

Rt Hon Kwasi Kwarteng MP Minister for Business, Energy and Clean Growth BEIS 1 Victoria St, Westminster, London SW1H 0ET Enquiries to: Phil Watson - SCC Strategic

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BY EMAIL

Dear Rt Hon Kwasi Kwarteng MP,

The Energy Security Strategy: Community benefits for communities hosting infrastructure

I am writing to you in relation to the emerging Energy Security Strategy, in particular, the recently reported suggestion¹, that communities adjacent to onshore wind turbines should receive reduced electricity bills, as part of any compensation package.

Whilst Suffolk County Council supports the principle of such an approach, as it delivers substantive and meaningful local benefits to hosting communities, we believe that it would be appropriate to extend this principle so that it is technologically agnostic. This is so that it can cover other large scale energy generation technologies, including for example, future new nuclear², solar schemes and the onshore impacts of offshore wind.

As we have discussed previously, with the Minister of State Greg Hands³, there is a pressing need to develop mechanisms to engender greater community consent for new energy generation infrastructure, of all kinds.

The Council consider that such an approach would not only support greater consent for energy generation and transmission projects, it could support the real, but sometimes unrecognised, needs of Suffolk's communities⁴. Including those in rural areas which are off the gas grid⁵, who are particularly vulnerable to the current and anticipated increases in energy costs.

The Council appreciates, that the forthcoming Energy Security Strategy, has of necessity, to be a rapid response to an emerging crisis. However, the changes it is expected to create will only increase the existing issues around host community consent for new infrastructure. Therefore, it is suggested that the Energy Security Strategy should be followed up with a comprehensive approach to community consent, which could include consideration of the following potential opportunities:

¹ https://www.bbc.co.uk/news/uk-politics-60864097

² https://www.gov.uk/government/speeches/community-benefits-for-sites-that-host-new-nuclear-power-stations-michael-fallon

³ https://www.suffolk.gov.uk/assets/planning-waste-and-environment/major-infrastructure-projects/Minister-for-Energy-Clean-Growth-and-Climate-Change-030222-Final-redacted.pdf

⁴ https://www.suffolkcf.org.uk/wp-content/uploads/2020/11/Suffolk-Community-Foundation-Hidden-Needs-2020.pdf

⁵ https://www.greensuffolk.org/app/uploads/2022/02/Suffolk-Local-Energy-Asset-Representation-Report-v1.2-compressed.pdf

- 1) A technologically agnostic scheme for host communities to benefit from reduced energy bills during the lifetime of the development.
- 2) The formal implementation, through regulation, of the Community Electricity Right⁶, as set out in s38 of the Infrastructure Act 2015
- 3) The creation of a strategic, *Climate Adaptive Infrastructure Fund*, based on the Shale Wealth Fund⁷ model. Such a fund could be supported with some Crown Estate and other receipts. It could also be designed to support the local delivery of the decarbonisation of heat and transport, and therefore the alleviation of energy poverty in communities hosting generation infrastructure.

It is recognised that onshore transmission infrastructure, that is regulated by Ofgem, may require a different approach, assuming Transmission Owners (TOs) do not contribute to the Climate Adaptive Infrastructure Fund. In the short term the Council suggests that the current National Grid Transmission (NGET) Community Grant Programme⁸ could be remodelled such that it is focused on community projects to alleviate energy poverty⁹, and it could potentially follow the lead of Scottish and Southern Electricity Networks, the Transmission Operator for the north of Scotland, with its Resilient Communities Fund¹⁰.

In the longer term (beyond RIIO-T2 2021-26¹¹), it is suggested that Ofgem should ask TOs to focus on energy poverty, and climate adaptation in the operation of their community funds.

Yours sincerely,



Richard Rout
Cabinet Member for Environment and
Deputy Leader of Suffolk County Council

⁶ https://www.legislation.gov.uk/ukpga/2015/7/notes/division/4/6/1?view=plain

⁷ https://www.gov.uk/government/consultations/shale-wealth-fund

⁸ https://www.nationalgrid.com/responsibility/community/community-grant-programme

⁹ https://www.nationalgrid.com/stories/community-spirit/fighting-fuel-poverty-now-and-future

¹⁰ https://www.ssen.co.uk/about-ssen/our-communities/resilient-communities-fund/

¹¹ https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/network-price-controls-2021-2028-riio-2