

Title: Energy National Policy Statements Lead department or agency: DECC Other departments or agencies: CLG	Impact Assessment (IA)
	IA No:
	Date: 18/10/2010
	Stage: Consultation
	Source of intervention: Domestic
	Type of measure: Other
Contact for enquiries: Nick Cooper, Planning Reform Team	

Summary: Intervention and Options

What is the problem under consideration? Why is government intervention necessary?

Designation of NPSs on energy infrastructure is necessary in order for the IPC to be able to make recommendations for decisions on the applications to the Secretary of State, resulting in a faster, more transparent planning process.

Without designated National Policy Statements (NPSs), the IPC would not have definitive guidance on how to apply energy policy in respect of applications and would therefore have to reconsider policy when looking at individual applications. This would not capture the benefits of a faster, more transparent planning process.

What are the policy objectives and the intended effects?

To fully implement the Planning Act 2008 ("the Act"), which will improve planning application processes. NPSs will set the framework for the Infrastructure Planning Commission as to how it is to apply Government policy to development consent applications for Nationally Significant energy Infrastructure Projects as defined in the Act.

What policy options have been considered? Please justify preferred option (further details in Evidence Base)

Policy options considered were:

(i) No energy infrastructure NPSs designated; (ii) NPSs set out high level Government energy policy only. (iii) NPSs a) set out high level Government energy policy and b) define types of location which were likely or unlikely to be suitable for energy infrastructure. (iv) NPSs a) set out high level Government energy policy, b) define types of location which were likely or unlikely to be suitable for energy infrastructure and c) set out guidance on how impacts could be avoided or mitigated.

Option (iv) is the best to achieve the benefits of the single consents regime and the NPSs have been drafted accordingly.

In addition, we considered an option for the Nuclear NPS that prohibited the construction of any new nuclear power stations. As set out in the evidence base, this option is not appropriate.

When will the policy be reviewed to establish its impact and the extent to which the policy objectives have been achieved?	It will be reviewed 08/2020
Are there arrangements in place that will allow a systematic collection of monitoring information for future policy review?	Not applicable

Ministerial Sign-off For consultation stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister: Date:.....

Summary: Analysis and Evidence

Policy Option iv

Description:

NPSs set out high level policy, types of location likely or unlikely to be suitable for energy infrastructure and guidance on how impacts could be avoided or mitigated.

Price Base Year 2009	PV Base Year	Time Period Years 20	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate:
COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)		Total Cost (Present Value)
Low			Optional		Optional
High			Optional		Optional
Best Estimate			£0.4m		£7.9m
Description and scale of key monetised costs by 'main affected groups' The costs of designating and reviewing energy NPSs, borne by Government are estimated at £0.4m annually. The NPSs themselves do not impose any additional costs.					
Other key non-monetised costs by 'main affected groups' None					
BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)		Total Benefit (Present Value)
Low					
High					
Best Estimate					
Description and scale of key monetised benefits by 'main affected groups' None					
Other key non-monetised benefits by 'main affected groups' Developers and interested parties wishing to make representations on proposed developers will benefit from a faster, more transparent and more certain planning consent process, as described in the Planning Bill IA.					
Key assumptions/sensitivities/risks					Discount rate (%)
Impact on admin burden (AB) (£m): New AB: n/a AB savings: n/a Net: n/a					
Impact on policy cost savings (£m): Policy cost savings: n/a				In scope Yes/No	

Enforcement, Implementation and Wider Impacts

What is the geographic coverage of the policy/option?	England and Wales				
From what date will the policy be implemented?	03/05/2011				
Which organisation(s) will enforce the policy?	DECC/IPC				
What is the annual change in enforcement cost (£m)?	n/a				
Does enforcement comply with Hampton principles?	Yes				
Does implementation go beyond minimum EU requirements?	No				
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)	Traded: n/a		Non-traded: n/a		
Does the proposal have an impact on competition?	No				
What proportion (%) of Total PV costs/benefits is directly attributable to primary legislation, if applicable?	Costs: 100		Benefits: 100		
Annual cost (£m) per organisation (excl. Transition) (Constant Price)	Micro n/a	< 20 n/a	Small n/a	Medium n/a	Large n/a
Are any of these organisations exempt?	No	No	No	No	No

Specific Impact Tests: Checklist

Set out in the table below where information on any SITs undertaken as part of the analysis of the policy options can be found in the evidence base. For guidance on how to complete each test, double-click on the link for the guidance provided by the relevant department.

Please note this checklist is not intended to list each and every statutory consideration that departments should take into account when deciding which policy option to follow. It is the responsibility of departments to make sure that their duties are complied with.

Does your policy option/proposal have an impact on...?	Impact	Page ref within IA
Statutory equality duties ¹ Statutory Equality Duties Impact Test guidance	No	15
Economic impacts		
Competition Competition Assessment Impact Test guidance	No	
Small firms Small Firms Impact Test guidance	No	
Environmental impacts		
Greenhouse gas assessment Greenhouse Gas Assessment Impact Test guidance	No	11
Wider environmental issues Wider Environmental Issues Impact Test guidance	Yes	11
Social impacts		
Health and well-being Health and Well-being Impact Test guidance	No	
Human rights Human Rights Impact Test guidance	No	
Justice system Justice Impact Test guidance	No	
Rural proofing Rural Proofing Impact Test guidance	No	
Sustainable development Sustainable Development Impact Test guidance	Yes	

¹ Race, disability and gender Impact assessments are statutory requirements for relevant policies. Equality statutory requirements will be expanded 2011, once the Equality Bill comes into force. Statutory equality duties part of the Equality Bill apply to GB only. The Toolkit provides advice on statutory equality duties for public authorities with a remit in Northern Ireland.

Evidence Base (for summary sheets) – Notes

Use this space to set out the relevant references, evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Please fill in **References** section.

References

Include the links to relevant legislation and publications, such as public impact assessment of earlier stages (e.g. Consultation, Final, Enactment).

No.	Legislation or publication
1	
2	
3	
4	

Evidence Base

Ensure that the information in this section provides clear evidence of the information provided in the summary pages of this form (recommended maximum of 30 pages). Complete the **Annual profile of monetised costs and benefits** (transition and recurring) below over the life of the preferred policy (use the spreadsheet attached if the period is longer than 10 years).

The spreadsheet also contains an emission changes table that you will need to fill in if your measure has an impact on greenhouse gas emissions.

Annual profile of monetised costs and benefits* - (£m) constant prices

	Y ₀	Y ₁	Y ₂	Y ₃	Y ₄	Y ₅	Y ₆	Y ₇	Y ₈	Y ₉
Transition costs										
Annual recurring cost										
Total annual costs										
Transition benefits										
Annual recurring benefits										
Total annual benefits										

* For non-monetised benefits please see summary pages and main evidence base section

Evidence Base (for summary sheets)

Background

1. Since the draft Impact Assessment of National Policy Statements (NPSs) was published for consultation in November 2009, there have been significant changes in planning reform policy. The Planning Act 2008 (“the Act”) reforms to the planning system for nationally significant infrastructure were designed to create a more efficient, transparent and accessible planning regime. The reforms were intended to establish a clearer separation between policy-making and reaching decisions on individual applications, giving applicants a clearer framework with a higher degree of predictability and a planning environment in which they can make investment decisions with more confidence. At the same time, the new regime aimed to be more transparent and to facilitate participation in decision-making, strengthening the voice of communities.

2. The Act created a single consents regime for Nationally Significant Infrastructure Projects (“NSIPs”) administered by the Infrastructure Planning Commission (“IPC”). Thresholds to determine what constitutes an NSIP are set out in the Act. The IPC began advising potential applicants under the new regime from 1 October 2009, and formally became the consents body for major infrastructure on 1 March 2010.

3. The Government has announced its intention to replace the IPC and the intention that decisions on development consents for major infrastructure projects would be made by Ministers. It intends to establish a new unit in the Planning Inspectorate (PINS) to be called the Major Infrastructure Project Unit (MIPU) which would make recommendations on consent to Ministers. The Department for Communities and Local Government (CLG) is delivering a programme of work to facilitate the transition from the IPC to MIPU. The fast-track consents process set out in the Act would continue to apply; the expertise in IPC would be transferred to MIPU. Ministers have made clear that NPSs would remain critical for providing policy guidance to MIPU. This revised IA takes into account the Government’s policy and comments made on the IA during the consultation process.

4. The Department of Energy and Climate Change (“DECC”) is responsible for policy on energy infrastructure included as NSIPs in the Act, comprising electricity generating stations, electric lines, underground gas storage facilities, LNG (Liquefied Natural Gas) facilities; gas reception facilities, gas transporter pipe-lines and other oil and gas cross-country pipe-lines.

5. Threshold levels for these types of infrastructure are:

Infrastructure	Principal criteria for threshold as an NSIP
Generating stations:	in England or Wales, not an offshore generating station and its capacity is more than 50 megawatts. an offshore generating station and its capacity is more than 100 megawatts.
Electric lines	wholly or partly in England or Wales the nominal voltage of the line is expected to be not less than 132 kilovolts
Underground gas storage facilities	Carrying out of operations for the purpose of creating, starting to use or altering underground gas storage facilities in England, or starting to use underground gas storage facilities in Wales. The working capacity of the facilities is expected to be at least 43 million standard cubic metres, or the maximum flow rate of the facilities is expected to be at least 4.5 million standard cubic metres per day
LNG facilities	“LNG facility” means a facility for the reception of liquid natural gas from outside England, the storage of liquid natural gas, and the regasification of liquid natural gas.

Gas reception facilities	<p>The facility is in England</p> <p>The storage capacity of the facility is expected to be at least 43 million standard cubic metres, or (b) the maximum flow rate of the facility is expected to be at least 4.5 million standard cubic metres per day.</p> <p>“Gas reception facility” means a facility for the reception of natural gas in gaseous form from outside England, and the handling of natural gas (other than its storage). The facility will be in England.</p> <p>The maximum flow rate of the facility is expected to be at least 4.5 million standard cubic metres per day. the gas handled by the facility does not originate in England, Wales or Scotland; the gas does not arrive at the facility from Scotland or Wales; and the gas has not already been handled at another facility after its arrival in England.</p>
Gas transporter Pipe-lines	<p>The pipe-line must be wholly or partly in England.</p> <p>Either more than 800 millimetres in diameter and more than 40 kilometres in length, or the construction of the pipe-line must be likely to have a significant effect on the environment.</p> <p>The pipe-line must have a design operating pressure of more than 7 bar gauge.</p> <p>The pipe-line must convey gas for supply (directly or indirectly) to at least 50,000 customers, or potential customers, of one or more gas suppliers.</p>
Other pipe-lines	<p>A cross-country pipe-line, the construction of which would (but for section 33(1) of the Act) require authorisation under section 1(1) of the Pipe-lines Act 1962; if one end of it is in England or Wales and the other end of it is in England or Wales, or it is an oil or gas pipe-line and the other end of it is in Scotland.</p>

6. Section 5 of the Act enables the Secretary of State to designate a policy statement as a National Policy Statement (“NPS”) provided it complies with requirements set out in Sections 5, 7 and 9 of the Act. The Secretary of State must also comply with the requirements of section 8 of the Act where – as is the case with the NPS for new nuclear power stations – an NPS identifies one or more locations as suitable or potentially suitable for a specified description of development.

7. Once designated an NPS will set out how Government policy on development of specific infrastructure should be applied by the IPC to applications from a developer for development consent for a major infrastructure project. In making clear the Government’s policies, NPSs are intended to remove the need for lengthy planning inquiries on fundamental policy questions at the application stage.

8. National Policy Statements will also assist those who wish to engage in the planning process for major infrastructure projects. The intention is that they should give clarity and a higher degree of predictability by informing applicants of some of the main issues the IPC will take into account when it considers applications for development consent.

9. There are six energy infrastructure NPSs. The Overarching NPS (EN-1) will set out Government policy on energy infrastructure development that is relevant across a range of different types of energy infrastructure. Underneath EN-1, there are five separate NPSs for different types of infrastructure. These are:

EN-2	Fossil fuel generating stations (coal, gas and oil);
EN-3	Renewable generating stations (wind, energy from waste and biomass);
EN-4	Gas infrastructure and oil and gas pipe-lines;
EN-5	Electricity networks; and
EN-6	Nuclear generating stations.

Options

10. Four options for drafting the NPSs were considered. These options were drafted to reflect the IPC regime as envisaged in the Act, which came into force on 1 March 2010. These were:

- (i) The Secretary of State does not designate any NPSs for energy infrastructure.
- (ii) NPSs set out high level Government energy policy only.
- (iii) NPSs a) set out high level Government energy policy and b) define, through generic criteria, types of location which were unlikely (and/or likely) to be suitable for energy developments.
- (iv) NPSs a) set out high level Government energy policy, b) define, through generic criteria, types of location which were unlikely (and/or likely) to be suitable for energy developments and c) set out guidance on how impacts of energy developments could be avoided or mitigated.

Option (i): The Secretary of State does not designate any NPSs for energy infrastructure.

11. The purpose of an NPS is to provide a clear statement for the IPC on how Government policy should be applied to consideration of an application for NSIP development consent. Without a designated NPS the IPC would not have a formal statement of energy policy, including the national need for new energy infrastructure against which to consider applications.

12. In the absence of a comprehensive statement of national need and specific guidance on the application of energy policy to development consents that are provided by the NPS, the IPC would have few benchmarks against which to make recommendations. It would have to attempt to interpret Government policy, but with no guarantee that their interpretation concurred with Government intentions and IPC might fail to consider wider policy issues. The IPC and Ministers have powers to extend the time taken to examine the application. We believe it is more likely that the absence of a designated NPS, the IPC would need to extend its timetable in to allow time to consider the questions of need, the suitability of a location or alternative locations. This could result in delays in the planning process, increasing uncertainty for energy companies and making new nationally significant energy infrastructure a less attractive option compared with the situation where the IPC was directed by a designated NPS.

13. New major energy infrastructure could still be built and applicants would benefit from the new regime as set out in the Planning Act and secondary legislation, but the benefits arising from the fast-track timetable would not be realised.

14. We therefore consider that the option not to designate any energy infrastructure NPSs is not appropriate and would not be full implementation of the new Planning Act regime.

Option (ii) NPSs set out high level Government energy policy only:

15. An NPS should set the framework for the IPC on the application of Government policy to applications for development consent for nationally significant energy infrastructure. Option (ii) would not, however, set out guidance on the locational criteria or the potential impacts of energy infrastructure for the IPC to consider when determining an application. The IPC would not, therefore, be provided with clear guidance on the circumstances in which energy development

will or will not be acceptable, in a way which is transparent to other interested parties. Lack of clarity could lead to some delays in processing applications as the IPC might require more information from applicants on potential impacts and mitigation. This option could, therefore, fail to capture the benefits of the streamlined system.

16. We therefore consider that the option for a high-level policy NPS on energy infrastructure, whilst meeting the requirements of the Planning Act 2008, would not provide optimal direction to the IPC.

Option (iii) NPSs a) set out high level Government energy policy and b) define, through generic criteria, types of location which were unlikely (and/or likely) to be suitable for energy developments

17. Option (iii) would set out a clear statement of Government energy policy and set out the criteria that developers consider when selecting potential sites for energy infrastructure.. Option (iii) would not, however, describe possible adverse impacts of any proposed infrastructure, nor give the IPC guidance on assessment principles for impacts or what types of mitigation measures might be relevant. This could lead to some delays in processing applications as the IPC might require more information on impacts and their mitigation.

18. We therefore consider that, like option (ii), this option would not provide optimal direction to the IPC.

Option (iv) NPSs a) set out high level Government energy policy, b) define, through generic criteria, types of location which were unlikely (and/or likely) to be suitable for energy developments and c) set out guidance on how impacts of energy developments could be avoided or mitigated.

19. This option would have the same benefits as option (iii), but in addition the NPS would include information on the minimisation of potentially detrimental effects, describing possible adverse impacts of any proposed infrastructure and giving the IPC guidance on assessment principles for impacts or what types of mitigation measures might be relevant. For example, it would set out potential impacts from noise and vibration created by construction and operation of energy infrastructure, with illustrative measures to reduce the adverse impacts e.g. design of buildings to insulate plant noise.

20. This information would be beneficial to both the IPC and applicants as it enables the applicant to see what effects the IPC will be considering and the types of mitigation measures that may be relevant. It would, therefore, reduce the risk of delay identified in option (iii) and provide greater transparency.

21. The NPSs have also been subject to an Appraisal of Sustainability (AoS), set out in more detail at paragraph 45 below. The AoS are primarily to consider environmental and sustainability impacts associated with granting development consents according to the NPSs. They did, however, consider that Option iv would best deliver the combination of policies in the NPSs to ensure that they have their desired effect of speeding up the consent process

No New Nuclear Power Stations

22. In addition to the drafting options set out above, we considered the option for the nuclear energy NPS that would prohibit the IPC from considering applications for development consent for new nuclear power stations. This would result in a greater reliance on renewables and coal with CCS to assist the UK in reaching its goals on reducing emissions and tackling climate change. It would increase the risk of the UK not meeting its emissions reduction targets and increase the risk of making it more expensive to meet those emissions reduction targets. The Impact Assessment on the Nuclear White Paper gave further details on the costs and benefits of nuclear. It can be found at <http://www.berr.gov.uk/files/file43205.pdf> . We therefore consider that the option for an NPS which prohibits the construction of any new nuclear power stations is not appropriate.

We believe that option (iv) is the best option to achieve the benefits of the single consents regime.

23. The NPSs have therefore been drafted accordingly. The Overarching Energy NPS (EN-1), is in five parts. The first explains the document's role, relationship with other key documents, the energy infrastructure it covers, its geographical coverage and the intended period of validity and review. Part 2 sets out Government energy and climate change policy in order to establish the context in which the IPC will make recommendations on applications to Ministers.

24. The third part of EN-1 describes the need and urgency for all types of energy infrastructure, including nuclear, renewables and coal.

25. Part 4 of EN-1 sets out the assessment principles which the IPC should adhere to when considering applications for development consent. These principles also explain to the IPC what information it should expect to receive as part of an application. The final Part 5 sets out the impacts that the IPC should consider when determining whether an application should be consented. It includes mitigation measures that the IPC can expect the developer to have considered in developing their application.

26. The NPSs for fossil fuels, renewables, gas supply infrastructure and gas and oil pipelines and electricity networks (EN 2-5) each have two parts. The first sets out the type of infrastructure to which each NPS applies and its geographical extent. The second part describes factors a developer will consider in selecting a site for proposed infrastructure and impacts that are mainly applicable only to that infrastructure, or which – although generic – have additional considerations in respect of specific infrastructure. The NPSs for fossil fuels, renewables, gas supply infrastructure and gas and oil pipelines and electricity networks (EN 2-5) do not repeat policy already set out in EN-1; nor do they prescribe specific locations for infrastructure.

27. The Nuclear NPS has 4 parts: Part 1 sets out the role of the Nuclear NPS; Part 2 sets out the policy on assessment of development consent applications; Part 4 sets out policy and guidance for the IPC when considering nuclear specific impacts and siting issues. Part 4 lists locations which have been assessed as potentially suitable for the deployment of new nuclear power stations by 2025.

First consultation and Parliamentary Scrutiny

28. The draft NPSs were put out to public consultation on 9 November 2009. The consultation closed on 23 February 2010. There were over 21000 "hits" to the draft energy NPS web site and over 3000 responses to the consultation. A considerable proportion (over one third) of the responses focused on the site selection criteria for new nuclear power stations set out in EN-6.

29. The Planning Act 2008 requires that draft NPSs are subject to parliamentary scrutiny, which has to be completed by the end of the relevant period set by the Government. The end of the relevant period for the draft energy NPSs laid before Parliament on 9 November 2009 was 6 May 2010. Parliament decided to scrutinise the draft energy NPSs by designating:

- the Energy and Climate Change (ECC) Select Committee to undertake the main element of scrutiny in the House of Commons; and
- the Grand Committee to undertake the main element of scrutiny in the House of Lords.

30. Following an analysis of the comments made by Parliament and responses to the public consultation, Government decided to re-consult on the revision made to the draft energy NPSs and on the revised Appraisals of Sustainability (AoSs) that are required for each NPS.

31. The Government Response to the public consultation and to Parliament will be published at the same time as the revised draft NPSs and AoSs.

Costs and Benefits

32. The Planning Bill IA set out the rationale for a single consents regime. A consent process that is faster, more transparent, and subject to less uncertainty will, in all cases, save costs to the developer and provide a more efficient process for those interested parties who wish to make representations. Net benefits from the new planning regime as a whole, over 2008 to 2030, were estimated to be £3.8bn to £4.8bn. The majority of these benefits would arise from

earlier operation of new energy infrastructure under the new consents regime. We believe that designating NPSs is an important part of realising these benefits.

33. Monetary estimates of costs and benefits from the Planning Bill IA are a result of analysis carried out in 2007. Some assumptions, modelling approaches and policies have changed since then. These changes were reflected in Annex to the Planning Bill IA published in November 2008. These estimates represent the most recent monetary estimates available, and present a basis for discussion of the costs and benefits of designating energy NPSs.

34. We believe the benefits from the new planning regime, identified in the Planning Bill IA, that are directly arising the designation of energy NPSs are:

- benefits from earlier operation of electricity generation and gas infrastructure;
- a contribution to benefits to developers and other interested parties from increased transparency of the planning process;
- benefits from reduced central government administration costs.

Costs

35. The Planning Bill IA set out estimates of the costs of producing and reviewing NPSs. It stated:

“Full” NPSs for each sector are assumed to be ready for publication in 2009...Each full NPS will set out policy for the subsequent 25 years, and is assumed to be reviewed at on average 5-year intervals. Every second review is assumed to consider policy in more depth, acquiring the status of a full NPS... The cost of producing a full NPS is £4m for aviation and £2m for all other sectors... The cost of each NPS review is 50% of that of the original NPS – so £2m for aviation and £1m for all other sectors.”

36. The Planning Bill IA in 2007 assumed that production of the NPSs would replace production of other policy documents. It therefore deducted potential costs of other policy documents from the cost of NPSs, giving a net cost of £1.5m p.a. However, the NPSs set out existing Government policy; they do not propose new policy. Therefore there is no reduction in the requirement for DECC to set out new policy in separate documents.

37. Since the Planning Bill IA was published, DECC has been able to more accurately estimate the costs, based on the costs incurred for the first draft Energy NPSs, consultation and revisions to the drafts and to the Appraisals of sustainability. Further, since the Planning Bill IA was published DECC has, for example, published new policy documents on the Renewable Energy Strategy, Clean Coal and the Renewables Obligation, the revised figures do not, therefore assume that NPSs will replace other policy documents.

38. On the basis of this reassessment, the following table sets out the net present value of costs of drafting and reviewing the NPSs over the next 20 years. Drafting costs represent current costs, whilst reviewing costs will be incurred in the future. Costs have been discounted at 3.5%.

Activity	Cost of NPSs En-1 – EN-5	Cost of EN-6	Total cost	Cost per annum (total cost/20 years)
Drafting and designation of energy suite, - 6 NPSs over 2 years.	£1.8m	£3.6	£5.4m	£0.27m
Revision of NPSs @ 5, 10, & 15 years	£0.4m	£2.1m	£2.5m	£0.13m
Total	£2.2m	£5.7m	£7.9m	£0.40m

(note cost per annum is not exactly 1/20th total cost due to rounding.)

Benefits

Earlier completion of electricity generation and gas infrastructure

39. The Planning Bill IA estimated benefits from the new planning regime (with designated NPSs) of £200-250m p.a. from earlier completion of electricity generation infrastructure. These benefits are a result principally of:

- reduced generation costs, from:
 - more efficient plants coming online earlier due to increased supply responsiveness to changes in demand (than under the previous planning regime); and
 - a favourable impact on generators' cost of capital due to more certain planning inquiry outcomes; and also
- reduced costs of importing energy from abroad (as a result of lower electricity prices under the new regime, resulting from increased supply).

40. It also estimated benefits from the new planning regime (with designated NPSs) of £35m p.a. from earlier completion of gas supply infrastructure. As noted above the estimates are for the new planning regime as a whole, of which NPSs are an important part.

41. However, the analysis in the Planning Bill IA assumed "...there [would] be no new nuclear power generation infrastructure applications before 2030 under either [the previous planning regime or the new planning regime]." Later research, set out in the Nuclear White Paper IA and in the Annex to the revised Planning Bill IA, published on enactment of the Bill in November 2009, estimated that revisions to the planning regime would allow energy companies to come forward and build new nuclear power stations faster, thereby leading to lower levelised cost of generation, than if no facilitative measures were taken.

42. It is anticipated that the benefits of the new consents regime will be delivered by the IPC, using designated NPSs. These benefits have not been included in this IA.

Consents regime transparency

43. Designation of NPSs will clarify the national need. Developers and any parties wishing to make representations on development consent applications will benefit from the resulting increased transparency of the planning process. This benefit has not been quantified.

Reduced central government administration costs

44. The Planning Bill IA estimated that there would be a reduction in Government energy consents resources of £0.7m p.a. through reduced staff and accommodation costs. This assumed that the IPC would be a decision-making body. As decisions will be taken by Ministers, there will be a continuing need for some expert energy infrastructure consents officers in DECC to advise Ministers on IPC/MIPU recommendations. We estimate that the

administrative cost savings will therefore be considerably less than expected; around £0.3 - £0.5m pa.

Appraisals of Sustainability

45. The Planning Act requires that NPSs should be subject to an Appraisal of Sustainability (AoS). The AoSs also incorporate the analysis of likely significant environmental effects required by the Strategic Environmental Assessment (SEA) Directive (2001/42/EC). The primary function of the AoSs is to inform consultation on the draft NPSs by providing an analysis of the environmental, social and economic impacts of implementing the energy NPSs by granting development consents for large-scale energy infrastructure projects in accordance with them.

46. Some key points from the AoS for EN-1 are set out below.

- The Energy NPSs should speed up the transition to a low carbon economy thus help to realise UK climate change commitments sooner than continuation under the current planning system. However there is also some uncertainty as it is difficult to predict the mix of technology that will be delivered by the market.
- The Energy NPSs are likely to contribute positively towards improving the vitality and competitiveness of the UK energy market by providing greater clarity for developers which should improve the UK's security of supply and, less directly, have positive effects for health and well-being in the medium to longer term through helping to secure affordable supplies of energy and minimising fuel poverty; positive medium and long term effects are also likely for equalities.
- The development of new energy infrastructure, at the scale and speed required to meet the current need, is likely to have negative effects on biodiversity, landscape/visual amenity and cultural heritage; however the significance of these effects and the effectiveness of mitigation possibilities is uncertain at the strategic and non-locationally specific level. The impacts on landscape/visual amenity will probably be hardest to mitigate. Short-term construction impacts are also likely through an increased use of raw materials and resources, and negative effects on the economy due to impacts on existing land and sea uses. There may also be cumulative negative effects on water quality, water resources, flood risk, coastal change and health at the regional or sub-regional levels depending upon location and the extent of clustering of new energy and other infrastructure.

47. Proposed energy developments will still be subject to project level assessments, including Environmental Impact Assessment, and this will address locationally specific effects. The energy NPSs set out mitigation for cumulative negative effects by requiring the IPC to consider accumulation of effects as a whole in their decision-making on individual applications for development consent.

48. The AoSs assessed a range of alternatives to achieve Government policy objectives on Climate Change and security of energy supply. The main conclusions are set out in Part 1 of EN-1. Because all the alternatives are assessed as performing less well than EN-1 against one or more of the criteria for Climate change or Security of Energy Supply that are fundamental objectives of the plan, the Government's preferred option is to take forward the Energy NPS EN-1 and the technology-specific NPSs EN-2 to EN-6.

Administrative Burdens

49. The energy infrastructure NPSs will not have any impact on administrative burdens. It neither imposes nor removes any regulatory requirements on developers.

Equality Impact Assessment

50. The consultation draft IA noted, on the "Specific Impacts Checklist", that equality, health and other impacts had been considered in line with the Appraisal of Sustainability for the

Overarching NPS, which determined that there were no impacts. It was therefore considered unnecessary to carry out a full Equality Impact Assessment (EqIA).

51. Following consultation, the Appraisals of Sustainability for the Overarching NPS, EN-1, and the technology-specific NPSs EN-2 – EN-5 have been revised. In view of these revisions, a full initial scoping assessment of the potential for equality impacts has been carried out. This confirmed our original assessment that there were no impacts arising from designation of the NPSs and that therefore a full EqIA is unnecessary. The scoping document is attached.

Annexes

Annex 1 should be used to set out the Post Implementation Review Plan as detailed below. Further annexes may be added where the Specific Impact Tests yield information relevant to an overall understanding of policy options.

Annex 1: Post Implementation Review (PIR) Plan

A PIR should be undertaken, usually three to five years after implementation of the policy, but exceptionally a longer period may be more appropriate. A PIR should examine the extent to which the implemented regulations have achieved their objectives, assess their costs and benefits and identify whether they are having any unintended consequences. Please set out the PIR Plan as detailed below. If there is no plan to do a PIR please provide reasons below.

<p>Basis of the review: [The basis of the review could be statutory (forming part of the legislation), it could be to review existing policy or there could be a political commitment to review]; Political commitment</p>
<p>Review objective: [Is it intended as a proportionate check that regulation is operating as expected to tackle the problem of concern?; or as a wider exploration of the policy approach taken?; or as a link from policy objective to outcome?] To determine fitness of purpose of NPSs as planning documents through achieving the intended fast-track process of major energy infrastructure applications.</p>
<p>Review approach and rationale: [e.g. describe here the review approach (in-depth evaluation, scope review of monitoring data, scan of stakeholder views, etc.) and the rationale that made choosing such an approach]</p>
<p>Baseline: [The current (baseline) position against which the change introduced by the legislation can be measured] Time taken to between application and consented major energy infrastructure coming into operation on applications in 2008-2009.</p>
<p>Success criteria: [Criteria showing achievement of the policy objectives as set out in the final impact assessment; criteria for modifying or replacing the policy if it does not achieve its objectives] Improvement in time taken from application to infrastructure becoming operational of up to one year.</p>
<p>Monitoring information arrangements: [Provide further details of the planned/existing arrangements in place that will allow a systematic collection systematic collection of monitoring information for future policy review] Not yet available - dependent on successor body to IPC.</p>
<p>Reasons for not planning a PIR: [If there is no plan to do a PIR please provide reasons here]</p>

Equality Impact Screening for Energy National Policy Statements

STAGE ONE

SCREENING FOR IMPACT

Name of service / procedure / policy / project

Energy National Policy Statements (NPS) consisting of:

1. Overarching Energy NPS (EN-1)
2. Fossil Fuel Electricity Generating Infrastructure (EN-2)
3. Renewable Energy Infrastructure (EN-3)
4. Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4)
5. Electricity Networks Infrastructure (EN-5)
6. Nuclear Power Generation (EN-6)

Section 1: What is the main purpose of the service / procedure / policy / project?

The Energy NPSs provide the primary basis for decisions taken by the Infrastructure Planning Commission (IPC) on applications received for nationally significant energy infrastructure projects which are:

- electricity generating stations in England and Wales with a generating capacity more than 50 megawatts onshore or 100 megawatts offshore;
- electricity lines above ground with a nominal voltage of 132kV or more;
- those gas reception, liquefied natural gas and underground gas storage facilities which meet the conditions set out in the Planning Act;
- those cross-country conveying gas and oil and Gas Transporter pipelines which meet the conditions set out in the Planning Act.

Section 2: List the main activities of the project / policy. For strategies list the main policy areas.

EN-1 sets out the Government's energy policy and sets out the need for new energy infrastructure in the context of the UK moving towards a low carbon economy by 2050 whilst ensuring security of supply. It instructs the IPC on how to assess the impacts of energy infrastructure development which are generic across the different types of energy infrastructure.

EN-2 (fossil fuel electricity generating infrastructure), EN-3 (renewable energy infrastructure), EN-4 (gas supply infrastructure and gas and oil pipelines), EN-5 (electricity networks infrastructure) and EN-6 (nuclear power generation infrastructure) contain supplementary information and assessment guidance which is specific to the different types of energy infrastructure.

EN-6 also contains assessment principles, guidance on impacts and general siting considerations and] a list of sites which have been assessed as potentially suitable for the deployment of new nuclear power stations by 2025; it also sets out the Government's conclusion that it is satisfied there will be effective arrangements in place to dispose of the radioactive waste which new nuclear power stations will produce.

Section 3: Who will be the main stakeholders / users of the service / procedure / policy / project?

The main user of the Energy NPSs will be the IPC. It is anticipated that the functions of the IPC will, in due course, be transferred to the Major Infrastructure Projects Unit (MIPU) within the Planning Inspectorate of the Department for Communities and Local Government when the Planning Act 2008 is amended.

Other key stakeholders will be energy companies who will develop energy infrastructure, local communities and Local Authorities where energy infrastructure is to be developed, and Non-Governmental Organisations with particular interests in sustainability and conservation.

Section 4: Have you already consulted with people about this work? If yes, briefly describe what you did and with whom.

The first public consultation on drafts of all the Energy NPSs (and accompanying Appraisals of Sustainability and Habitats Regulations Assessments) was conducted from 9 November 2009 to 22 February 2010.

A specific consultation website was set up for the consultation. Hard copies of the documents were made available on request. Welsh language and large print versions of the consultation document were made available, with the consultation website also containing a Welsh language page. Braille, large print and audio copies of the consultation document, the draft NPSs and non-technical summaries of the Appraisal of Sustainability and Habitats Regulation Assessment Main Reports were available on request.

Stakeholder engagement events were held in Manchester, York, London, Cardiff, Peterborough and Exeter where participants had the opportunity to find out more information, ask questions and make comments.

In respect of EN-6, the process and criteria for assessing potentially suitable sites were consulted upon in 2008. Local consultation events took place near each of the sites which were considered to be potentially suitable for the deployment of new nuclear power stations. These events consisted of a three day public exhibition where members of the public could find out further information and ask questions face to face with staff. This was followed by a public meeting where participants had the opportunity to ask questions and make comments.

There was also a period of Parliamentary scrutiny where the Energy and Climate Change Committee took evidence from a range of stakeholders, and there were also debates in Parliament.

Following the public consultation, updates have been made to EN-1, EN-2, EN-3, EN-4, EN-5 and EN-6. Changes have been made to the consideration of alternatives in the Appraisal of Sustainability for EN-1 and the Appraisal of Sustainability for EN-6 has been updated to account for the removal of two potentially suitable sites.

Section 5: Use the table below to tick:

- a) Where you think the service / procedure / policy / project could have a negative impact on any of the equality strands – e.g. disadvantage any particular group;
- b) Where you think the service / procedure / policy / project could have a

positive impact on any of the groups or contribute to promoting equality, equal opportunities or improving relations within any of the equality strands.

EN-1

Equality Target Group	Positive impact	Negative impact	No impact	Reasons
Age			X	<p>EN-1 sets out the Government's energy policy and why the UK needs new energy infrastructure to meet long term energy security and carbon reduction goals. EN-1 also sets out guidance which the IPC will follow when assessing generic impacts, for example landscape and visual impacts, air emissions, flood risk and socio-economic impacts.</p> <p>We have considered whether setting out the Government's energy policy, need for new energy infrastructure and guidance to the IPC on how it should assess the generic impacts of new energy infrastructure might have a negative impact on any of the equality strands.</p> <p>Communities living in areas where energy infrastructure is developed are likely to include members of the target groups shown in the column to the left. These communities could potentially be affected by development consented under the guidance presented in the EN-1. Proposals for developments covered by EN-1 will include proposals for fossil fuel electricity generating infrastructure, renewable energy infrastructure, gas supply infrastructure and gas and oil pipelines, electricity networks infrastructure and nuclear power generation infrastructure.</p> <p>Some potential impacts could be disruption, dislocation or loss of amenity and views but it is not considered target groups would be any more or less affected than other groups given the scale of influence of the NPS. The NPS is not proposing anything negative relating to any of the equality groups but rather provides high-level guidance to the IPC, setting</p>
Gender			X	
Sexual orientation			X	
Race			X	
Religion or belief			X	
Disability			X	

				<p>a framework and providing clarity for the future development of energy infrastructure. The NPS does not make decisions on what activities should be consented in specific locations. Moreover, the NPS does not direct that the socio-economic impacts should be considered differently for any of the equality strands.</p> <p>Ensuring that the UK has energy security and reduces carbon emissions will have an equally beneficial effect on all groups in society because energy is vital to economic prosperity and social well-being and so it is important to ensure that we have secure and affordable energy .</p> <p>We do not therefore consider that EN-1 will result in a differential impacts on any of the equality strands or discriminate against any particular group on the basis of age, gender, sexual orientation, race, religion or belief and disability.</p>
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EN-2				
Equality Target Group	Positive impact	Negative impact	No impact	Reasons
Age			X	<p>EN-2 sets out the Government's policy on fossil fuel electricity generating stations including the policy that all new coal fired power stations should be required to capture and store carbon emissions by around 90 per cent.</p> <p>EN-2 also sets out guidance which the IPC will follow when assessing impacts of fossil fuel generating stations which are not already covered in EN-1. These include guidance on the impacts of emissions to air and release of dust by coal fired power stations.</p> <p>We have considered whether setting out guidance to the IPC on how it should assess the impacts of fossil fuel electricity generating stations might have a negative impact on any of the equality strands.</p>
Gender			X	
Sexual orientation			X	
Race			X	
Religion or belief			X	
Disability			X	

				<p>Communities living in areas where fossil fuel generating stations are developed are likely to include members of the target groups shown in the column to the left. These communities could potentially be affected by development consented under the guidance presented in the NPS.</p> <p>Some potential impacts could be disruption, dislocation or loss of amenity and views. There could also be impacts on air quality during construction and operation. It is not considered target groups would be any more or less affected than other groups given the scale of influence of the NPS. EN-2 is not proposing anything negative relating to equality groups but is setting a framework and providing clarity for the future development of fossil fuel electricity generating infrastructure. The NPS does not make decisions on where fossil fuel generating stations should be consented.</p> <p>Moreover, EN-2 does not direct that the socio-economic impacts should be considered differently for any of the equality strands. The more efficient consenting of fossil fuel electricity generating infrastructure will help ensure security of supply.</p> <p>Ensuring that the UK has energy security and reduces carbon emissions will have an equally beneficial effect on all groups in society because energy is vital to economic prosperity and social well-being and so it is important to ensure that we have secure and affordable energy .</p> <p>We do not therefore consider that EN-2 will result in differential impacts on any of the equality strands or discriminate against any particular group on the basis of age, gender, sexual orientation, race, religion or belief and disability.</p>
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EN-3				
Equality Target Group	Positive impact	Negative impact	No impact	Reasons
Age			X	EN-3 sets out the Government's policy on, and the need for, renewable energy infrastructure.
Gender			X	EN-3 also sets out guidance which the IPC will follow when assessing impacts of renewable energy infrastructure, which are not already covered in EN-1. This includes guidance on the impacts of offshore wind farms on commercial fisheries and fishing and the impacts of biomass plants on local and regional waste management. We have considered whether setting out guidance to the IPC on how it should assess the impacts of renewable energy infrastructure might have a negative impact on any of the equality strands. Communities living in areas where renewable energy infrastructure is developed are likely to include members of the target groups shown in the column to the left. These communities could potentially be affected by development consented under the guidance presented in the NPS. Some potential impacts could be disruption, dislocation or loss of amenity and views, and air quality (e.g with biomass plants). Offshore windfarms may have impacts on fish and shellfish stocks which could affect commercial fishing. People involved in the fishing industry may include members of the target groups shown in the column on the left. It is not considered target groups would be any more or less affected than other groups given the scale of influence of the NPS. EN-3 is not proposing anything negative relating to equality groups but is setting a
Sexual orientation			X	
Race			X	
Religion or belief			X	
Disability			X	

				<p>framework and providing clarity for the future development of renewable energy infrastructure. The NPS does not make decisions on where renewable energy infrastructure should be consented.</p> <p>Moreover, EN-3 does not direct that the socio-economic impacts should be considered differently for any of the equality strands. The more efficient consenting of renewable energy infrastructure will help ensure security of supply and help reduce carbon emissions.</p> <p>Ensuring that the UK has energy security and reduces carbon emissions will have an equally beneficial effect on all groups in society because energy is vital to economic prosperity and social well-being and so it is important to ensure that we have secure and affordable energy .</p> <p>We do not therefore consider that EN-3 will result in differential impacts on any of the equality strands or discriminate against any particular group on the basis of age, gender, sexual orientation, race, religion or belief and disability.</p>
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EN-4				
Equality Target Group	Positive impact	Negative impact	No impact	Reasons
Age			X	<p>EN-4 sets out the Government’s policy on gas supply infrastructure and gas and oil pipelines.</p> <p>EN-4 also sets out guidance (which is not already covered in EN-1) which the IPC will follow when assessing impacts of gas supply infrastructure and gas and oil pipelines. This includes impacts of underground natural gas storage and impacts of LNG import facilities.</p> <p>We have considered whether setting out guidance to the IPC on how it should assess the impacts of gas supply infrastructure and gas and oil</p>
Gender			X	
Sexual orientation			X	
Race			X	
Religion or belief			X	
Disability			X	

			<p>pipelines might have a negative impact on any of the equality strands.</p> <p>Communities living in areas where gas supply and infrastructure and gas and oil pipelines are developed are likely to include members of the target groups shown in the column to the left. These communities could potentially be affected by development consented under the guidance presented in the NPS.</p> <p>Some potential impacts could be disruption, dislocation or loss of amenity and views. There could also be noise impacts, for example, from LNG process plants or pumps on LNG tankers or drilling related to underground gas storage facilities.</p> <p>It is not considered target groups would be any more or less affected than other groups given the scale of influence of the NPS. EN-4 is not proposing anything negative relating to equality groups but is setting a framework and providing clarity for the future development of renewable energy infrastructure. The NPS does not make decisions on where gas supply infrastructure and gas and oil pipelines should be consented.</p> <p>Moreover, EN-4 does not direct that the socio-economic impacts should be considered differently for any of the equality strands. The more efficient consenting of gas supply infrastructure and oil and gas pipelines will help ensure security of supply.</p> <p>Ensuring that the UK has energy security and reduces carbon emissions will have an equally beneficial effect on all groups in society because energy is vital to economic prosperity and social well-being and so it is important to ensure that we have secure and affordable energy .</p> <p>We do not therefore consider that EN-4 will result in differential impacts on any of the equality strands or discriminate against any particular</p>
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				group on the basis of age, gender, sexual orientation, race, religion or belief and disability.
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EN-5				
Equality Target Group	Positive impact	Negative impact	No impact	Reasons
Age			X	<p>EN-5 sets out the Government’s policy on electricity networks. EN-5 also sets out guidance which the IPC will follow when assessing impacts of electricity networks infrastructure. These include landscape and visual impacts and impacts of electric and magnetic fields.</p> <p>We have considered whether setting out guidance to the IPC on how it should assess the impacts of gas supply infrastructure and gas and oil pipelines might have a negative impact on any of the equality strands.</p> <p>Communities living in areas where electricity networks infrastructure is developed are likely to include members of the target groups shown in the column to the left. These communities could potentially be affected by development consented under the guidance presented in the NPS.</p> <p>Some potential impacts could be disruption, dislocation or loss of amenity and views, noise and impacts of electric and magnetic fields.</p> <p>It is not considered target groups would be any more or less affected than other groups given the scale of influence of the NPS. EN-5 is not proposing anything negative relating to equality groups but is setting a framework and providing clarity for the future development of electricity networks infrastructure. The NPS does not make decisions on where electricity networks infrastructure should be consented.</p> <p>Moreover, EN-5 does not direct that the socio-economic impacts should be</p>
Gender			X	
Sexual orientation			X	
Race			X	
Religion or belief			X	
Disability			X	

				<p>considered differently for any of the equality strands.</p> <p>The more efficient consenting of electricity networks infrastructure and a robust and fit for purpose network will help the UK meet its security of supply and carbon reduction goals.</p> <p>Ensuring that the UK has energy security and reduces carbon emissions will have an equally beneficial effect on all groups in society because energy is vital to economic prosperity and social well-being and so it is important to ensure that we have secure and affordable energy .</p> <p>We do not therefore consider that EN-5 will result in differential impacts on any of the equality strands or discriminate against any particular group on the basis of age, gender, sexual orientation, race, religion or belief and disability.</p>
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EN-6				
Equality Target Group	Positive impact	Negative impact	No impact	Reasons
Age			X	<p>EN-6 sets out the Government’s policy on nuclear power generation, and sets out the Government’s conclusion that there will be effective arrangements to deal with the radioactive waste produced by new nuclear power stations.</p> <p>EN-6 provides policy (additional to that set out in EN-1) for the IPC when it is assessing the impacts of proposals for new nuclear power stations. It also lists the sites that the Government has determined (by way of the Strategic Siting Assessment) are potentially suitable for the deployment of new nuclear power stations by 2025.</p> <p>Communities living in the vicinity of the sites listed in EN-6 are likely to include members of the particular groups shown in the column to the left. These communities could potentially be affected by development consented in line with the NPS.</p>
Gender			X	
Sexual orientation			X	
Race			X	
Religion or belief			X	

Disability			X	<p>In conducting the Strategic Siting Assessment, a strategic level assessment has been made of the potential impacts on communities around the potentially suitable sites, but it was not considered appropriate to identify target groups at this stage because this was a high level assessment.</p> <p>Potential impacts could be disruption (especially during construction), loss of amenity and impact on views. However, it is not considered that any particular target groups would be more or less affected than other groups given the scale of influence of the NPS.</p> <p>The NPS sets out planning policy. It is not proposing anything negative relating to particular groups, but is setting the planning framework and providing clarity for the future development of new nuclear power stations.</p> <p>The potential impacts of development at each site have been assessed strategically and were subject to a public consultation. When an application for development consent is submitted, however, the impacts of the specific proposals will be assessed in further detail. The developer is also obliged to consult local communities who will have an opportunity to make their views known to the IPC.</p> <p>Faster, more efficient consenting of nuclear power stations will help the UK meet its energy security and carbon reduction targets and will benefit all groups in society through the contribution to secure and affordable energy that is vital to economic prosperity and social well-being.</p> <p>In view of the above, we do not consider that EN-6 will result in differential impacts on any of the equality strands or discriminate against any particular group on the basis of age, gender, sexual orientation, race, religion or belief and disability.</p>

Section 6: If you have indicated there is a negative impact on any group, is that impact:				
Legal (Not discriminatory under anti-discriminatory legislation)				
N/A				
Intended				
N/A				
Level of impact				
N/A				
If the negative impact is possibly discriminatory and not intended and / or of high impact, you must complete stage 2 and carry out a full EqIA assessment. If not, complete the rest of this stage 1 below.				
Section 7:				
a) Could you minimise or remove any negative impact that is of low significance?				
N/A				
b) Could you improve the strategy / project / policy's positive impact? If so, explain how.				
N/A				
Section 8: If there is no evidence that the strategy / project / policy promotes equality, equal opportunities or improved relations, could it be adapted so that it does? If so, explain how.				
N/A				
Conclusion				
<p>Energy infrastructure has the potential to affect communities in the locality of where they are developed, in different ways. Communities may benefit economically and socially from employment during construction, operation and decommissioning. There may also be potential adverse effects for communities such as disruption, air quality and loss of amenity and visual impacts. The scale of the impact will depend upon the infrastructure and location. The communities affected may include people who fall under the equality target groups.</p> <p>The NPSs provide guidance to the IPC in making decisions on development consent. At this high level it is not possible to disaggregate the consequences of development in line with the NPSs between societal groups according to people's</p>				

race or ethnicity, age, gender, religion or belief, disability and sexual orientation.

The purpose of the NPSs is to make the consenting of energy infrastructure more efficient. This will help the UK in ensuring energy security and reducing carbon emissions, which will benefit all groups in society.

At the development consent stage, should the Secretary of State become the decision-making body as currently proposed by the Government, he will be bound by the equalities duties in force at that time.

After initial screening as to the potential impact of Energy National Policy Statements on race, disability, gender, age, sexual orientation, religion or belief, it has been concluded that a full EqIA is not required.