



Nicola Barber
Renewable Energy Policy
Department of Trade & Industry
Bay 2106
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Dear Ms Barber

2006-7 Reform of the Renewables Obligation, Consultation Document

Summary

1. The views of the Ramblers' Association in relation to the Consultation on the Reform of the Renewables Obligation can be summarised as follows:

- i. We support the Government's intention to band the RO as a long-needed reform to target more support for a range of renewable technologies, and especially to provide more incentive through rewarding technologies which provide more firm generating capacity.
- ii. Given the options proposed by the DTI, we would favour reducing support for lower cost technologies by output limiting ROC eligibility, especially if this stimulates support for a more diverse range of renewables technologies. We would welcome more support for community-based, small-scale onshore wind turbine developments through the introduction of output limits to ROC eligibility rights .

Preamble

2. The Ramblers' Association is a voluntary organisation founded in 1935 whose aims include the protection of the outdoor environment so that walkers can enjoy its tranquillity and beauty. We have over 140,000 individual members as well as the members of affiliated clubs and societies. We cater for all abilities and seek to involve people of all ages, races and creeds in our work. The Association believes that it is the largest single organisation representing walkers in the UK and therefore campaigns to protect the countryside to ensure that it is maintained for all to enjoy.

3. In 2002, the General Council of the Ramblers' Association adopted the following policy:

"This General Council calls upon government to invest immediately and substantially in industrial and domestic energy conservation, and environmentally sensitive sources of renewable energy. When wind power is developed alternatives should be found to the siting of wind turbines in national parks, areas of outstanding natural beauty and other scenic areas."

4. This remains the backbone of our renewable energy policy, which we have expanded upon in response to the previous RO review in 2005, the Energy Review of 2006 and similar consultations. We believe that a range of alternative carbon reduction strategies is available to the Government which does not rely predominantly on giant onshore wind turbines.

5. As an environmental organisation, we support the promotion of the sustainable use of energy, and in particular, support energy technologies which are not environmentally damaging. However, given the landscape and visual impact of some renewable technologies, we would support a careful and responsible attitude to their development which takes other environmental issues into consideration, as well as carbon abatement. It is with these concerns that we welcome the opportunity to respond to this statutory consultation.

Banding the Renewables Obligation

6. As stated in our previous consultation responses to the Review of the Renewables Obligation 2005 and the Energy Review 2006, we are strongly of the opinion that the Renewables Obligation Certificate system is in need of urgent overhaul. The Renewables Obligation needs a fundamental review as the RO has not been effective in assisting the development of renewable technologies other than onshore wind. The ROC system doesn't distinguish between different generating options with their differing merits. If the Government is serious about delivery of a portfolio of renewable technologies the RO cannot be allowed to remain technology neutral.

7. In addition, this RO is an inadequate way to meet Government targets for CO₂ emissions reduction. The Obligation has been effective in coming close to the percentage electricity generating target, but DTI figures suggest that carbon reduction targets are still some way off from being achieved.

8. It is now a matter of urgency that the RO is reformed to create technological diversity and stop the over-subsidising of more economical technologies like large-scale onshore wind turbine developments. With the Energy Review consultation earlier in 2006 and the previous RO review in 2005, the Government must surely have sufficient information available to be able to make the necessary changes now without further delay.

9. We support the Government's intention to band the RO as a long-needed reform to target more support for a range of renewable technologies. As to the approach used to achieve this, we urge the Government to listen to grid control engineers as to how much intermittent generation can feasibly be connected in any particular region of the UK – geographical diversity may be as important as technological diversity. We remind the Government of the massive European grid failure of the 4th November 2006 in which Germany's onshore wind profile is regarded as being a significant complicating factor in restoring the grid, as reported by the Union for the Co-ordination of Transmission of Energy (UCTE).

10. We believe that firm, dispatchable electricity (generation with a high degree of predictability and therefore reliability) from renewable sources should be preferentially rewarded in any subsidy scheme. Firm generation can have the effect of *replacing* existing carbon-intensive generating plant, whereas intermittent renewables only *displace* conventional plant for a while.

11. Regarding the setting of the bands, we would expect to see support being much reduced so that the heat is taken out of the onshore wind market, which is currently causing problems within the planning system and is having significant landscape impacts to the open hills and uplands of the UK. The offshore market, however, still requires ROC support.

12. Having said that, we believe that there is a place for onshore wind in a suite of renewable generating technologies. We believe that land based wind turbine systems should be primarily designed for meeting local energy needs: New incentives are needed to provide an entirely different basis for encouraging wind turbine development, with preference given to small

scale developments on land, with large scale developments in future being generally favoured in offshore locations.

13. In reducing support for more economic technologies like onshore wind, care needs to be taken to not disadvantage small scale community and domestic projects. We would favour the **introduction of output limits to ROC eligibility rights** for onshore wind turbines.

14. We would favour this approach for the following reason: It would go some way to countering the suggestions that projects on sites with higher windspeeds would be receiving support in excess of their requirements. The purpose of the ROC system should be to generate funds to offset the capital investment required to develop a project. On a high windspeed site, developments will have a higher load factor, with a large output achieved relatively quickly in comparison to sites with lower windspeeds. There is the danger that these projects on sites with high windspeeds would still be receiving ROCs long after development costs have been met.

15. Whereas for the likes of small-scale community projects situated near to settlements on sites with lower windspeeds or projects with smaller turbines, it would take longer to generate a particular volume of power due to a lower load factor. They would therefore require an output related option to pay off their capital outlay over a longer time period.

16. The effect of output limiting ROC eligibility would demonstrate that small-scale community and domestic projects are to be encouraged as a means of generating power locally for local use, thereby minimising demand on the grid and limiting the need for massive reinforcement of the electricity transmission system.

Timetable

17. Regarding the timing of introducing such a measure, we see no need to consider this option sometime in the future, but would expect it to be implemented as soon as possible. A convenient vehicle for amending primary legislation would be to include reform of the RO as a section of the Climate Change Bill which will be going through Parliament in the near future.

Conclusion

18. In conclusion, we are supportive of this review of the impact of the Obligation in order move the market away from overemphasis on large-scale onshore windfarms, which has been identified as the most costly means available of reducing carbon emissions, as well as creating cumulative landscape impacts.

19. The RO needs to become more sophisticated in the way that it promotes renewable technologies, making links with other Government policies that manage energy demand, so that much more small-scale development is supported. Onshore renewables developments should promote local generation for local use, with associated investment in reinforcing the electricity distribution system, not major transmission lines.

Yours sincerely

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