

Rt. Hon Lord Smith of Finsbury Chairman Environment Agency Horizon House Deanery Street BRISTOL BS1 5AH Micro Hydro Association 8 Sandilands Road Manchester M23 9JW Tel: 0161 282 2774

email: administrator@microhydroassociation.org Wednesday 16th October 2013

Dear Lord Smith.

The MHA would like to thank the Board for continuing this difficult debate with regard to the best way to progress hydro power within England, whilst considering the multiple stakeholders and the ongoing improvement of our water bodies' status. The revised presentation of proposed abstraction flows is particularly welcome.

However, the MHA regretfully still consider that the new guidelines will have a disproportionately significantly adverse impact on the micro hydro sector and ask the Board to consider taking further action in respect of the micro hydro sector. The MHA does not consider that:

- the EA has found empirical evidence to demonstrate that micro hydro schemes licensed under the GPG have caused any unacceptable impact on the environment; so how can developers undertake the "burden of proof" to demonstrate the ability of a scheme to deviate from the original guidance?
- the EA will be able to deliver this process of increased complexity, with consistency, throughout England, when there are already reported issues of consistency on the front line.

The MHA endorse the BHA's stated points and offer below additional feedback specific to the <100kW sector members we represent.

Benefits Assessment

The EA have set out to revise their GPG and developed methods of assessing the options using six benefits:

1. Maintaining 'no deterioration' in water body status nor preventing achievement of good ecological status or potential.

"Environmental assessment must demonstrate [that a] proposed scheme will not have unacceptable impacts." The MHA would like to seek clarification on who will determine what constitutes unacceptable impacts based on the results of any environmental survey and against what criteria.

2. Maintaining, improving and developing fisheries, including fish migration and angling

We note that the improvement of angling is included as a benefit, while creating sustainable renewable carbon-free energy is not. We would suggest that the displacement of environmentally damaging energy generation afforded by hydropower is included as a benefit and given a high weighting.

3. Maintaining rate of scheme development

This point highlights that 'maintaining' a rate of development is desirable, however, at no point has the rate of scheme development been considered as woefully slow, owing to the restrictive bureaucracy faced by landowners, communities and developers aspiring to implement hydro turbines at present. Quote from installers:

- a pico turbine "Over 1 year for permissions 3 hours to install"
- a micro hydro turbine: "40 months for permissions and 9 studies, for a turbine with a capacity smaller than a washing machine"

This highlights the disproportionate nature of regulation for small scale, low impact schemes which has held back this area of renewable generation and opportunities for small businesses to develop.

4. Minimising regulatory burden and cost to the industry

The current burden of regulation and cost to both the EA and industry is disproportionally high, especially for <100kW schemes. The new guidelines do nothing to address this, and indeed make the licence application process even more onerous, which will have a significantly detrimental impact on the industry and the number of installations implemented. The prospect of a flat abstraction charge of £1,500 highlights this point further.

5. Being responsive to stakeholders and achieving consensus

Despite the potential benefit to landowners, installers, and the EA, there has still been no recognition in the proposed guidelines or procedures that the micro <100kW sector is, and should be, treated as a different entity to larger scale Hydro; nor has there been any attempt to find a proportionate response to the requirements of this sector.

The new GPG will disproportionately affect the <100kW industry, which has great potential to provide jobs, income, socio-economic benefit to a broad swathe of the population, including land owners, farmers, and communities, particularly in rural areas.

6. Reducing the environment agency costs of permitting

As noted in point 3, the time delays and processes for licence applications and permitting can be correlated to the burdens and cost of both the regulator and the industry.

For all depleted reach schemes there is likely to be a requirement to deviate from the guidelines. Even if the burden of proof is placed on the developer, the delivery of these deviations by the EA, through increased time and skill resource will be considerable.

MHA recommendation

The MHA proposes that there should be a Hydro Sector group specifically for <100kW schemes, which has close ties to professional and respected industry experts who have proved their capabilities with installation of best practice schemes.

If this collaborative approach can be fostered, the MHA will endeavour to build a library of current schemes, highlighting their idiosyncrasies to form a basis of evidence to be used for future schemes.

The MHA asks the EA to engage with us to develop and adopt the scheme registration principles and criteria for ensuring low impact schemes meet a criteria to ensure a negligible risk of adverse impact, that we have proposed in a discussion draft as part of the recent consultation¹.

Conclusion

The MHA consider that the Hydropower Board Paper does not meet points 2-6 satisfactorily. There is no evidence to say that the previous GPG did not meet point 1 and the hydro industry has previously and continues to meet point 2. It is with regret that the MHA cannot offer our full support to the recommendations in the Paper and we urge the board to further consider them.

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Yours	sincere	W

Kate Gilmartin

Administrator of the Micro Hydro Association

¹ Micro Hydro - a case for special consideration - proposals for simplified micro hydropower regulation and funding redraft May 2013.pdf