

Environmental Principles Team
Defra
2nd Floor, Horizon House
Deanery Road
Bristol BS1 5AH

2 June 2021

Dear Team,

CONSULTATION ON DRAFT POLICY STATEMENT ON ENVIRONMENTAL PRINCIPLES

We welcome the opportunity to respond to the above Consultation.

ScottishPower is a major UK energy company with renewable generation, retail supply and network interests; we are a leading developer of wind power in the UK, and part of the Iberdrola Group, the world's leading renewables developer. We now generate 100% green electricity and our parent company, Iberdrola, is a global leader in tackling climate change with a commitment to reaching carbon neutrality by 2050.

Our renewables business, ScottishPower Renewables (SPR) is a leading developer of wind power with over 2.8GW of operational capacity, including West of Duddon Sands and East Anglia ONE offshore windfarms. With our consented East Anglia THREE project (1.4 GW), as well as a pipeline of future projects, including our East Anglia ONE North (800 MW) and East Anglia TWO (900 MW) projects currently in planning, SPR is committed to maintaining its leading role in driving the growth of the UK's offshore wind sector and realising the economic benefits for the UK. We also have a pipeline of new onshore windfarms (largely focused on Scotland), solar, and battery projects, as well as plans for green hydrogen production. We have repowered two of our existing onshore windfarms to date and anticipate a significant programme of repowering in the future. We always work to incorporate the most efficient and cost-effective technologies into our sites, thereby delivering clean, green energy at the lowest cost to consumers, whilst minimising environmental impacts.

Through our networks business, SP Energy Networks (SPEN), we own and operate the electricity distribution networks in the Central Belt and South of Scotland (SP Distribution), Merseyside, North Wales, Cheshire and North Shropshire (SP Manweb), as well as the electricity transmission network in the Central Belt and South of Scotland (SP Transmission). Operating across England, Wales and Scotland - and appreciating the transboundary nature of environmental impacts – SPEN aims to develop strategies to deliver positive environmental impacts across all of the geographies we serve.

We welcome and support the UK Government's commitment to establishing a new robust and effective environmental protection regime for England in light of the UK's exit from the European Union. In this context, we recognise the importance of this consultation process in establishing the Policy Statement on Environmental Principles that will underpin this environmental protection regime in England.

Whilst we set out our responses to the specific questions in the Consultation document in the attached Annex, we would highlight three key areas where we consider that the draft Policy Statement could be improved:

- The Policy Statement should reference that the single greatest overarching environmental threat is climate change. There is also merit in the Policy Statement explicitly referencing how the application of the principles can contribute to meeting the legally binding Net Zero target.
- The Policy Statement should contain some guidance on how the weighting of the various positive and negative impacts should be undertaken in the decision-making process, with due regard being given to the "climate emergency" and the need to meet the legally binding Net Zero target.
- We would also suggest that a process for reviewing the Policy Statement might be included in the Statement itself making clear the intention to update the Statement over time in light of new scientific or other information as appropriate.

Lastly, we would also highlight the importance of the UK Government working closely with the Devolved Administrations in this important area of developing a new environmental protection regime so as to ensure that there is a coherent and harmonised approach across the UK as much as possible.

Please do not hesitate to contact me should you wish to follow-up on any aspect of our response.

Yours sincerely,

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**CONSULTATION ON DRAFT POLICY STATEMENT ON ENVIRONMENTAL
PRINCIPLES**

SCOTTISHPOWER RESPONSE

Question 1

Would you like your response to be confidential?

No.

Question 2

What is your name?

Tom Restricks

Question 3

Are you responding:

On behalf of an organisation.

Question 4

What type of organisation are you responding on behalf of?

A large business, namely, ScottishPower.

Question 5

Do you think the overview section provides an adequate foundation for policy makers to apply the environmental principles in policy-making?

We note that it is stated in the Overview section of the draft Environmental Principles Policy Statement that it does not seek to dictate a set formula for how environmental principles should be applied to policy-making, however, we consider that some further detail could be added to facilitate more robust and consistent application of the Environmental Principles across Government. In particular, we would suggest that the

overview section could mention the importance of ensuring non-regression of environmental protections and sustainable development through the policy-making process.

We would also suggest that the Overview section should contain reference to the potential for multiple stages of consideration for the five environmental principles, thereby making clear that the principles should not just be considered “in the early stages of policy-making.” As is recognised later in the draft Policy Statement, some of the Environmental Principles lend themselves to consideration in a sequential order, and, of course, policies are developed and changed during the policy-making process. It follows from this that considerations in the early stages of the policy-making process may not be representative of potential impacts of the final proposed policy. We therefore suggest that the Environmental Principles are considered at various appropriate stages through the course of the policy-making process, thereby ensuring that the Policy Statement contributes to promoting effective steps towards environmental protection and sustainable development.

Question 6

Do you think step one allows policy-makers to correctly assess the potential environmental effects of their policy?

We agree with the proposed definitions of “environment” and “environmental impact”. In this context, we welcome the inclusion of positive changes to the environment into the definition of “environmental impact”. We also strongly agree with the explicit recognition of the need to consider contributions to climate change. In this regard, we would suggest that an additional material consideration could be to “consider the extent to which policies contribute to climate change mitigation.” We believe that this merits further consideration given that a Policy Statement on the application of the Environmental Principles provides an opportunity to promote positive impacts in mitigating climate change in addition to limiting and preventing negative environmental impacts. As a minimum, we consider that there should be further consideration of how the Statement should be framed in a way that is consistent with making timely progress towards meeting the new Net Zero target for 2050 under the Climate Change Act 2008 and the legally binding carbon budgets set under this legislative framework on a pathway towards 2050.

More broadly, we would highlight the importance of ensuring that the range of UK Government Departments, Agencies and Regulators are properly resourced (with appropriate training of staff as needed) so as to ensure that potential environmental impacts are properly assessed as part of the policy-making process.

Question 7

Do you think step one ensures that policy-making will address the most important environmental impacts?

As stated in our response to Question 6 above, we consider that there should be further thought given to how to provide more explicit recognition to the “climate emergency” and

the UK's legally binding Net Zero target under the Climate Change Act 2008. We believe that this is appropriate so as to provide due recognition that climate change constitutes the single largest overarching environmental threat.

We agree that consideration of the environmental impacts of a policy by policy-makers needs to take a proportionate approach, and we agree that policy-makers should not be expected to carry out a "deep-dive" assessment into all environmental impacts. That said, it will be important to ensure that there is sufficient resourcing of Whitehall Departments and Agencies (and indeed training of staff) to ensure that they are able to carry out an effective approach towards this kind of assessment exercise.

In addition, we note that this section refers to the application of the Statement in the early stages of policy development. As stated above in response to Question 5, we would note that the five Environmental Principles are best applied over time at differing stages of policy development, recognising that the evolutionary process of policy-making will often require further consideration of the Environmental Principles at a later stage in the policy-making process. We consider that this should be explicitly mentioned in the Policy Statement.

Question 8

Will step two assist policy-makers in selecting the appropriate environmental principles?

We agree that Step Two in the Policy Statement provides a useful summary of how the five principles address different aspects of environmental impacts. However, this is very much a summary section and so we would suggest further consideration might be given as to whether additional explanation might be useful. This could be particularly helpful for those Government Departments and Agencies that might have less familiarity with the process of applying these environmental principles in the policy-making process.

Question 9

Do you think step three provides a robust and sufficient framework for the application of each individual environmental principle?

In light of our comments above, we welcome the recognition in this section of the Policy Statement that it can be appropriate to apply the various Environmental Principles sequentially and/or through different phases of policy-making. For example, it is clear that 'the polluter pays principle' and 'the rectification principle' will often be best applied after due assessment under 'the prevention principle'. This is an important point and, as stated above, we consider that this point should be reflected more clearly in the Overview section.

More generally, we consider that the framing of 'Step Three' should help to guide policy-makers in the application of the respective Environmental Principles. However, to the extent that this section provides some limited examples of policy action that could be taken as a result of the application of the principles, we consider that there should be more explicit reference to examples of policy action that could be appropriate to address negative climate change impacts. This will be particularly relevant to application of the

‘prevention principle’. Moreover, the positive impacts of a policy option in mitigating climate change impacts by supporting decarbonisation efforts could also be highlighted by way of example in this section.

Of course, the successful application of each of the principles hinges on the initial ability of policy-makers to first identify the environmental impacts of a possible policy in a robust way and then to analyse matters carefully under the principles. As noted above, it is important for the Government to ensure that sufficient resources and expertise are in place across all the relevant Government Departments and Agencies so that they have the capacity to carry out this exercise in an effective way.

Question 10

Do you think the process for applying the policy statement (the three steps) provides a robust and sufficient framework for the application of the environmental principles as a whole?

We consider that the process for applying a carefully drafted Policy Statement under the three steps could help to provide a useful framework for the application of the five Environmental Principles. However, as noted above, we consider that there are drafting improvements that could improve the utility of the Policy Statement for policy-makers.

Question 11

Do you have any other comments on the draft policy statement which are not covered by the previous questions?

We consider that it will be important to periodically review the application and implementation of these Environmental Principles under the terms of the Policy Statement. Indeed, it will be important to update the Statement over time in light of these learnings and as a result of new scientific or other material information. We would therefore suggest that a process for reviewing the Policy Statement might be included in the Statement itself making clear the intention to update the Statement over time in light of new scientific or other information as appropriate. In particular, it will be important to conduct a review of the Statement and its application relatively early on after the introduction of the new Statement given the novelty of this new regime. Any such review should also involve engagement and consultation with relevant stakeholders to ensure that lessons can be learned and acted upon.

ScottishPower
June 2021