. If I am able to provide any detail to the committee, I will certainly do that. I will consider the question and whether I can add anything to that.

[181] **Russell George:** May I ask one last question? When will the strategic transport management plan for mid Wales, and the all-Wales plan referred to in the Minister's paper, be completed?

[182] **Carl Sargeant:** We are expecting that any time now. We are expecting that to come back in towards the end of the month, but it has not arrived yet.

[183] **Julie James:** Good morning, Minister. I want to ask a vaguely related question to start off with, and then something completely different. The evidence from developers is that there is something of a postcode lottery in terms of the way different authorities react, and the requirement for a transport infrastructure plan, or a transport plan of some sort, or something to do with transport attached to the environmental or health impact assessment or so on. It is not uniform in any way across the local authorities. There seem to be completely different views in local authorities. Two local authorities were arguing in front of the committee at one point about the appropriate point in time in a planning application that that may be asked for and whether you could do it at the outline stage and so on. I wonder whether you or your officials are having any feedback on the kind of postcode lottery that is going on and whether

the department is looking at some sort of strategic oversight of that. There is no doubt that there is frustration among the developers as to the different approaches that we see.

[184] **Carl Sargeant:** That probably impacts upon the decision of the Minister for Environment and Sustainable Development who is responsible for planning about process. Personally, I am not aware of the postcode lottery that the Member refers to, but I am sure that the Minister with responsibility for planning would have an interest in that. The planning process is an interesting beast in itself, and I would expect all local authorities to be compliant regardless of the process that they have adopted with regard to the planning regime. They would have to comply with the various stages in order to complete the planning application. In my view, although it is not within my remit—I will tread carefully here—I would hope that we could achieve consistency across Wales, and that is my whole point about collaboration. Why should we have 22 different ways of doing things with the end result being the same?

[185] **Julie James:** It is 25 ways with planning.

[186] **Carl Sargeant:** Yes, of course.

[187] **Julie James:** I entirely understand the point that you are making about planning, but I was specifically looking at the transport issues and the interaction between your department and the various transport advisers to the local authorities, and whether you are aware of what interaction is taking place. Obviously, a transport plan has local roads in it, but it often has infrastructure roads in it as well and requirements for the upgrading of various things and so on. I was asking you more about the interaction between the transport advisers and whether that happens.

[188] **Carl Sargeant:** There is a dialogue between local authorities and my officials about strategic traffic management plans, which are used and being developed. The plans are consulted on with all the parties, including the emergency services, to co-ordinate a structured approach to the major usage of our roads, which would be considered to be used more often than other routes. There is interaction between all the departments there. Once a strategic traffic management plan is established, it would probably be the lead document that all developers would be able to access, so there will be consistency there. I hope that that is a bit clearer.

[189] **Julie James:** Thank you, Minister. On a related point, but in a different sector, we have also had some evidence from people who are trying to develop pilot projects or demonstrator projects about the need for good transport links down past the M4 and that there are issues to do with pinch points on the M4 that make an enormous difference. So, a hold up of 20 minutes will make a difference between something being viable or not in terms of the supply chains to the projects and so on. We have heard in recent days some announcements to do with the Brynglas tunnels, but I wonder whether you could tell the committee a little more about the planning on those important east-west transport routes.

[190] **Carl Sargeant:** All routes have been considered by developers and people proposing development sites, but the planning element of this is not a matter for me. The decision of developers to develop and which route they wish to take is a matter for them. However, I recognise that, once they make a decision, we must have some interaction about taking that forward. If there are pinch points within the network, while they are part of our network, I would certainly have an interest in that, but it would be for the developer to engineer that issue out as opposed to it being my responsibility.

[191] **Julie James:** I take that point, Minister, but the evidence in front of us was more about Wales being open for business and the perception being that if a truck cannot keep moving, and if it has to stop for 20 minutes here and there because of hold ups, that might

make the difference between choosing Wales as a destination or someplace else where that is not happening. So, I understand the commercial point about specific developers, but can you talk in general terms?

[192] **Carl Sargeant:** That is why we are creating the strategic traffic management plan, which will provide the overarching routes and which will consider where the pinch points may or may not be. We have talked this through with the developers in terms of what needs to be done on the strategic routes. No matter where those routes are, there will always be transport issues, but none of them are insurmountable and we can move forward. Wales is certainly open for business. My team, working with highways officials from local authorities, developers and, as I said, the emergency services, has to create an operational route that is acceptable to all, including the communities that they are having an effect on.

[193] **Llyr Huws Gruffydd:** Rwyf eisiau dychwelyd at y cynllun rheoli traffig strategol. Rwy'n meddwl fy mod yn gywir yn deall ichi ddweud gynnu y bydd yr un yn y canolbarth yn barod erbyn yr haf. Beth am yr un ar gyfer ardaloedd eraill, hynny yw, yr un cenedlaethol? Pryd bydd hwnnw'n barod?

Llyr Huws Gruffydd: I would like to return to the strategic traffic management plan. I think that I was right in understanding that you said earlier that the one for mid Wales will be ready by the summer. What about the one for other areas, namely, the national one? When will that be ready?

[194] **Carl Sargeant:** I will ask my official for the dates and times, as opposed to guessing.

[195] **Mr Bennett:** The development of an all-Wales plan is very much developer-led, so it is dependent on when developers get together to fund the development of the strategic management plan. At this moment in time, they have not agreed on the extent to which they want to extend the strategic traffic management plan. So, we do not know when we will receive it; it will come at some stage in the future, once the developers have agreed on the next routes that they want to look at. They are focusing on this route at the moment because it seems to be the most accessible route for getting into mid Wales.

[196] **Llyr Huws Gruffydd:** Nid oeddwn wedi disgwyl hynny. Felly, mae'r bêl yng nghwrt y datblygwyr. Pwy sydd â'r cyfrifoldeb cyffredinol am gyd-gysylltu'r materion sy'n ymwneud â chludo tyrbinau gwynt?

Llyr Huws Gruffydd: I did not expect that. So, the ball is in the developers' court. Who has the overall responsibility for coordinating the issues related to the transportation of wind turbines?

[197] **Carl Sargeant:** The ownership of the management plans lies with the developers, but part of that programme is around co-ordination between the partners, namely local authorities, us and, as I said earlier, the emergency services, but the developers are the owners. They are seeking to develop, not I.

[198] **Llyr Huws Gruffydd:** Beth yw eich disgwyliadau fel Llywodraeth o safbwynt ymwneud cymunedau lleol â'r broses o ddatblygu'r cynlluniau rheoli traffig strategol hyn?

Llyr Huws Gruffydd: What are your expectations as a Government in relation to the engagement of local communities with the process of developing these strategic traffic management plans?

[199] **Carl Sargeant:** I would expect the owners of this, the developers, to be involved with communities through the consultation process. It is clear that you have to start somewhere in planning terms. When that route is defined, I would expect a consultation with local stakeholders, including communities, so that people can understand what its impact may or may not be on their communities.

[200] **Llyr Huws Gruffydd:** Gall yr hyn mae un person yn ei alw'n ymwneud â neu'n ymgynghori fod yn wahanol i'r hyn y buasai person arall yn ei alw. Felly, a oes gennych ryw lefel sylfaenol, rhyw griteria neu ryw arweiniad ar yr hyn y buasech yn ei ddisgwyl gan ddatblygwyr yn y cyd-destun hwn?

Llyr Huws Gruffydd: What one person terms engagement or consultation can be very different to what another person might term it. So, do you have some sort of basic level, criteria or guidance regarding what you would expect from developers in this context?

[201] **Carl Sargeant:** I have not issued guidance on this, but I would give some consideration to what is expected. We face this question of what consultation is in all walks of life. The problem with stipulating what you think is right—we have gone through this with bye-laws and so on—is that when you create lists of the people who should be consulted, you can prohibit other people from being consulted by not including them on the list. Consultation can take on many forms, and I accept that it is an interesting beast, but my view is that it should be done for openness and transparency. Communities will be affected. I recognise that, and so do you all. It is in the interest of developers to work with communities. The only way in which they can do that is not by imposing things, but by consulting. However, I will consider it in terms of what the Welsh Government's expectation is, but I have not issued guidance on it.

11.00 a.m.

[202] **Llyr Huws Gruffydd:** Mae llawer o sôn am sicrhau budd cymunedol i'r cymunedau hynny sy'n cael eu heffeithio gan y tyrbinau gwynt sy'n cael eu hadeliadu. Beth yw eich safbwynt chi ar y posibilrwydd o estyn y buddion hynny i'r ardaloedd sy'n cael eu heffeithio gan draffig, er efallai eu bod cannoedd o filltiroedd i ffwrdd o'r safleoedd datblygu eu hunain?

Llyr Huws Gruffydd: There is much talk about securing community benefit for those communities that are affected by the wind turbines that are built. What are your views on the possibility of extending those benefits to areas that are affected by traffic, although they may be hundreds of miles away from the development sites themselves?

[203] **Carl Sargeant:** I do not hold a view on that; I have not given it any consideration, to be perfectly honest. Offsetting the effects of development on local communities is a well-rehearsed process. I would not like to think—and I am thinking on my feet here—that the impact on the road network would be that substantial in terms of the transportation element of this. I recognise that there are some community impacts where local communities should, therefore, receive benefits. However, in broad terms, I do not support your original point about communities along the route benefitting from such a scheme because I see it predominantly as a local issue and therefore I see local communities benefitting from it.

[204] **Rebecca Evans:** You say that communities will be affected, but so too will tourists. How do you expect potential delays to be communicated to tourists so that disruption can be kept to a minimum? What reassurances can you give the tourist industry, particularly in mid Wales?

[205] **Carl Sargeant:** I would expect the proposals of developments and the management plans of a proposal to include conditions on the movement of vehicles and convoys as well as times and dates and so on. For example, movement should be prohibited at certain hours of the day particularly in certain towns. There are general principles on working around the trunk roads. Again, we will publish those, using methods such as Traffic Wales and so on. Those must all be built into how we move forward on that. Local authorities also have a duty to inform communities about the effect of transportation issues and when they may or may not occur.

[206] **Rebecca Evans:** We heard some passionate evidence from Welshpool Town Council on its concerns about whether the road infrastructure would be able to cope with the heavy vehicles moving components. They said,

[207] ‘there is the issue of the town infrastructure; we have old sewers and old drainage and buildings that are not on a safe concrete base. They are very old buildings on sand. It is quite likely that the weight of these lorries could damage our infrastructure underground.’

[208] What is your response to that and have you undertaken any assessments of the infrastructure, particularly in Welshpool?

[209] **Carl Sargeant:** We believe that the road network is in good order. I do not know whether that information can be supported by data from Welshpool Town Council or whether it is anecdotal evidence of disruption. However, we think that the network is compliant and able to cope, but if that is not the case, then there will be recourse.

[210] **Rebecca Evans:** Finally, how will you ensure that emergency and other essential services will not be disrupted by component movement?

[211] **Carl Sargeant:** That is an important point, which I recognise. That is why I said earlier that the partnership approach between the developers, the Welsh Government, local authorities and emergency services is key to the development of the strategic traffic management plan. The police represent the emergency services across Wales on the development of this, so that is a consideration that we will raise with all the interested parties so that everyone understands what is or is not available and how we manage that process.

[212] **David Rees:** You mentioned that aspect of the strategic transport management plan, but you also mentioned in your paper the Welsh Government commissioning its own study in addition to that. How far down the road has that gone, and does it take a wider look?

[213] **Mr Bennett:** The study that we have undertaken looks at all routes, and that information is available to developers for them to build on their strategic traffic management plan. So, we have looked at all the routes and picked up all the constraints. For them, the decision to develop is commercial—it is about which route they wish to pursue to make their development viable. The information is available and we have regular stakeholder meetings with all industry partners, the police and other emergency services. So, they are aware of the availability of this information, but it is for developers to take the lead.

[214] **David Rees:** Do those constraints contain issues such as emergency vehicle access?

[215] **Mr Bennett:** Yes.

[216] **Carl Sargeant:** If I may, on the back of that, I would like to return to a point that was raised earlier. This is about being developer-led and about Wales being open for business. It has to be driven by the developers with regard to understanding how they can access routes in the most cost-effective way and with a minimal impact. These are all decisions that are taken around the traffic management programme with all the partners involved. As I said, the emergency services in particular are very involved in this process.

[217] **David Rees:** You said that it was developer-led for mid Wales, but has the Welsh Government one been for the whole of Wales? Clearly, there are SSAs in all areas.

[218] **Mr Bennett:** We have looked at all strategic trunk road routes to identify the constraints that a developer would need to address in developing a strategic traffic management plan. The police are involved in that, because they are quite keen on co-

ordinating the movements of abnormal indivisible loads. Also, the general principles are there to try to limit the number of vehicle movements per day.

[219] **William Powell:** Mr Bennett, can you confirm that the A55 and the A470 were also considered as part of the process that you have just mentioned?

[220] **Mr Bennett:** They have been considered as routes, yes.

[221] **William Powell:** Another issue that has occurred to me is this: would there be any potential for an enhancement of the rail network being factored in, not necessarily for these vast AILs, because of their nature, but to take some of the strain for freight, which could bring a long-term sustainable benefit, looking at the mid Wales line and the Cambrian line? I understand that, potentially, there is even scope for the Heart of Wales line and looking at other routes, as David Rees mentioned. Could this be done to deliver some long-term benefits out of what everyone currently regards as a headache?

[222] **Carl Sargeant:** I am personally quite keen to look at rail infrastructure with regard to developing a freight strategy separate to this issue. There are opportunities in Wales to develop that. With regard to this particular issue, rail has been considered, and as the Member quite rightly said, where movement of some of the larger components is concerned, it is probably very difficult. However, we recognise that there may be opportunities to move smaller components around, but that is again a decision for the developer. Nonetheless, the position of the Welsh Government would be for me, as Minister for transport, to look at how we can create opportunities for freight movement around Wales, and I would be keen to do that.

[223] Outside of this, I am also considering opportunities for freight handling in the Newtown area. That is a separate issue, but I am sure that this committee will have an interest in that with regard to freight movements. If we open up opportunities, developers can sometimes take advantage of them on the basis of creating a better freight strategy for Wales. That is something that I am very keen on.

[224] **William Powell:** That is encouraging. Minister, would you also accept that there are potential benefits for the tourism economy in the further development of the rail routes that you have just mentioned? It would relieve some of the pressure and give people a different experience of their visit to Wales.

[225] **Carl Sargeant:** I am not sure that tourists would like a trip on a freight train, to be honest.

[226] **William Powell:** Absolutely not. [*Laughter.*] They would benefit from the enhanced infrastructure and services.

[227] **Carl Sargeant:** Whatever that enhanced infrastructure may or may not look like, I cannot tell you now. All I can say is that the broad principle of improving freight opportunities across Wales, including mid Wales, is something that I am looking at outside of these issues that are being raised with me today.

[228] **Julie James:** The Minister will know what is coming, because I cannot possibly let the Minister leave the committee without mentioning the word 'electrification'. One of the key things we are keen on, which has been mentioned by a number of developers, is that the line being enhanced by electrification would assist freight movement around Wales and to strategic development points and employment, land sites, and so on. Does the Minister wish to comment on that?

[229] **Carl Sargeant:** There are huge benefits from looking slightly off-track—if you will pardon the pun. Electrification is very important for Wales, and not only for passenger travel, as it is very significant in terms of freight movement across Wales, particularly in the south-west and south-east. It is something that my team is looking at very closely to identify how we can support freight movement. I know that all parties in the Assembly support electrification. It is about making sure that we have a full, serviceable electrified line all the way to Swansea, because there are huge disadvantages to having electrification only to Cardiff.

[230] **Antoinette Sandbach:** Minister, before we moved on to discuss electrification, we were talking about tourism. I know that the Welsh Government commissioned a report from Capita Symonds, which stated that the scale of development in TAN 8 would have a significant impact on residents and other road users. That report said that villages and hamlets along these alternate routes would bear the brunt of abnormal load delivery, and their relative peace and tranquillity would be compromised. It goes on to say that residents along the non-trunk road routes have already expressed significant concern about the adverse impact of prolonged deliveries on their day-to-day lives, property and safety. That report recommended a further study to evaluate the economic impact of transport-related issues. Are you planning to carry out that further study?

[231] **Carl Sargeant:** I recognise that that was a recommendation within the report. I said earlier that there will be an effect on communities as a result of the construction element of this. I recognise that and that is why we are trying to mitigate the effects of such an environmental impact and change for communities. That is why it is important that we have strategic traffic management plans—so that people understand the movement of traffic around their communities. The report, on the basis of an economic assessment, was not just based on transport, but on the whole process. I do not intend to conduct an economic assessment on the basis of the transport element of that.

[232] **Antoinette Sandbach:** The strategic direction of the First Minister was announced yesterday in his paper, in which he stated that there would be work across departments. The tourism industry is very important not only to mid Wales, but to your constituency, Minister, and the rest of north Wales. I note in particular that the document produced yesterday states that decisions will be made on the basis of evidence. So, if there was a recommendation for a further study for evaluation purposes, how can you mitigate impact if you have not undertaken a proper evaluation of the economic impact of transport-related issues? I urge you to seek that evidence.

[233] **Carl Sargeant:** The Member will, of course, recognise that my duty here relates to transportation, and this report focused on recommendations for an economic assessment on the broader principle. I recognise that there will be an impact on communities and it is part of my remit to try to mitigate the effects along the routes for which I am responsible in order to ensure a safe passage for vehicles and members of the public using these routes. However, there will be disruption. I have said that very clearly. We will do everything we can to mitigate the effects of those issues. I do not intend, personally, to look at the economic assessment of these issues purely based on transport. However, the lead Ministers on this might seek an economic assessment of the whole plan.

11.15 a.m.

[234] **Antoinette Sandbach:** That leads me on neatly to two points. First, I would like to discuss the A55, a road with which you are no doubt personally familiar. In the last year, on 314 days out of 352, there were roadworks on the A55. That is a strategic route in your document. What co-ordination is there within the planning department? Clearly, many of those days of roadworks have coincided with peak holiday times, which once again affects the

tourism industry. How are you looking to avoid such conflicts, together with the abnormal loads? Will you consider, for example, restricting them to non-peak tourism times so that more loads are carried between September and February than between March and September?

[235] **Carl Sargeant:** We have to take this in the broader context and recognise the figures that you have raised, which you asked for in a request to me. On the A55 or any other part of the network, people do not like roadworks, but, often, there are issues related to accidents and incidents on the A55 and other trunk roads and they have to be repaired, and essential maintenance also has to be carried out. I would like there to be a requirement that some discussion takes place regarding the movement of vehicles and there should be co-ordination with my department on trunk roads about how this work should take place and how we move forward. That is not rocket science. Planned maintenance and emergency essential maintenance are slightly different, but that is something I would seek to ensure that my department considers in terms of the overall plan.

[236] **Lord Elis-Thomas:** We are very grateful to you, Minister, for giving us 45 minutes of your time and for ranging widely, yet clearly always within your brief. Diolch yn fawr.

[237] **Carl Sargeant:** I am very grateful to the committee.

[238] **Lord Elis-Thomas:** Would Members like to break for a few minutes? I see that they would.

*Gohiriwyd y cyfarfod rhwng 11.17 a.m. ac 11.23 a.m.
The meeting adjourned between 11.17 a.m. and 11.23 a.m.*

**Ymchwiliad i Bolisi Ynni a Chynllunio yng Nghymru—Tystiolaeth gan y
Gweinidog Busnes, Menter, Technoleg a Gwyddoniaeth
Inquiry into Energy Policy and Planning in Wales—Evidence from the Minister
for Business, Enterprise, Technology and Science**

[239] **Lord Elis-Thomas:** We are pleased to have the Minister for Business, Enterprise, Technology and Science before this committee. Minister, I believe that it is the first time that you have appeared before our committee, so we are delighted to have you with us.

[240] As you know, we have already heard from the First Minister on his strategic responsibilities, and we have also discussed transport-related matters with the Minister for Local Government and Communities. We are now keen, in view of the ‘Energy Wales: A Low Carbon Transition’ document, which the Government kindly published yesterday in time for our hearings today, to hear your take, as Minister for business, on your role in implementing this document and on whether you are satisfied that there is capacity, both in your portfolio and across Government, for Welsh Ministers and their officials to deliver what this document sets out.

[241] **The Minister for Business, Enterprise, Technology and Science (Edwina Hart):** Thank you for the opportunity to come here today. It is indeed appropriate that that document was launched yesterday in light of your inquiry. We have also had the statement today from the sector—from Horizon Nuclear Power—welcoming the document and stating that it is looking forward to considering its contents in detail and carrying on the work that it is undertaking with us. My officials and I have worked closely with the First Minister, the sector panel and everyone else in getting this document together. It sets out a clear vision for us as a Government and provides clarity on the direction of policy.

[242] The sector panel has been working hard over the past 12 months in developing its

priorities. The establishment of the sector panels was an excellent idea by my predecessor, Ieuan Wyn Jones. He fully recognised the importance of the energy and environment sector in relation to the Welsh economy—in terms of the opportunity for jobs—and the issues around energy. The sector panel has identified key priority areas, such as new enterprise, renewable energy, which is important, and environmental goods and services. In that context, it is looking at biomass, anaerobic digestion, community renewable schemes, hydro and all of those sorts of issues. It is also looking at issues around energy intensive users, which you will be aware is a big issue for us in Wales, with so many large companies and the prohibitive cost of energy in the UK, as opposed to the situation in Spain, France and Germany with regard to large-scale generation. So, the sector panel has been keen to get those messages across. We have also been keen to show that Wales is open for business—it was essential that this document showed that that is the case—given the concerns expressed that Wales is not seen to be open for business. Indeed, those concerns have come to the panel, along with various other issues, particularly those around timeliness and accountability. Those concerns have been clearly made to the sector panel.

[243] The barriers identified by business include the interface between and the performance of regulators, which has been a big issue; the role and expectations of statutory and non-statutory consultees, which has also been an issue; the interplay between the consenting and licensing regimes of Europe, the UK and Wales, and also local regimes; and process, timeliness and accountability, which, as I indicated, are key in relation to the sector. We are trying to work collaboratively, and this document illustrates that, across the Welsh Government. We are working with the planning division, which has commissioned a study into the timelines for consenting energy projects, which, particularly in the Haven, have caused enormous difficulties to the company concerned. So, we need to be cognisant of that. The study will gather more information to inform possible changes to planning processes in Wales.

[244] My sector team has been heavily involved in the discussions on planning and other issues that directly impact on the sector. We have encouraged the sector team to take an open approach, and I am always surprised if anyone suggests that they are not open, because they welcome anyone in—if anyone has a problem in that sector, the team is happy to have them in to discuss any issues. However, the First Minister's document on behalf of the Government illustrates how we need to do the joined-up working and how we need to take Wales forward. This is a key sector for us in terms of jobs and what we can do to help in relation to energy production in the UK.

[245] **Lord Elis-Thomas:** I am grateful for that statement, Minister, because, as you are fully aware, these issues have exercised us continually. Indeed, Kevin McCullough spoke strongly to this committee, and we were delighted to have him. He is a man of whom I expect great things; you will know what I am talking about.

[246] **Rebecca Evans:** I want to begin by looking at the economic impact of windfarms, particularly on tourism. The committee has heard mixed opinions, but have you made an assessment of the evidence?

[247] **Edwina Hart:** The only pan-Wales research that has been undertaken was by the Wales Tourist Board in 2003, which Members are probably aware of. The Scottish Government has published a report examining the impact of windfarms on Scottish tourism, which concluded that the impact is very small and that there is no reason to believe that renewable energy targets and tourism are incompatible.

[248] The tourism sector panel has not raised this with me as an issue of concern, and you must bear in mind that all of my panels consist of experts in their fields. People are urging us to look at a pan-Wales research programme, and although I am not averse to that, if I were to

look favourably on having one, it should perhaps concentrate on areas where there is a high density of windfarms, rather than on Wales as a whole. So, I am open to any suggestions that might arise from the committee's discussion and report on this. Other stuff has been done in mid Wales by the National Grid and by Aberystwyth University. The conclusions of the Scottish Government report on the impact of windfarms on tourism are, indeed, interesting.

[249] **Antoinette Sandbach:** Minister, I want to return to your introductory remarks, and the interplay between regulators being one of the difficulties. As the Chair indicated, Kevin McCullough spoke strongly to this committee and raised particular concerns about the single environment body and the fact that the Forestry Commission may be included in that body. Have other industry figures repeated or echoed those concerns to you? Are you aware of other industry concerns about the SEB, including those about Forestry Commission Wales?

11.30 a.m.

[250] **Edwina Hart:** If it is appropriate in my answer to this question, Chair, I will refer to other aspects within my portfolio on which I have had discussions. I have obviously had some industry representations in north Wales, and I think that Gwen was with me at the time, where concerns were addressed. However, there have been quite fruitful meetings and discussions taking place across the piece between the department and industry about how this single environment body could work.

[251] The key message from industry to me is this: if the body is established, it is important to have a chief executive and a chair who have strong industrial credentials to give comfort to industry that the new organisation, which will have the capacity to change direction, will do what people anticipate from it. Everyone has an opinion on these matters, and, at the end of the day, we can quite understand the case for the Countryside Council for Wales and the Environment Agency in that regard, but the Forestry Commission, given that it has more of a business edge, could perhaps assist in terms of having more of a business focus in the new organisation. However, that is very much a personal opinion; you will obviously want to deal with this issue in more detail with my colleague John Griffiths when he appears before you.

[252] **Antoinette Sandbach:** On the timeliness of responses from statutory consultees, how do you anticipate that that is going to improve in terms of an issue on leadership?

[253] **Edwina Hart:** We have been clear that we are currently looking at this timeline issue; we are investigating what has been said about the timelines and the timeliness, which is likely to be taken into account in the development of Government policy. It is important that those organisations know where they stand. Ron may have something to add about the experience that the industry has had in this regard.

[254] **Dr Loveland:** John Davies is looking at the planning system in general—I am sure that the Minister for Environment and Sustainable Development will also mention that—and a study is being undertaken by Hyder of the experience of the renewables industry. In my personal experience of talking to developers, a lot depends on how much effort has been put into the process. There are examples of good practice and, as ever, of bad practice.

[255] **Antoinette Sandbach:** Given that there seem to be blockages in the consenting process, what consideration has been given to deemed consent or permitted development? Wales seems to have far greater restrictions in terms of permitted development—

[256] **Lord Elis-Thomas:** We are straying into planning issues. It is not for me to advise the Minister on what she should or should not answer.

[257] **Edwina Hart:** This is not technically within my remit, and I am aware that the

appropriate Minister will be appearing after me.

[258] **Antoinette Sandbach:** Okay. Perhaps I could change my question. You have created two energy enterprise zones in north Wales—in Anglesey and Trawsfynydd—which indicates that you are taking more of a spatial approach to where energy investment should be concentrated. Do you see a need to update the Wales spatial plan, which has not been updated since the adoption of technical advice note 8?

[259] **Edwina Hart:** TAN 8 and the spatial plan are also not within my portfolio. I am content to say that I think that I have made the right decision on enterprise zones in respect of Ynys Môn, which will focus on energy, and Trawsfynydd, even though I understand that some people are concerned that I intend to allow industry to remain in Trawsfynydd. There are siren voices on that issue. It is important that we recognise our responsibilities to those communities and the skills contained within them, which can take that market forward. The interest for the Trawsfynydd site—where 600 skilled workers were likely not to have jobs after decommissioning—is not just in relation to energy,.

[260] It is important that we concentrate our efforts on the positive aspects of policy in what we do, rather than worrying about the negative aspects, which we are looking into with regard to changing various formats and regulations.

[261] **Mick Antoniw:** How is Wales perceived with regard to renewable energy, given that we are talking about enormous amounts of money, jobs and potential? The perception of companies is important in terms of whether they base themselves in Wales, Britain or abroad. Is there a perception problem? If so, how could it be overcome?

[262] **Edwina Hart:** There was a perception problem, but the establishment of my sector panel, under the previous administration, has made a difference to that perception. We have a high-powered panel that can access contacts within the energy industry globally. So, the industry realises that we are open for business.

[263] We have a good story to tell in terms of renewable technology, for example in terms of what we could do on marine energy if we could only get the ROCs devolved to us. There are issues with regard to the further devolution of powers in these areas. However, the situation is very good in terms of what we are doing on wind generation; it is quite a positive story that has now gained momentum. The beauty of the panel, in conjunction with the First Minister's policy statement on this, is that we have upped the ante in terms of where we are. However, we still need other levers, particularly on what we can do on the maritime side.

[264] **Llyr Huws Gruffydd:** Soniodd y Prif Weinidog yn gynharach y bore yma am yr angen i ddatganoli agweddau penodol ymhellach. Beth yw'r goblygiadau economaidd o safbwynt twf y sector i'r tebygrwydd na fydd unrhyw gyfrifoldebau ychwanegol yn cael eu datganoli am rai blynyddoedd? Er enghraifft, ni fydd comisiwn Silk yn adrodd yn ôl ar hyn tan y gwanwyn yn 2014.

Llyr Huws Gruffydd: The First Minister mentioned earlier this morning the need to further devolve specific aspects. What are the economic implications, from the viewpoint of the growth of the sector, of the likelihood that no further responsibilities will be devolved for some years? For example, the Silk commission will not be reporting back on this until the spring of 2014.

[265] **Edwina Hart:** The Silk commission is obviously looking at these issues. It is important that we look at the devolution of further powers in this regard, because it will help us. However, I must work with the tools that I already have in my hands and get on with the issue of marketing what Wales has—not just in terms of its people skills, which are good and can be enhanced, but also on having close links with higher education for further work on the

renewable side in particular. We have excellent relationships with industrial companies, so we must look at what more they can do. I must get on with the simple tasks, like ensuring that the supply chains for any products are fit for purpose. That is why we have been working with RWE to do supply-chain events to encourage people to come to do some work in the sectors, so that things are undertaken. So, we are getting on with the practical issues. I would like to wax lyrical about my opinion on where we should be and how quick we should get there, but the First Minister has outlined our position on the devolution of further powers and made clear our policy areas in the policy statement.

[266] **Lord Elis-Thomas:** So, you might be more lyrical, Minister?

[267] **Edwina Hart:** Perhaps over lunch. [*Laughter.*]

[268] **Llyr Huws Gruffydd:** Derbyniat yr ateb hwnnw. Un o'r elfennau sylfaenol rydym wedi ceisio ymgodymu ag ef yng nghwrs yr ymchwiliad hwn yw dod o hyd i'r cydbwysedd rhwng cael system gynllunio gydsyniol sy'n gweithredu'n lled gyflym, yn effeithiol ac yn *streamlined* ar un llaw, tra'n sicrhau, ar y llaw arall, bod cyfranogaeth ystyrion gan y cymunedau yr effeithir arnynt gan y datblygiadau hynny, fel eu bod yn teimlo bod ganddynt berchnogaeth neu eu bod yn gallu prynu i mewn i'r gwaith sy'n mynd i ddigwydd. Un ffordd o wireddu hynny yw drwy sicrhau bod ganddynt berchenogaeth lythrennol ar y datblygiadau hyn, a bod perchnogaeth gymunedol ar brosiectau ynni adnewyddadwy cymunedol yn cael tipyn mwy o flaenoriaeth a chefnogaeth gan Lywodraeth. Pa gynlluniau sydd gennych i hyrwyddo a hwyluso hyn, ac i sicrhau bod hyn yn digwydd?

Llyr Huws Gruffydd: I accept that response. One of the fundamental aspects that we have been trying to deal with in the course of our inquiry is to try to strike that balance between having a planning and consenting system that operates quite quickly and effectively and in a streamlined manner on the one hand, while ensuring, on the other, that there is consideration of those communities that are affected by those developments, so that they feel that have ownership or that they can buy into the work that is going to be undertaken. One way of making that possible is to ensure that they have literal ownership over these developments, and that community ownership of community renewable energy projects is given a higher priority and support from the Government. What plans do you have to promote and facilitate this, and to ensure that this happens?

[269] **Edwina Hart:** I agree that there must be some community ownership. What we have seen with the discussions on the nuclear issue in Ynys Môn is that the majority of the community there is comfortable with the fact that it might have another power station; the community recognises the importance of having possibly 5,000 construction jobs and 2,000 permanent jobs. This is sometimes at odds with some political opinions, but we must recognise the economic reality of what is required in Ynys Môn. When I visited Trawsfynydd with the Chair, it was made clear to me that, if there was a nuclear proposal, it would be welcomed by the local people and by the workforce. They recognise the enormous benefits, such as being able to keep schools open and retaining local transport, and a whole range of other issues that are dependent on employment in the area.

[270] We are looking at more community-focused issues in terms of development. I am particularly interested in small hydroelectric power schemes, which could help in farming, for example. It is interesting that the Country Land and Business Association was one of the first groups that raised with me the possibility of having small hydroelectric power schemes on its land, which could then help communities further. We are very interested in that and also in community wind projects, which are key. So, there are many issues that we could consider in terms of community development. However, at the end of the day, the planning process and whether individuals can say 'no' to planning are not matters for me—they are matters for the Minister who has responsibility for planning.

[271] **Julie James:** I want to ask you about point 2 of the paper that you provided to the committee, which talks about a whole Government approach to build a positive business environment through addressing five key priorities: investment; making Wales a more attractive place to do business; broadening and deepening skills; encouraging innovation; and targeting business support. Could you elaborate on some of those points?

[272] **Edwina Hart:** Some of the issues presented to us have been about being responsive to business, which is at the heart of your question. The fact that we have the panel means that we are perceived as being responsive to business and that we clearly recognise that we have a responsibility in that area. Some of the issues that the panel has been considering have been about the notion of a grid—and it is always assumed when I use the word ‘grid’ that I mean National Grid. Gwen might want to outline the panel’s interesting discussions about the grid concept and what it means.

[273] **Ms Roberts:** Mae’r panel wedi dynodi cyfres o themâu er mwyn ymateb i’r her mae’r sector yn ei wynebu. Yn ystyr ehangach y grid, edrychir ar yr isadeiledd strategol sydd ei angen er mwyn datblygu a thyfu’r sector yng Nghymru. Felly, nid yn unig yr edrychir ar y grid fel y grid, ond edrychir hefyd ar yr isadeiledd, megis porthladdoedd, priffyrdd a safleoedd, er mwyn cynnal a thyfu’r sector. Felly, caiff y gwaith hwn ei wneud ar draws adrannau. Rydym yn awyddus i nodi’r anghenion hyn ar draws y Llywodraeth yn ogystal â gweithio’n agos iawn â busnesau i weld beth yw eu hanghenion, fel y gellir gwneud rhywbeth ynghylch hynny. Rydym hefyd yn adlewyrchu’r trafodaethau hyn o ran ffurf a siâp arian Ewropeaidd o 2014.

Ms Roberts: The panel has set out a series of themes to respond to the challenge that the sector is facing. In the wider concept of the grid, the strategic infrastructure that is needed to develop and grow the sector in Wales is looked at. Therefore, not only is the grid considered as the grid itself, but the infrastructure, such as ports, highways and sites, is also considered in order to maintain and grow the sector. Therefore, this work is done across departments. We are eager to flag up these needs across the Government, as well as to work closely with businesses to see what their needs are, so that something can be done about it. We are also reflecting these discussions in terms of the form and shape of European funding post 2014.

[274] **Julie James:** That is interesting; thank you. The First Minister, in response to a question of mine, talked about the Living Smarter initiative, and in a different committee yesterday you answered a similar question about the development of microbusinesses and green sector jobs. Could you elaborate a little on their role in this sector?

[275] **Edwina Hart:** We are concentrating on that area, because quite small companies can be part of the solution in terms of energy and the growth of businesses. So, in the wider sense, they can be part of the whole approach. If we look at what is needed for the production of turbines, for example, we see that quite small companies and microbusinesses can be involved in the development of parts and also in turbine maintenance. It is about having dynamic ways of engaging with businesses in the discussion about energy and about green jobs. It is a whole Government approach, because it also involves the education and training agenda, of which Jeff Cuthbert is well aware, and all of those other linkages across Government, which I understand that the First Minister’s contribution highlighted. The document also demonstrates the Government’s joined-up approach.

[276] Gwen spoke about the importance of ports, and it might be helpful for the committee to be aware that we have asked for the devolution of ports, because, in the case of Milford Haven and some of the large ports within the Crown Estate, it would be enormously helpful. I want to put on record that we have excellent discussions with Associated British Ports, given that it is obviously interested in the energy agenda and what can arise from the activity of its

ports. However, the UK Government is not prepared to give us equal footing with the devolved administrations in Scotland and Northern Ireland on the ports issue, which severely hampers us in terms of how I might deal with the enterprise zone in Milford Haven and the further development of other ports. This will be of interest to the committee, and will be considered by the Silk commission.

11.45 a.m.

[277] **Julie James:** Could I just add, Chair, that ABP gave evidence yesterday to the Enterprise and Business Committee, as part of the committee's inquiry into international connectivity through Welsh ports and airports. I have asked that that evidence comes to this committee as well, given that it cuts across the things that the Minister has just outlined.

[278] **William Powell:** Gwenllian referred a few moments ago to the relevance of the European funding regime for this sector, and Commissioner Johannes Hahn has spoken of his wish to see a more outcome-focused approach in the next round. Do you have any specific ideas at this stage of useful modifications in the next round to encourage developments in this area?

[279] **Edwina Hart:** The Deputy Minister and I have constant discussions about what will happen in the next round of European funding. It is clear that the Government has decided that it will be strategic in its approach to the next round and that it will start on some simple things, such as how we are going to use the science policy, which has been a key issue in terms of the development of structural funds. We will take a strategic approach to infrastructure in terms of the economy and development and this strand of work. There are the issues around research and development, on which we must be much more focused, and which involve our partnerships with the higher and further education sector, which we must build on strategically. There is also the huge European structural funds agenda on skills. So, discussions are going on across the portfolio. Alun Davies has already held a reflection exercise on the last lot of structural funds, and many of these points have arisen from that.

[280] When we have the broad framework of where we are moving in terms of structural funds, I will ask my panel to actively consider the advice and help that it can help with. I stress, Chair, that the panel has access to an awful lot of information that I want considered in relation to my role as a Minister in this area. I rely heavily on the expertise of the panel, and it is fair to say that, some days, its members get fed up with all of the referrals. When you have such high calibre individuals who are prepared to give their time to Government, it is important that we utilise them fully in developing this agenda. They will be asked to help and to make suggestions around this agenda in the context of future structural funds programmes.

[281] **William Powell:** Would it be useful to have a greater alignment of the rural development plan with the other structural funds going forward?

[282] **Edwina Hart:** We are looking at the alignment of all plans. I always say this: pet schemes must go; it is strategy that concentrates on the economy and jobs that must be the key driver of everything that we get out of European funding. It is good to have nice ideas from organisations about how they can run something, but we need measurable outcomes in terms of how many jobs can be created. I know that Members were disappointed with the figures that were published, so it is our duty this time to look at the key elements that will create jobs and outcomes from the next round of funds. When we start discussing in more detail the direction of how things are going, there might be a lot more upset people than happy people lobbying you, particularly when they see that we are going to take a centrally delivered strategic approach.

[283] **William Powell:** You referred earlier to your particular interest in hydro schemes,

and the initial interest shown by the Country Land and Business Association. Could you reassure us that your department, while not having direct responsibility for planning, will bring to the attention of the relevant officials the importance of the commercial aspects and where planning policy can act as a major impediment to development? This committee has heard some pretty extraordinary examples of inconsistent practice, which is not conducive to development.

[284] **Edwina Hart:** You can rest assured that these points will be strongly made in discussions on this issue. As a matter of interest—sorry to digress, Chair—my department is discussing with business organisations the planning and other issues that arise. We are hosting events, which we are facilitating with the Commissioner for Sustainable Futures, so that we can put the concerns of business into order and make the appropriate representations to John Griffiths during this process.

[285] The only thing that businesses ask me for is speed and consistency of decisions. That is the only thing that they ask for; they want to know whether or not they can do something. If they are told that they cannot go somewhere, they understand that, and if they are told that they can go somewhere, they naturally expect that they will get planning for it. It is that middle ground that they find incredibly uncertain. They are not necessarily happy about the localised approach in terms of certain projects either. Perhaps there should be a more regional-based approach to certain projects. Those are the emerging views, and the sectors will also have their views on this policy agenda, which will be reflected when I have my discussions with the Minister with responsibility for planning.

[286] **Lord Elis-Thomas:** I have questions from Vaughan Gething and David Rees and then I think that that will be it from us.

[287] **Vaughan Gething:** Thank you, Chair. Minister, I was interested in some of the comments that you have already made, both this morning and in your evidence paper, about research and development and innovation. I would be interested in hearing where you think those priorities are—you recognise that it is an area for direct intervention by the Welsh Government—both the priorities that the Welsh Government sees, and how they reflect industry priorities for additional intervention in research and development. In particular, how do you see that matching up in terms of potential collaboration? I know that there is pan-European collaboration between academics on some of this. How do you see that reflecting on the competitive nature of, for example, marine energy development?

[288] **Edwina Hart:** Marine energy is a key area. It is something that Ron will want to come in on because we have had a lot of representations on it. In terms of Government funds—and I think that we are reflecting what the sector requires from us—we are funding the marine renewable energy strategic framework, and we are funding the Low Carbon Research Institute's marine programme, which is also key. We support the DeltaStream project and the sustainable expansion of applied coastal and marine sectors, and we have the marine energy infrastructure study. So, we have a lot of work going on, and a lot of excellent partnerships with institutions to deal with these particular issues. I know that, on the marine side, there is an enormous amount of interest in what more we could do in terms of marine energy.

[289] **Dr Loveland:** The appendix to the Minister's document, 'The Wales Science Strategy', which was published earlier this week, gives a broad picture of all the opportunities in the energy sector as part of one of the three grand challenges. On marine, as well as what the Minister has mentioned, there is the Low Carbon Research Institute, which has a major £8 million programme looking at marine energy developments. I would also like to stress, in the general context, all the work on microgeneration, energy efficiency and smart living, where our innovation and research and development infrastructure can bring real expertise and drive

to this area.

[290] **Edwina Hart:** We have also been working with the Technology Strategy Board and other groups. Are there any other areas that we have not mentioned between us?

[291] **Ms Roberts:** Y prif beth rydym yn edrych arno yw masnacheiddio'r ymchwil a datblygu sy'n bodoli'n barod ac ymchwil a datblygu sydd â photensial masnachol. Rydym eisiau cydnabod bod gennym lawer o gwmnïau bach a deinamig yng Nghymru, ac mae lle inni helpu i ddod â nhw at ei gilydd i fanteisio ar y cyfleoedd—er enghraifft, gwaith y Bridge Marine Science Group sy'n dod â llawer o bobl at ei gilydd. Y prif beth yw ein bod yn gweithio gyda'n gilydd ar draws y Llywodraeth yn ogystal â gweithio'n agos iawn â busnes ac, fel dywedodd y Gweinidog, rydym eisoes yn trafod â'r Technology Strategy Board o ran cyd-weddu ein blaenoriaethau ni â'i rai ef er mwyn cael y budd gorau i Gymru a busnesau Cymru.

Ms Roberts: The main thing that we are looking at is the commercialisation of the research and development that already exists and the research and development that has commercial potential. We want to recognise that we have many small and dynamic companies in Wales, and there are ways for us to bring them together to take advantage of the opportunities—for example, the work of the Bridge Marine Science Group that brings a lot of people together. The main thing is that we are working together across Government as well as working closely with businesses and, as the Minister said, we are already in discussions with the Technology Strategy Board on trying to match our priorities with its priorities in order to ensure the maximum benefit to Wales and Welsh businesses.

[292] **Vaughan Gething:** I have two questions. I am interested in whether you have made an assessment of the potential of the procurement directive to foster and move on with research and development and innovation—this whole point about commercialising research and innovation. I have a second, unrelated question. I know that you said earlier that we do not have control of all the levers that we might want and the First Minister has been very clear about the consenting regime and ROCs in particular, but are there any other levers that you think, from a devolution point of view, would be useful for us to control in terms of developing and maximising our energy potential?

[293] **Edwina Hart:** On the last one, the First Minister has said that renewables obligation is the key for us in terms of devolved power. It is absolutely essential that we have that in order to be competitive. On procurement, these are issues that we will be looking at in terms of the procurement directive. Jane Hutt has a procurement review group, and we will want to know what emerges from the Commission and we will be asking the panels to look proactively at how they think we can do more in terms of procurement. I do not think that we have necessarily had our act together on procurement.

[294] **Lord Elis-Thomas:** Antoinette, I believe that you have a question.

[295] **Antoinette Sandbach:** I wanted to pick up on what Vaughan said. I think that I spoke about spatial mapping, as it were, on land. However, what plans are there to help the marine energy sector with spatial mapping, as it were, offshore? I know that the industry is saying that further information on tides would be of great use in helping to develop those resources. Are you looking at a research programme that may spatially map the coastline as well as mapping inland, so that it is all integrated?

[296] **Edwina Hart:** We have a memorandum of understanding with the Crown Estate. We are already looking at mapping across Wales in the context of the work that we are undertaking. We are aware that it has enormous potential for us, so the response to your question is a positive one.

[297] **Antoinette Sandbach:** I am grateful for that. The second matter that I want to raise, which we have not touched on today, is the Green Deal. We have heard some evidence to suggest that Wales is, perhaps, around 18 months behind in terms of taking advantage of the Green Deal. Is there any assistance that you can give to ensure that Wales does not lose out from the Green Deal and that it maximises its potential?

[298] **Edwina Hart:** I cannot recall receiving any correspondence on problems with the Green Deal. Do you want to comment on that, Gwen? I cannot recall anything on this.

[299] **Ms Roberts:** Y prif beth yn y maes hwn yw bod gennym, fel sector, dimau datblygu busnes ledled Cymru. Swyddogaeth y timau hynny yw ymateb i a pharatoi ar gyfer prosiectau arfaethedig, boed y prosiectau hynny'n rhai sector preifat neu brosiectau sy'n cynnwys buddsoddiad gan y sector cyhoeddus. Mae'r tîm yn ymwybodol iawn o'r cyfleoedd sydd ar y gweill o ran y Fargen Werdd, ac rydym wrthi'n gweithio'n agos â'n cyfeillion yn yr is-adran Dyfodol Cynaliadwy ynghylch sut yn union gallwn uchafu'r buddiannau sydd ar gael. Mae angen inni weithio i helpu'r gadwyn gyflenwi i adeiladu'r capasiti sgiliau ac yn y blaen. Mae'n faes sydd yn sicr ar radar y tîm ac rydym yn edrych arno fel blaenoriaeth.

Ms Roberts: The main thing in this area is that we, as a sector, have business development teams across Wales. The function of those teams is to respond to and prepare for the pipeline of projects, whether they are private sector projects or projects that include investment by the public sector. The team is very aware of the opportunities that are available under the Green Deal, and we are working closely with our colleagues in the Sustainable Futures division on how exactly we are going to maximise the benefits that are available. We need to work to help the supply chain to build the skills capacity and so on. It is an area that is certainly on the team's radar, and we consider it to be a priority.

[300] **Edwina Hart:** We would be more than happy to take up any concerns or complaints raised by committee members. The project has not yet been launched, of course. My officials and I have not received any correspondence on this issue.

[301] **Lord Elis-Thomas:** Before we come to write up this section of our report we can, perhaps, look for further information on this issue.

[302] **David Rees:** My colleagues have already asked my questions, and the Minister has strongly given us the message that Wales is open for business; I am content with that.

[303] **Lord Elis-Thomas:** You clearly have one satisfied customer, Minister; or two, if I may include myself, being entirely impartial. [*Laughter.*] Thank you for your customary enthusiasm; it was good to see you in committee.

[304] **Edwina Hart:** Thank you very much indeed, Chair; it was a pleasure.

12.00 p.m.

Ymchwiliad i Bolisi Ynni a Chynllunio yng Nghymru—Tystiolaeth gan Weinidog yr Amgylchedd a Datblygu Cynaliadwy
Inquiry into Energy Policy and Planning in Wales—Evidence from the Minister for Environment and Sustainable Development

[305] **Yr Arglwydd Elis-Thomas:** Croeso i'r Gweinidog a chroeso yn ôl i Dr Loveland. Croeso hefyd i Rosemary Thomas. Roeddwn

Lord Elis-Thomas: Welcome to the Minister, and welcome back to Dr Loveland. Welcome, also, to Rosemary Thomas. I was

yn falch iawn, Weinidog, bod y papur hwn, sef 'Ynni Cymru: Newid Carbon Isel', wedi'i gyhoeddi mewn pryd ar gyfer ein sesiwn y bore yma yn holi cyfres o Weinidogion. Hoffwn ofyn cwestiwn ichi nad yw'n annhebyg i'r cwestiwn a ofynnais i'r Gweinidogion eraill. Cyn belled ag yr ydych chi a'ch portffolio yn y cwestiwn, a allwch chi weithredu'r hyn y mae'r Prif Weinidog a Llywodraeth Cymru wedi'i ymrwymo iddo yn y ddogfen hon? Yn fwy na hynny, a fydd y ddogfen yn cael ei gweithredu'n effeithlon ar draws y Llywodraeth?

very pleased, Minister, that this paper, 'Energy Wales: A Low Carbon Transition', was published in time for our session this morning questioning a series of Ministers. I would like to ask you a question that is not dissimilar to the question that I asked of the other Ministers. As far as you and your portfolio are concerned, can you implement what the First Minister and the Welsh Government have committed to in this document? More than that, will this document be implemented efficiently across the Government?

[306] **Gweinidog yr Amgylchedd a Datblygu Cynaliadwy (John Griffiths):** Diolch yn fawr, Gadeirydd.

The Minister for Environment and Sustainable Development (John Griffiths): Thank you very much, Chair.

[307] The First Minister's launched 'Energy Wales: A Low Carbon Transition' yesterday and it is a very important statement of Welsh Government policy. This will indeed require and receive a cross-departmental approach. That is a major part of the strategy. For me, it is obviously very important to work with ministerial colleagues on energy policy as we move forward. One example that I would give, and that Energy Wales rightly highlights, is the single environment body. I think that that is going to be really important in creating a better, more streamlined, more effective consenting regime for energy applications. That is one example of how, within my own responsibilities, I will be working with my colleagues to ensure that 'Energy Wales: A Low Carbon Transition' is a success.

[308] **Lord Elis-Thomas:** I was also very interested in the way in which the document emphasises, at the outset, the link between itself as a working document and the consultation on your Green Paper, 'Sustaining a Living Wales'. I would like you to tell us a bit more about how you see this energy document linking in to the broader sustainability agenda, which you have championed strongly since you became a Minister.

[309] **John Griffiths:** The natural resource management approach, which we will take through 'Sustaining a Living Wales', is very much about joining up, integration and understanding what our natural resources have to offer. When we talk about the ecosystems approach, it is about looking at an area of land, for example, and thinking about what it can offer in terms of the three strands of sustainable development: economic, social and environmental development. One important aspect of that, of course, is the generation of energy, and renewable energy in particular, because it fits so well with the natural resource and ecosystems approach. The two things go together very well, and one important thing that our land in Wales can offer us is renewable energy development and production.

[310] **David Rees:** Good morning, Minister. I think that it is still morning. No, I am mistaken; it is the afternoon now. The First Minister and the Minister for business have clearly stated that Wales is open for business. I am sure that you will be saying the same thing. However, they also highlighted the fact that one of the problems that they have had with industry is the consenting process. With the single environment body coming on board as well, what are you going to do to ensure that the consenting process improves in order to allow business to show that it is indeed open?

[311] **John Griffiths:** As I said, the single environment body is a very important development. One of the most important factors in taking forward the consultation and proposals for a single environment body is to create a more streamlined, simplified

consenting process that will be much more user-friendly, efficient, effective and timely. So, there is work to be done to ensure that we have a better system. However, I am confident, because it is one of the major aspects of the work that we are carrying out in making the transition to a single environmental body, that we will have a much better system as a result.

[312] When it comes to the experience of consenting issues in relation to renewable energy applications in Wales, it is important that we have a good evidence base as to what the experience has been. So, we have commissioned Hyder Consulting to look at renewable energy applications and the timelines for particular parts of the process. Hyder Consulting will report to me with some initial work and then it will do some further work, because it is important that we have an evidence base that is as strong as possible to create new systems and to feed into a planning Bill, which we will take forward in this Assembly.

[313] Finally, looking at the experience, it is also important to recognise that there will be issues relating to the applicants. It may well be the case that in certain respects the applicants have not speeded up or facilitated the process through their own actions, for various reasons. So, it is important that we get the evidence so that we can have a rounded picture of the issues involved.

[314] **David Rees:** Will you also be looking at paralysation of consenting and planning applications, because there seems to be a problem where one has to be given before the other can even start?

[315] **John Griffiths:** Yes. There have been some well-recognised issues of that nature in the recent past in Wales. It is bound up with the differing responsibilities of the Welsh and UK Governments, in some respects. So, it is important that those issues are addressed in terms of the further devolution that is required in terms of Welsh Government responsibilities. However, those are issues that will be addressed as we take work forward.

[316] **Russell George:** The previous Government was committed to a full review of TAN 8, with full public consultation, but this Government is not. Why is that?

[317] **John Griffiths:** The previous Government made a commitment to review TAN 8, and there was a subsequent written statement by the then Minister that made it clear what the approach to revision of TAN 8 would be. In line with that, in 2011, the Welsh Government updated the relevant chapter of 'Planning Policy Wales', and alongside that a letter was issued that updated TAN 8 in terms of what was, or was not, relevant now. So, an exercise has taken place in terms of the statement made by the previous Government.

[318] **Russell George:** How was the public consulted in that process?

[319] **John Griffiths:** There was consultation on that review of 'Planning Policy Wales' for that particular chapter.

[320] **Russell George:** We have heard that TAN 8 is in place for a very good strategic reason, and that this Government is very much committed to it. Is that still the case?

[321] **John Griffiths:** Absolutely. In a way, it comes back to leadership, which we were concerned with yesterday when the First Minister gave a strong and clear lead with the launch of the strategy. It is important that leadership is shown on such an important area as renewable energy and planning for renewable energy, and TAN 8 achieves that. It is strong strategic leadership from the Welsh Government on renewable energy, identifying the areas of Wales that are most suitable for onshore windfarms. That is a responsibility of the Welsh Government and one that is fulfilled through TAN 8. Therefore, we very much remain committed to TAN 8.

[322] **Russell George:** There is no reference to TAN 8 in the document issued yesterday. Why is that?

[323] **John Griffiths:** It is a high-level strategy document that sets out a high-level strategy for the way forward. Much sits beneath and around that in terms of other Welsh Government policy, but TAN 8 is an important part of that energy strategy. The First Minister and all Ministers have been clear about that.

[324] **Russell George:** Is the Welsh Government sticking to the same targets and timescales for onshore wind and other forms of renewables as set out in TAN 8?

[325] **John Griffiths:** I clarified the position with regard to TAN 8 in the letter, which, for example, made it clear that the Garrad Hassan figures demonstrated the maximum outputs that we expect from TAN 8. So, I think that I made it clear that we remain committed to that.

[326] **Russell George:** We have heard evidence that there was no legal basis to the letters that you sent last summer—a different legal basis, as opposed to TAN 8. Do you have any comments on that?

[327] **John Griffiths:** I hope that it is abundantly clear that the Welsh Government always acts within relevant law in any decisions that it makes or any advice or clarification that it gives.

[328] **Russell George:** Finally, many witnesses to this committee have told us in evidence that they would like to see a review of TAN 8 with a full public consultation, given the cumulative impact on certain areas, such as transport capacity and the effects on tourism, and, most of all, given the advances in technology since TAN 8 was originally conceived. What is your response to that?

[329] **John Griffiths:** Our entire planning policy is necessarily flexible and allows for up-to-date developments in relation to technology and other aspects. All elements of the planning system—the local development plans, the local planning authorities, and our own ‘Planning Policy Wales’ and technical advice notes—are updated as appropriate. However, I have made it clear that we remain very much committed to TAN 8; it remains valid and in place.

[330] **Julie James:** Good afternoon, Minister. It has been a long morning. *[Laughter.]*

[331] I was absolutely delighted to see this document released yesterday. It has some great statements in it that match nicely with ‘Sustaining a Living Wales’, which I was pleased to be at the launch of recently. In its introduction, there is talk of a whole system transition to low-carbon energy, and a holistic approach to transport, electricity and so on. I am interested in what you perceive as the levers within your department for helping that transition, particularly in giving guidance to local authorities, in terms of their attitude to some planning applications and so on, around holistic systems. I particularly have in mind the changing attitudes towards things like anaerobic digestion, which many low-carbon economies have as a natural part of their housebuilding programmes, for example.

[332] **John Griffiths:** You are absolutely correct that there is a great deal of complementarity between ‘Energy Wales’ and ‘Sustaining a Living Wales’. There are many levers that we can use to ensure that we make that hugely important transition to a low-carbon Wales. Renewable energy is an important part of that, as is anaerobic digestion. We are keen to work closely with local planning authorities to ensure that we effectively implement policy and make the transition at a local level. So, we provide a lot of training, guidance, toolkits and funding for local planning authorities, which relate to all matters involved in making a

transition to a low-carbon Wales and to renewable energy, including anaerobic digestion. It is a constant effort and a fruitful relationship. Local planning authorities' local development plans are hugely important as the basic building blocks for the planning system. We will continue with that approach and step it up because this is a time of change and there are important new strategies such as 'Sustaining a Living Wales' and 'Energy Wales'.

12.15 p.m.

[333] **Julie James:** You mentioned a few things of concern to us in your response. We have had conflicting evidence. We had evidence from developers who do not want TAN 8 reviewed, which was quite persuasive. We heard evidence of a postcode lottery in how some developments are viewed in different local authorities. We had two people in front of the committee at the same time arguing about the relative policy weight afforded to various documents, and so on. I know that training events take place. The Minister for local government talked this morning about the Simpson agenda and collaboration. Is your department working towards using expertise in one local authority to assist another? Are you trying to get a more consistent approach across local authorities, because diverging styles seem to be emerging in some of them?

[334] **John Griffiths:** There is an important balance to be struck between overarching Welsh Government planning policy, 'Planning Policy Wales', technical advice notes and other guidance, and local planning authorities' ability to best know their local circumstances for the sake of shaping local development. There are important common factors involved in taking renewable energy development forward, which all local planning authorities in Wales should factor into their work and decision making. I agree that there is a lot of training. Rosemary Thomas, as deputy director of planning, is constantly on the road across Wales, meeting local planning officers and trying to ensure that consistency. You are right to say that it is important that we share knowledge and experience, in line with Carl Sargeant's Simpson agenda. There is a good example of that in north Wales with effective sharing of knowledge and expertise on minerals planning. Sharing also happens on renewable energy. For example, Powys local authority has shared knowledge with Ceredigion. We need more of that. Grants are available to fund that important sharing and pooling. I agree that it is an important part of taking policy forward effectively.

[335] **Julie James:** I have one last question on a related topic. Another thing that concerns people interested in the transition to a low-carbon economy is the LDP process and the allocation of housing and housing densities, and whether that is compatible with a Commission for Architecture and the Built Environment housing development 6. There have been some unfortunate developments in my local authority recently. For example, houses were built in a way that means that people must have their lights on all day because they are dark. There were also other very environmentally unsound building practices because of the commerciality of developing a site with low land value, and so on. Can you comment on ways of encouraging more environmentally friendly developments while getting the LDP process to produce the right amount of housing? How do we achieve that balancing act?

[336] **John Griffiths:** Housing issues are an important part of the LDP process. Many Assembly Members feel strongly about housing matters because they are crucially important in so many ways. We have technical advice notes that deal with design and the most suitable developments, which are important. We have the code for sustainable homes. We now have responsibility for building regulations, which we have had since the beginning of this year, so we have levers to use to try to ensure that we get developments that are in line with the highest environmental standards. We have seen a great deal of improvement, which is encouraging. In many ways, the industry is up for it, and when the industry is driven to meet higher standards, sometimes it surprises itself by being able to do so in an innovative and cost-effective way, with the costs of meeting the standards being nowhere near as high as it

thought they would be.

[337] I know that Rosemary and other colleagues provided a seminar for Assembly Members yesterday on planning issues and local development plans. Housing was a significant part of that, because these are important questions, with which I know that Members have many issues. So, I am keen to ensure that, as we move forward, we address those issues, because they have been raised with me many times by Assembly Members.

[338] **William Powell:** Good afternoon, Minister. This morning, the First Minister and his team were fairly relaxed when I raised the issue of the possible need to review a rather obscure-sounding piece of guidance, namely ETSU-R-97, which is the guidance on noise generated by windfarms. This has been thrown up by a petition received by the Petitions Committee in recent weeks from communities in Carmarthenshire. Back in the spring of last year, the Department of Energy and Climate Change conducted a study that suggested that some amendments to the guidance are necessary because turbine technology has moved on. Do you have any comments on the possibility of Wales also conducting such a review, so that the guidance we are using is fit for purpose and for communities?

[339] **John Griffiths:** Windfarms are an important aspect of our renewable energy policy in Wales, as we all know. We want to be entirely up-to-date with the latest developments, if there are any, and we are always interested in an evidence base. Perhaps I can ask either Rosemary or Ron to comment on the more technical aspects of the question.

[340] **Ms Thomas:** We are aware of the review to which you referred, commissioned by DECC about how the ETSU guidance is working. Hayes McKenzie Partnership Ltd. produced a report last year on an England-and-Wales basis, and it concluded that the guidance is still appropriate and okay, but that there were issues about its consistent implementation. So, DECC has decided to prepare practice guidance on how it can be implemented effectively and consistently across the countries. We have suggested to DECC that Powys County Council experts be involved in that process, given their expertise on noise issues. We are now in the hands of DECC, which is leading on that. I do not think that the initial workshop has yet been held, but we are very much involved in that in order to ensure that the expertise and experience of authorities in Wales are fed into the process and so that authorities in Wales get the guidance they feel is appropriate.

[341] **William Powell:** I am grateful for that answer. As I said, the petition came from Carmarthenshire, and that local authority is probably at least as involved in this particular strand of regulation as my home local authority. However, it is very helpful to have confirmation of that.

[342] I will move on to another technology I know that you have shown considerable enthusiasm for, Minister, namely hydro, particularly some of the flagship developments in Brecon Beacons National Park, which you have visited personally. Some weeks ago—or maybe it was only last week, but it seems longer—this committee took evidence from North Wales Hydro Power, which revealed some problematic experiences that it had had with progressing some of its schemes in Snowdonia National Park. May I ask you about the issue of flow splitting, which it raised with us and whether you think that it is appropriate that different methodology should be used by the Environment Agency in Wales as opposed to other parts of the United Kingdom?

[343] **John Griffiths:** A while ago—it was probably last month—I met with companies involved in the hydro industry here in the bay. They had a number of issues regarding experience elsewhere in the UK compared with experience in Wales. The Environment Agency was present at that meeting, and I know that Environment Agency Wales feels that there could be some fruitful dialogue between its representatives and the industry to look at

whatever perceived obstacles there are to taking forward hydro projects. Following that dialogue, I hope that we will have a system that better facilitates hydro development in Wales.

[344] We have a planning guide for hydropower with regard to communities and businesses generating hydropower. Flow splitting was an issue on the table at that meeting and whether there is a difference in Wales compared with other parts of the UK, and, if so, whether that is for good environmental reasons or whether a better way forward could be found. I hope that we may find some solutions in that dialogue. When I visited Scotland recently, I had discussions about renewable energy in general with the Scottish Government and power companies operating in Scotland, and there was a strong feeling that it is a really good approach to get the stakeholders together and to allow them to work up their own suggested solutions so that what is put on the table for Government is not a problem from one part of the stakeholder community or another, but rather a proposed solution from the stakeholders coming together. I thought that that was a very progressive approach.

[345] **William Powell:** I have one further question, which relates to another issue thrown up by the same witnesses, which was their experience of a lack of consistency between particular local authorities with respect to the way in which they approach hydro applications. They said that, in Snowdonia National Park, they found that they did not get considered for validation of an application until it had been approved by the Environment Agency, whereas that was not the case next door in Conwy county borough. They had a clear view on which approach worked better for them. Do you have a view on the appropriateness of that inconsistency being in place?

[346] **John Griffiths:** As I said earlier in answering Julie James's question, it is important that we achieve greater consistency in Wales and that we ensure that the Welsh Government's overarching policy is properly understood and acted upon. So, as I described, a lot of effort, work and funding goes into trying to achieve greater consistency. As part of that, local planning authorities are keen to ensure their own responsibilities and legitimacy. It is always a balancing act, but we will work with local authorities to try to ensure that where hydropower is not being facilitated and encouraged in a particular local authority or national park area, those problems are overcome. The matters you raise are matters that we can look at and have some communication on when going forward.

[347] **William Powell:** That is good news, because it appeared to be a matter of great frustration to those concerned, particularly given the quality and abundance of the resource in the location where they were trying to progress the application.

[348] **John Griffiths:** I do not know whether Rosemary wants to comment on the practice guidance that we have, which has a chapter on hydropower and which may be directly relevant to that particular issue.

12.30 p.m.

[349] **Ms Thomas:** The area of consistency is of great concern to us. We have produced practice guidance entitled 'Planning implications of renewable and low-carbon energy'. It deals with every type of renewable energy that you can think of, including hydropower. It reflects the Minister's approach of ensuring that local authorities have the information before them, so that they are aware of the different angles they should be thinking of in considering applications for whatever technology it might be. In addition to providing this practice guidance, the Welsh Government also has a source of grant available, so if local authorities are presented with an application involving an innovative technology that they are not familiar with, or do not have the skills in-house to deal with, then they can apply to my staff for a grant, and we will progress that. Last year, for example, we provided funding of about £40,000 for a range of authorities to access the technical expertise to back up the guidance we

have made available. As the Minister said, we have produced a series of, I think, 10 documents, which is actually aimed at the public—there is one for each technology identified, so that members of the public, going into the planning authorities about a hydro scheme, or bio, or whatever, can pick up a layman’s guide that gives them a clue as to the type of process that the local authority would expect of the application. I will certainly be following up the comment that was made about Snowdonia National Park, because that is not right—it should not be doing that.

[350] **Lord Elis-Thomas:** Thank you very much for that. I enjoyed that bit. Vaughan is next, and then Antoinette and Mick.

[351] **Vaughan Gething:** Good afternoon, Minister. Following on from some of the themes that have already come out, I am interested in this point about consistency, and the speed with which applications are dealt with. That is not just the consenting process, but this question of planning, which pretty much every developer has come to us and complained about. We have ‘Planning Policy Wales’ and TAN 8, which are mentioned on page 12 of ‘Energy Wales’ as overarching things that everyone has to deal with, but there is this point about different outcomes and different approaches. In terms of the review of consenting and planning, which ‘Energy Wales’ commits the Government to doing, I am interested in how much of that you think you can do without going to a planning Bill, and how much you would expect to have to wait to actually achieve until the planning Bill becomes an Act?

[352] **John Griffiths:** At the moment, we have the independent advisory group headed up by John Davies, the former head of Planning Inspectorate Wales, working through the evidence it has received about the structure and delivery of the planning system in Wales. That is obviously a very important piece of work. There is much other work going on as well, including the work by Hyder Consulting specifically on the experience of planning applications around renewable energy. So, what we need to do is evaluate that evidence when it is available to us, and it will feed into the planning Bill. We will have a White Paper in 2013, which will obviously be an important part of the process leading up to the Bill, and it will offer a lot of opportunity to shape the agenda as we move forward.

[353] What you say is absolutely right: when that independent advisory group’s work, and other work, is put on the table, some of that will be about the White Paper and legislation, and some will be about better ways of doing things that do not require legislation. What I hear a lot from energy companies and others is a general comment about the planning system: that very often, contentious though planning is—and I think that we would all be familiar with that—and although there are many competing interests and views, nonetheless it is not so much the ultimate decision that is the issue, but how long it took to get there, and whether the system leading up to the decision was easy, streamlined, efficient and effective. So, we are very concerned with the practicalities, and I am sure that there will be many things that we can do that do not require legislation. We are very keen to learn those lessons from the work of the independent advisory group.

[354] **Vaughan Gething:** The point about speed is really important and has been made by a number of people; in fact, your colleague Edwina Hart, in response to Mick Antoniw’s earlier questions about the reality that this is a big risk factor for developers, recognised that speed was a key factor. I am interested in when you expect John Davies’s group to report, because, of course, having the planning White Paper in 2013 means waiting quite a long time, and some investment decisions may not wait until then. It also comes back to Carl Sargeant’s evidence earlier, where his view was that there should not really be a capacity issue within local authorities with regard to the planning function. It leads to concerns that we may have about whether this really is about capacity and capability, or whether it is about the willingness to take decisions, which I think is even more difficult and brings an even greater element of uncertainty. I would be interested in knowing when you expect John Davies’s

group to report and when you expect to deal with these issues of how quickly planning decisions are made. You cannot expect developers to take up a lot of non-determination queries when there are other applications in the queue, because, understandably, there is a risk that they will get offside with the planning authorities, which could affect their wider significant commercial interests.

[355] **John Griffiths:** The work that Hyder Consulting is carrying out on energy applications in Wales is going to be really important, because it will look at the time taken by various parts of the process. The experience relayed to me in Scotland, from some work done on planning applications for energy projects, was that, surprisingly often, the energy companies were responsible for a significant part of the delay, because of their own inaction or their own competing investment priorities in areas other than the one involving a particular application. So, it is important that we get the evidence to really understand the issues involved.

[356] Nonetheless, I am sure that there are lessons that could be learned about the planning system and how it operates, and we are very keen to learn them. I should have initial findings from Hyder and the independent advisory group this summer. Hyder will do further work, following on from the initial findings, to dig a bit deeper, as it were, and to look at actual applications in a bit more detail.

[357] On the independent advisory group, it is important that we look at how we get to a better way of doing things, and it is looking at the structure of the planning system and at delivery. It will be looking at appropriate levels of decision making—they could be regional, or they could be Wales-wide for certain categories of application, which could include energy applications. The group is doing a very important piece of work, and we will have to consider carefully the best way forward.

[358] On the issue that you raised about experience and whether, under the local planning system, there is the resource, the capacity or the will to deal with this matter in an efficient and effective way, that is something that we will have to look at in coming to our eventual decisions. I say that notwithstanding all the advice, support and funding that I mentioned that we provide to local planning authorities.

[359] The other aspect of this, of course, is the single environment body, because consents are important in the overall picture. I think that that is going to be an important step forward, because we often hear from companies, business and others about the need to have a streamlined, simplified system and a single point of contact for advice and consents in the planning process. That is also an important part of a better way forward.

[360] **Antoinette Sandbach:** Minister, you were asked earlier about the levers at your disposal. One of those levers is permitted planning developments. Your department consulted on permitted planning over a year ago. When are permitted development rights for microgeneration going to be extended to public, industrial, commercial and community buildings?

[361] **John Griffiths:** On the non-domestic side, I hope that, by the end of this year, we will have completed the necessary work to put those permitted development rights in place. There has been a difficulty—and it is one that is not faced only by Wales—with a mapping exercise for radar and aircraft issues. As I understand it, that work has not yet been completed, but I will ask Rosemary Thomas to come in on that point.

[362] When it comes to domestic properties and the extension of current permitted development rights, we hope to have the extension of those rights in place within a couple of months. The regulations are currently with the European Union. We hope that that process of

approval will be complete within the next month or two. Perhaps I could ask Rosemary to come in on some of the more technical issues involved in non-domestic extension.

[363] **Antoinette Sandbach:** I wonder whether Ms Thomas could write to the committee to indicate what the problems are.

[364] **John Griffiths:** Yes, absolutely.

[365] **Antoinette Sandbach:** In relation to projects that are below 50 MW, all the levers are with the Welsh Government and the statutory consultees in Wales. Do you recognise the following description, given by RWE Npower:

[366] ‘For projects under 50 MW we have concerns that the planning process in Wales is slow and unpredictable compared to competing countries. There are frustrations regarding the political will, skills and resources available in Wales to focus on timely delivery of projects...It is essential that statutory bodies and regulators are sufficiently resourced, experienced and competent to expedite the consultations.’

[367] It then talks about additional workload and project delays due to poorly managed interfaces between environment agencies. In relation to the single environment body case that you have indicated is so important, the resourcing has been based on the resources available to the three bodies working in the way in which they currently work. There is no business case in relation to this new environment body. In what you have talked about, the business case addresses only the efficiency savings that can be made from merging three existing bodies. It does not talk about the resource implications for the new body.

[368] **John Griffiths:** I disagree. The business case was predicated on the more effective and efficient use of resource that would come about by merging the three bodies. That additional resource could then be used for service delivery in a new single environment body. That has always been a central part of the case for making the move to a single environment body. That was set out in the business case in some detail.

[369] **Antoinette Sandbach:** I have one final question. I am sure that it was an embarrassing oversight on behalf of the Welsh Government, but why was anaerobic digestion not defined as part of the renewable sector on page 9 of the document? A number of technologies are defined, including geothermal, hydro, photovoltaic, wave, tidal and wind technologies, along with biomass, but biomass, of course, is different from anaerobic digestion, or, perhaps I should say that anaerobic digestion is a discrete technology. I am pleased to hear what you have said about this in your evidence today, but given its prevalence in Europe, what role do you think AD can play in Wales?

[370] **John Griffiths:** AD has a very important role to play. It is included in biomass and it is included in that way in ‘Energy Wales’. It is very important, and the Welsh Government has been clear in recognising that. We are seeing some important development in terms of anaerobic digestion in Wales. I have visited some of the new developments. It has an important role to play and it is very much about our waste policy, ‘Towards Zero Waste’, as well as the energy aspects. It has many advantages, including considerable advantages for the farming industry in Wales. So, we are clear that it has a significant role to play and we wish to give it every support.

[371] **Lord Elis-Thomas:** I would now like to offer Rosemary Thomas the opportunity to speak to the committee in the way indicated by the Minister previously.

[372] **Ms Thomas:** Would you like me to talk about permitted development rights in the commercial sector?

[373] **Lord Elis-Thomas:** Yes.

[374] **Ms Thomas:** The term ‘commercial buildings’ covers everything from farm buildings through to city-centre office blocks, retail buildings and so on. So, the commercial PDRs cover a vast range of commercial buildings in different situations. Pulling together a set of permitted development regulations that cover each and every circumstance is a mammoth task. We have been working very closely across the UK because we realise that, in terms of microgeneration equipment, it makes sense, if it goes in to lots of small businesses, to have as uniform an approach as possible across the UK.

12.45 p.m.

[375] We have been working very closely with other countries, and it has been decided to bring forward a radar mapping tool. Each local planning authority will have a piece of kit so that, if an application comes in, particularly on turbines, a local authority can look at this radar mapping tool to see how the turbine relates to the tool that we will provide. It takes a while to get this tool in place. Work is progressing well, and, as the Minister says, we aim to get the regulations that will underpin this system in place by the autumn of this year.

[376] **Antoinette Sandbach:** That is encouraging news, because solar has been a permitted development over the border in England for quite some time.

[377] **Ms Thomas:** Not for a long time. Our regulations for solar are very similar to those of England; the big issue has been the mapping tools. There is also a tension in that one person’s relaxation of regulations is another’s impact on amenity. It comes back to planning, and to how you get the appropriate balance in regulations. We are trying to secure an approach that is as similar to England’s approach as possible, consistent with what we think is appropriate for people in Wales. For example, Valleys communities have quite dense terraced housing, and we need to make sure that we get the balance right. As has been said, Jane Davidson was a passionate advocate, as is the Minister, for making sure that we do not make things worse for residential communities in trying to loosen the regulations for others.

[378] **Mick Antoniw:** Minister, you have given some very comprehensive answers to questions on resources and the planning system, so I will take you on to another area on which some of the evidence has raised a few eyebrows—the area of hydrogeneration and the issue of flow-splitting. Why is there a different approach in Wales to that of England? The evidence was that this was, in some way, holding back the development of hydrogeneration, or making it less attractive than the process in England. Can you clarify the position?

[379] **John Griffiths:** The position is in terms of environmental protection and the extent of protected areas in Wales compared with other parts of the UK, and striking a balance. The Environment Agency and others have a statutory role in protecting the environment and addressing environmental issues when hydropower projects are mooted. That is why I referred to the meeting that I had earlier with some hydropower operators. The Environment Agency was present at the meeting, because there was a need for a greater understanding as to what the issues are and how it might be possible to better facilitate hydropower in Wales, notwithstanding the rightful extent of environmental protection of the designated areas of Wales.

[380] **Mick Antoniw:** Is there any further evidential base as to the extent of environmental damage caused? It was suggested to us that, where this has taken place, there is no evidence of environmental damage. Therefore, it was suggested that the approach being adopted is very conservative and restrictive, and not based on any evidence.

[381] **John Griffiths:** We would need to get more evidence on that. I do not know whether the work being done by Hyder would include any such planning applications—it would be very useful if it did. The single environment body will be an exercise in getting the culture right for the new organisation. That will very much be about striking a balance between understanding competing priorities for development and safeguarding the environment, and making sure that we have a sustainable development approach that marries the different priorities together effectively. We have seen some examples of differing views between the three current bodies on these sorts of matters. So, it is important that we get the culture right for the new single environment body. We would be keen to look at any evidence that comes from all the work that we are doing on obstacles to hydropower, and on overcoming those obstacles, because hydropower has been important in many ways, including on community benefit and community development.

[382] **Mick Antoniw:** There is a microgeneration project under way in my constituency, and this is seen, to some extent, as an inhibitor to maximising the benefits. I am pleased that you are going to look at that.

[383] **Llyr Huws Gruffydd:** Hoffwn ddechwyn at rai o'r sylwadau a wnaed yn gynharach ynglŷn ag adolygu TAN 8, ac i amlygu'r ffaith, er tegwch, bod galwadau am adolygu TAN 8 wedi dod o gyfeiriad y diwydiant a chyrrff sy'n cynrychioli'r sector ynni adnewyddadwy. Maent yn teimlo bod angen edrych ar y posibilrwydd o estyn ardaloedd chwilio strategol ac, o bosibl, greu rhai newydd. Gan fod uchafswm ar y capasiti wedi'i osod, mae pryder y byddwn ar ryw bwynt yn cyrraedd yr uchafswm hwnnw, ac na fydd unman arall ar ôl i'r diwydiant fynd. Roeddwn eisiau clywed eich ymateb chi i'r farn honno sydd wedi ei mynegi i'r pwyllgor hwn.

Llyr Huws Gruffydd: I would like to return to some of the comments made earlier about reviewing TAN 8, and to highlight the fact that, in fairness, there have been calls to review TAN 8 from the industry and from bodies representing the renewable energy sector. They feel that there is a need to consider expanding the strategic search areas and, possibly, to create new ones. Given that a maximum capacity has been set, there is concern that we will, at some point, reach that maximum, and that there will be nowhere left for the industry to go. I wanted to hear your response to that view, which has been expressed to this committee.

[384] **John Griffiths:** TAN 8 does not preclude applications or developments outside the strategic search areas. Nonetheless, it is an important part of the Welsh Government's strategy in terms of stating what the evidence shows about where larger windfarms are best located in Wales. However, we will, and do, see developments outside the strategic search areas as well. We are quite clear about TAN 8: it is an important part of our renewable energy policy in Wales. It is there for good strategic reason, because the alternative to identifying areas of Wales that are most suitable for that scale of windfarm development is what people refer to as pepper-potting, which would lead to a great deal of uncertainty in the industry and in communities across Wales. So, it is important to have that strategic approach, but that does not take away the general flexibility that exists in the planning system.

[385] **Llyr Huws Gruffydd:** Felly, pan fyddwn yn cyrraedd y capasiti sydd wedi'i osod ar gyfer yr ardaloedd chwilio strategol hyn, a ydych yn rhagweld y bydd angen edrych ar ehangu'r ardaloedd hynny neu greu rhai ychwanegol?

Llyr Huws Gruffydd: Therefore, when we reach the capacity that has been set for these strategic search areas, do you foresee that there will be a need to look at extending those areas or creating new ones?

[386] **John Griffiths:** No. I think that my letter was quite clear in terms of clarifying what we consider to be the maximum outputs from TAN 8. However, as I say, that sits within the general planning system and general planning considerations.

[387] **Llyr Huws Gruffydd:** Yn y dystiolaeth yr ydym wedi'i chael, cawsom bapur gan dîm sector ynni ac amgylchedd Adran Busnes, Menter, Technoleg a Gwyddoniaeth y Llywodraeth, sy'n dweud: **Llyr Huws Gruffydd:** In our evidence, we have received a paper from the Government's Department for Business, Enterprise, Technology and Science energy and environment sector team, which says:

[388] 'There should be a presumption in favour of community based schemes...with an installed capacity up to 25 MW outside TAN 8 SSAs'.

[389] Beth yw eich ymateb i'r awgrym hwnnw? What is your response to that suggestion?

[390] **John Griffiths:** As I said earlier, it is important that, in taking renewable energy policy forward, we have stability and certainty. We have set our strategic approach clearly in TAN 8, and we are fulfilling our leadership responsibilities and role. There is also the generality of 'Planning Policy Wales' and the responsibilities of the local planning authorities. So, in moving forward, particularly after the launch of 'Energy Wales' by the First Minister yesterday, I would hope that there would be a much greater degree of certainty and stability around all these matters, because renewable energy is so important to us in so many ways.

[391] When it comes to community schemes, we are encouraged by Community Energy Wales, which will launch soon. It is an important development and has been effective in Scotland. Ynni'r Fro is also there to support community schemes. We have important support in place, and community projects are an important part of the overall picture.

[392] **Llyr Huws Gruffydd:** A ydych yn rhagweld sefyllfa lle byddai elfen o ffafriaeth yn y system i geisiadau sy'n dod o fentrau cymunedol? **Llyr Huws Gruffydd:** Do you anticipate a situation where there would be an element of favouritism in the system for applications that come from community enterprises?

[393] **John Griffiths:** I am not sure that favouritism is the right word, but we are clear in 'Energy Wales' that we see community projects as an important part of the overall picture. Community schemes and community benefit from general schemes are both important. When I met with Chris Huhne to discuss changes to the feed-in tariff scheme and the proposed ending of the higher rate, I made it clear that we see community energy development and systems that foster, encourage and generate community energy schemes as a significant part of the overall energy picture. I followed that up in a meeting with Ed Davey last week. This matter is important for energy production, but it is particularly important for community development; it is about everything else that community energy allows and supports.

[394] **Llyr Huws Gruffydd:** Gwelais stori o'r Alban yr wythnos diwethaf yn dweud bod Llywodraeth yr Alban am osod offer dal a storio carbon ar orsafoedd ynni glo presennol erbyn 2025. A oes gennych uchelgais debyg i Gymru? **Llyr Huws Gruffydd:** I saw a story from Scotland last week that the Scottish Government wants to place carbon capture and storage equipment on existing coal energy stations by 2025. Do you have a similar ambition for Wales?

[395] **John Griffiths:** I think that we have made it clear that we are interested in carbon capture and storage. At Aberthaw power station, for example, we have been assisting with schemes to explore the potential for that. Ron will come in on this, because it is much more his field of expertise, but as far as I understand it, there has been some frustration with the pace of the science and technology on the development of carbon capture and storage possibilities. However, I think that everybody is agreed that it is an interesting and exciting

possibility, which would be highly relevant to Wales and some of the strengths that Wales has.

[396] **Dr Loveland:** The 2025 target refers to a demonstration project. Scotland is currently looking at two such projects in conjunction with the Department of Energy and Climate Change. We do not have candidates for any such demonstrators at the moment, because there has been no interest from developers. However, as the Minister said, we have an interesting research pilot scheme at Aberthaw. You will shortly see a document from DECC describing the opportunities for carbon capture and storage around the UK. Whereas previous documents have focused on the east coast of England and Scotland, because of the depleted oil and gas fields, this document raises the spectre of storage in saline aquifers, which may be more important as we move forward. We have a big saline aquifer in the Irish sea, and we will try, with colleagues across the piece, to move forward with the CCS agenda, particularly in north Wales in the first instance. This is happening against a background that states that, if we are to move forward in combating climate change, we have to have CCS; the question is when that will happen. Most people think that CCS is not going to be here on a large scale until 2020, 2025 or 2030, rather than in the next few years.

[397] **Rebecca Evans:** Minister, 'Energy Wales' states that

[398] 'if our transition to a low carbon future is to be successful we must ensure that our communities are fully engaged'.

[399] We have heard some strong concerns in evidence from communities about the impacts that renewable energy projects and associated developments would have on them. How are you proactively engaging with communities regarding these concerns, and how are you addressing them?

1.00 p.m.

[400] **John Griffiths:** In launching 'Energy Wales', the First Minister has been clear about the need to get the community benefit message across, namely that we need much stronger and clearer community benefit from energy projects in Wales. However, he has also been very clear about the overall picture that we all have to recognise—the challenge of keeping the lights on, security of supply challenges, climate change challenges and challenges relating to renewable energy and energy costs. There are very important issues for every community in Wales, but I think that we need to get our messages across more effectively. Organisations that work with communities on energy projects, such as Ynni'r Fro, are very significant, and Community Energy Wales will be significant as well. There is also a role for local planning authorities. They are on the ground locally. They work up their local development plans and hold all sorts of meetings. We work with them on what is required on renewable energy development. So, we can come at this issue from many different angles, and I very much agree on its importance.

[401] **Rebecca Evans:** How do you respond to a suggestion made to the committee that there should be a distinct and specific body set up to manage and distribute funds for community benefits from commercial sources?

[402] **John Griffiths:** That is an interesting idea, and I would be very interested to hear what the committee thinks about the evidence that it has heard, and what it considers to be the best way forward. I know that the First Minister is very interested in obtaining community benefits from renewable energy projects. As I said, I think that this is an important part of 'Energy Wales'. I know that the First Minister meets regularly with the energy companies, as do I, and that these very important matters are high on the agenda for discussion at those meetings. I would be very interested to hear what the committee thinks is the best way

forward on those matters.

[403] **Rebecca Evans:** I have one final question: what discussions or thoughts have you had on whether National Grid should be contributing to those community benefit funds in areas where communities are affected by reinforcements to the grid?

[404] **John Griffiths:** General issues relating to community benefits at that high level are matters that the First Minister is very keen to consider in the round, and will do so in going forward with 'Energy Wales'. We work very closely with the grid, in terms of its activities in Wales, and with the energy companies. In those meetings and discussions, these are all matters that are, rightly, part of the agenda. It is for us, in moving forward with 'Energy Wales', to come to a clear, overall picture of how community benefit is best taken forward. It is a very important part of our renewable energy ambitions, and we need to get to the most effective and clear system possible.

[405] **Russell George:** With regard to windfarm development and the infrastructure that comes with it, the issue of tourism impact is a concern to many people in mid and north Wales. Indeed, Powys County Council this week rejected two large applications, and part of its objection was on the grounds of their likely effect on tourism. Also, a 2008 report was commissioned by the Scottish Government to examine the impact of onshore windfarm developments on tourism. Its conclusion was that there was an impact on tourism. What work has this Government undertaken to look at the effects of windfarms and associated infrastructure on tourism, and what work does it plan to undertake?

[406] **John Griffiths:** When I visited Scotland recently, I was very struck by a very large windfarm at Whitelee, outside Glasgow. It had been successful in attracting a high number of visitors to its visitors' centre, as part of the windfarm development, and there was positivity about the tourism advantages of that large windfarm. So, the experience of tourism and visitors in relation to windfarms is not all one way. There is probably, as ever, a mix of views and different experiences. Tourism impact is probably more of a matter for ministerial colleagues, particularly perhaps my colleague the Minister for Business, Enterprise, Technology and Science, Edwina Hart.

[407] **David Rees:** Page 24 of the document highlights a lot of marine energy aspects, which we have not yet discussed this morning. Those giving evidence to us have been unclear about the impact of marine conservation zones on marine tidal energy. What is the Welsh Government's view on marine conservation zones and the impact on tidal energy?

[408] **John Griffiths:** We have great potential for marine energy in Wales, and the First Minister is clear about that in 'Energy Wales'. It is an important part of the renewable energy mix. We have to ensure that we use that potential to best effect in terms of renewable energy and economic advantage. There is always a balancing act with environmental factors, taking any energy development forward. There were site-selection criteria for marine conservation zones, making it clear that sites will not be put forward for consultation if they are in areas where the potential for marine energy schemes has been clearly identified. A number of focus sites have been filtered out as part of that process. So, there is a clear recognition for taking marine conservation zones forward, but that must be done in a way that very much integrates with our marine policy ambitions.

[409] **Lord Elis-Thomas:** Minister, Rosemary Thomas and Dr Loveland—who has been sitting there throughout all our deliberations this morning—we are grateful to you. We feel, as a committee, that having all of our Ministers before us sequentially has been valuable to us, because we have seen the bigger picture of Government, and we have seen it in the context of this most excellent document. I am giving it an A-, but I would, would I not? It clearly sings to my tune. We are very grateful to you. We will certainly use this for our report and will

build a critique of it. As I said at the beginning of the morning, when the First Minister appeared before us, the themes that are picked up here are the themes that we have identified in the course of our work, and to which we will return.

[410] **Julie James:** Could we have a copy of that guide?

[411] **Ms Thomas:** I have sent sets to everyone. I will send some more. I will be glad to get rid of them; we have boxes of them.

[412] **Lord Elis-Thomas:** Fine, and we will distribute them widely. Thank you for the way that you have presented your evidence.

[413] **John Griffiths:** Diolch yn fawr, **John Griffiths:** Thank you, Chair. Gadeirydd.

Daeth y cyfarfod i ben am 1.08 p.m.
The meeting ended at 1.08 p.m.