

Attention Tony Grayling  
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](mailto:administrator@microhydroassociation.org)  
Monday 8<sup>th</sup> July 2013

## **Micro Hydro Association Representation to the Board of the Environment Agency**

As a member of the EA Hydropower Working Group (HWG) the MHA has contributed considerable time to the GPG2 and supplementary flows regulation consultations with the principal aim from the start of assuring a proportionate and risk-based approach to permitting for micro hydro schemes (typically under 100kW capacity). Although we have agreed many changes to GPG guidelines, the recent decision by the EA Directors to submit their own recommendation outside the consultation options for flow regulation cannot in our view be considered proportionate, nor related to the risk that micro hydro schemes may damage the environment.

The MHA has concluded that we have no option but to disengage from the current EA consultation to amend the Good Practice Guidelines. We will therefore not be representing our members at the meeting on 11<sup>th</sup> July. It is with regret that we undertake this decision, based on our evaluation that this consultation is flawed, unfounded and incomplete. We remain ready and willing to engage again with the EA should the Board decide to abandon the Directors' proposals for flow regulation.

We set out specific points of concern below.

### **Point 1) Requirement to modify current flows regulation**

The current Good Practice Guidelines have provided adequate guidance on flow regulation for low head schemes with no evidence of detrimental effects from schemes installed under its remit. Scotland and Ireland continue to utilise a broadly similar guidance strategy.

The MHA wish to understand why the EA considers there is a need for the modification of the current GPG flow regulation guidelines for low head schemes. We have asked the EA to explain why the position appears to have changed so drastically, even from that suggested to the HWG by its own hydrologists in November 2011?

The Hydropower Working Group has not yet as far as I am aware had an explanation of why the wide area-based CAMS assessments of sensitivity to consumptive abstraction are proposed rather than a clear set of criteria to be met on a site by site basis and taking a proportionate and risk-based approach.

To assist in this clarification, the MHA wish to seek data on how many <100kW schemes (both low and high head) have sought to be licensed in the last 10 years. Of these, how many schemes have been granted a licence, how many have been refused and on what grounds? Of the number of schemes that have been granted licence and are operational, we seek to identify ones that have caused the EA concern enough to consider not granting subsequent schemes licence under the new Option 3 amended.

We believe that evaluation of current evidence on operational hydro schemes should be the basis for any changes. Without thorough examination of this evidence and whether hydro schemes have any measurable effects, significant amendments to the guidelines for flow regulation cannot be valid.

### **Point 2) Proposed regulation - Clarification of recommended Option 3 amended**

Further to point 1, the MHA wish to understand and review the evidence base for Option 3 amended, without this evidence the recommendations can only appear to be arbitrary. The disproportionate approach to the risk of hydropower schemes on the ecology of the rivers, to meet the WFD, can be conceived as ill-founded without an evidence base.

The assumption that hydropower should be classified as consumptive abstraction is questionable and the industry has not been informed of the evaluation behind this decision.

The trial 'Accounting for Regulator Impact' (ARI) assessment has been revised with further input of data from industry. It should be noted that the previous version fell short of acceptable standards, yet could have resulted in the Board being misled as to the impact on the members we represent and the future of micro hydro developments. The ARI now gives more robust evidence to the damage caused by the recommendation. However, this is based on the continuation of the current rate of hydro power development. It fails to suggest a scenario showing an upward trend, if there had not been such instability from regulators, causing uncertainty in the market. This would show a much greater loss in potential earnings for the industry and nation.

The ARI reported figures on amended option 3 shows the future impact on Micro-hydro, however, they do not account for schemes that fail to get developed and the costs incurred. Currently, profit margins on low head schemes can be extremely slim and two community schemes have recently been found to be financially unviable (preceding the proposed further restrictions on flows and generation)<sup>1</sup>.

Our members also consider<sup>2</sup> that high head schemes will, with the proposed changes, be restricted in a way which will drive potential generators and installers away from developing this most effective resource for clean electricity generation.

The MHA have not been privy to the detail of the percentage take values proposed for schemes on rivers with different Abstraction Sensitivity Band criteria. The MHA wish to challenge the EA to demonstrate that the proposed flow standards are built on an evidence-based approach, using a 'proportionate and risk based methodology'.

### **Point 3) Closed dialogue**

We have been informed that the EA's proposed changes have already been adopted by the Executive Directors and will not be changed prior to presenting them as recommendations to the EA Board, despite any representations from industry. Board papers were circulated prior to the conclusion of the Industry discussions. The period of 2 weeks that industry has been allowed to comment (let alone the forewarning that it will not sway opinion) is pitiful when the consultation period is considered.

There are currently four EA-commissioned studies outstanding without the evidence of which it is difficult to understand how conclusions to the consultation can be drawn. Can the EA inform the MHA of other studies that have been undertaken and give results from these studies? (e.g. the 50kW low head Settle Hydro APEM study; the Dulas 150kW high head scheme at Ty Cerrig which is at year 9 of 10 years of monitoring; the study at Tellisford Mill).

The MHA feels that without an evidence based proportionate risk based approach, the EA have no grounds to stop previously viable schemes, now void under the new recommendations. We believe that a different approach to micro-hydro should be taken and refer you to the 'registration proposal' previously put as a draft for discussion to the EA and other regulators by Gavin King Smith of the MHA.

### **Point 4) Community and the Big Society agenda**

Community hydro schemes have been pioneers for the current movement for Community energy and have been championed by many MPs for their progressive approach and 'Big Society' motivations. The Minister of State, Greg Barker, has championed communities guidance, refurbishments of mill sites, Community FIT, and pre-accreditation for communities. At a time when DECC are promulgating a more cohesive support mechanism to engage and enable community projects to flourish, it seems ironic that many low head Community projects with depleted reach will be left without financially viable projects due to these recommendations. The benefits that community schemes bring include: drawing people to the river environment, upgrades to the river environment with fish passage, raising awareness of renewable energy opportunities, mobilising and pooling local capital, community income, funds for further community projects, community cohesion, skills and knowledge sharing, job opportunities within communities, the idea of Big Society.

Low head hydro developments have a two year lead time (longer for community schemes). If the new recommendations come into effect in January 2014, as expected, then many schemes will be deemed financially unviable with this broad and sweeping generalisation, erasing the efforts and large amounts of time and resource of many community groups and developers.

### **Conclusion**

The Micro Hydro Association represents those involved with sub 100kW hydro schemes. This includes farmers and land owners, but also Communities who are trying to install hydro power on old mill leats or weirs. The members of the Micro Hydro Association urge the board to postpone any changes to the current EA guidelines until such point that further evidence based study has been completed and evaluated.

The existence of the guidelines is supposed to streamline a process for both regulators and industry, the MHA believe the proposed new guidelines are not fit for purpose and urge consideration of our proposals for simplified regulation for smaller scale schemes contained within our consultation response.<sup>2</sup>

Yours sincerely,

Kate Gilmartin

Administrator of the Micro Hydro Association

<sup>1</sup> Hexham River Hydro - [www.hexhamriverhydro.wordpress.com](http://www.hexhamriverhydro.wordpress.com)

Sheffield Renewables Jordan Dam - <http://www.sheffieldrenewables.org.uk/category/jordon-dam-hydro/>

<sup>2</sup> Response from Micro Hydro Association to the EA Supplementary consultation on river flow and water abstraction standards - final March 2013 – See Appendix I

([http://www.microhydroassociation.org/uploads/7/7/0/4/7704207/response\\_from\\_micro\\_hydro\\_association\\_to\\_the\\_ea\\_supplementary\\_consultation\\_on\\_river\\_flow\\_and\\_water\\_abstraction\\_standards\\_-\\_final\\_march\\_2013.pdf](http://www.microhydroassociation.org/uploads/7/7/0/4/7704207/response_from_micro_hydro_association_to_the_ea_supplementary_consultation_on_river_flow_and_water_abstraction_standards_-_final_march_2013.pdf))