

# PCI IMPLEMENTATION THROUGH FACILITATING PUBLIC ACCEPTANCE

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## WHAT CHALLENGES DO TSOS HAVE IN THE IMPLEMENTATION OF PCIs?

So far, the key focus of the European institutions is to identify projects for electric power transmission that provide pan-European value with regards to the opening of markets, RES integration, and security of supply. Projects of Common Interest (PCI projects) are being selected based on a thorough

planning and assessment of the value created by each project through a cost benefit analysis (CBA). Many projects are now in their implementation phase, and as the monitoring shows, many projects have been delayed.

## WHY ARE THE PROJECTS DELAYED?

The value of PCIs, based on a CBA, is obvious to TSOs, European institutions, and regulators. However, non-experts (incl. residents directly affected by the transmission projects, i.e., the people whose land will be used for the construction of substations, lines, and cables) do not think in such abstract terms as 'socio-economic welfare', as depicted in the CBA. These individuals rather have practical concerns like: What value will the new infrastructure bring to them? Will the new infrastructure affect their neighbourhood or the usage or value of their property? What visual impacts will there be? Will the new infrastructure pose risks for their health or make noise? Will the new infrastructure affect fauna and flora?

As a result, public acceptance, especially acceptance by the broader public and citizens locally affected, is one of the major challenges faced by TSOs today when building transmission infrastructure. A key reason for this is the fact that the **local benefit of new lines is not directly perceptible to the population**, whereas all the local and regional disadvantages can be easily assessed.

Even when projects are being fully supported by European institutions and national laws, local politicians take up the fears of some citizens and try to balance them with the expected impact of the project. Unfortunately, neither citizens, organisations, or politicians are aware of the complex planning and consultation processes, so that their involvement often starts at times least expected and are not planned for in the projects.

**The lack of public acceptance is primarily a local problem** and needs to be resolved at this level. With this being said, local acceptance can only be enhanced when TSOs get coherent political support across all levels (i.e., local, regional, national, and European) to increase the public's grasp on the need for the new line. Furthermore, stability of the project's label is important. If the label "PCI" of a project were changed within the permitting phase, it might significantly damage the reputation of the project from the point of view of stakeholders and make the implementation more difficult. Thus, we propose to "freeze" the PCI label of a mature PCI project to maintain coherent communication.

To gain **local acceptance**, four points need to be covered:

1. The project has to be explained, which means good communication measures have to be used.
2. The impact of the project has to be on an acceptable level for the population.
3. Some local value needs to be brought into the area.
4. People want to be engaged and participate in the development of solutions (meaning there must be room for change in the designs at the time people get involved).

## HOW TO EXPLAIN THE PROJECTS

Politicians on all levels, TSOs and ideally NGOs have to join forces to address the concerns and explain the different aspects of the transmission projects and to involve constructively stakeholders in their development. Raising understand-

ing and lowering communication barriers can be achieved by diverse measures requires that relevant information is addressed through adequate communication channels at the right moment in time to the concerned target groups.

## HOW TO INVOLVE THE POPULATION IN THE PROJECTS AND CREATE VALUE FOR THE RESIDENTS

Pure information measures are, in many cases, not sufficient to involve the population. There is a need to involve the residents in developing shared solutions with the aim of reducing the impact of the new infrastructure as much as possible and to bring as much value as possible to the region. Suitable measures include:

» **Involve the residents' solutions to get information that is helpful for designing better integration of the grid projects into the location:**

- » Plan citizen conferences, organise events for dialogue and proposals of locally elected representatives, NGOs, socio-economic actors, experts, citizens, and state/departmental/regional representatives.

» **Reduce environmental impact:**

- » Conduct landscape or biodiversity studies and propose innovative solutions and tools to reduce the environmental impact of the project.
- » Facilitate local feedback on the environmental, social, and economic reality of the territory concerned in order to integrate residents into the planning process.
- » Use new designs and technologies.

## BRING VALUE TO THE RESIDENTS

Bringing value to local residents is a relatively recent concept, which has not been deeply explored as of yet. However, it has shown to be a very powerful approach to receive local buy-in for projects. Several approaches to do so include the following:

- » **Reduce or substitute existing grids together with new grid infrastructure:** The need for grid infrastructure has changed significantly in some areas over the last few years. For example, the need for long distance transmission and connection of renewables has increased due to the change in the industry pattern, where there might be less need for the supplying industry. Combining the building of new capacity while reducing the impact of existing grids close to dwellings or in environmentally sensitive areas nearby can help improve acceptance.
- » **Find novel cross infrastructure compensation solutions:** One example is the building of a new overhead line close to a highway as well as a noise protection for the highway being built by the TSO. The reduction of noise from the highway can be seen as much more important than the additional impact of the new overhead line. Such examples are feasible, where new transmission line development and other infrastructure development can go hand-in-hand.

- » **Bring economic value to the local level:** One example of bringing economic value to the area by developing local employment with the project (mainly during the construction phase) may constitute a powerful way to make local actors and authorities support grid projects.

- » **Environmental measures compensate for the impact of new infrastructure on fauna and flora:** Environmental activities linked to the building of new lines can be identified and implemented while involving local actors (i.e., NGOs, schools, farmers, volunteers in ecological projects, etc.) and thus improve local acceptance.

All of these measures have two things in common:

1. **They need time** – more time is needed in the process before the formal permitting starts. This increased time can be potentially saved in the formal process, and the number of legal complaints can be reduced.
2. **They cost more money** than the standard technologies in the most cost-effective solutions used in past decades. Thus, the regulatory framework has to be adjusted to allow for the additional investment costs at the time of investment and the higher cost base in benchmarks (e.g., incentive regulation).

## THE EUROPEAN COMMISSION IS INVITED TO INITIATE A SERIES OF ACTIONS TO FACILITATE THE ACCEPTANCE OF PCIs

- » Project implementation needs a stable framework. Thus, PCIs that are in the implementation phase should not be reassessed every two years, casting doubts upon stakeholders on whether the projects are really needed or not.
- » The Commission should encourage Member States to support TSOs in the timely delivery of new grid infrastructures, particularly by launching national and regional communication campaigns that explain to citizens the current energy challenges and the need for energy infrastructures to fix them, especially PCIs.
- » Politicians at all levels should support projects coherently.
- » The Commission should continue to provide **financial support for EU projects promoting the exchange of good practice between TSOs/NGOs to improve the acceptability of the grid.**

To enable appropriate measures, TSOs need a stable and sound basis within the regulatory framework that incentivizes investments that support the acceptance of infrastructure projects. Today, there is a lack on a national and European level to prioritise needed investments for public acceptance when building transmission infrastructure.

## WHAT PRACTICAL PROBLEMS EXIST TO MEET THE PERMITTING SCHEDULES?

The EC, regulators, and other institutions regularly monitor the progress of project implementation. A common result is

that projects are delayed, and it is also very common that delays are not foreseen in the planning but come by surprise.

## WHY ARE LEGAL DEADLINES NOT BEING MET?

In all permitting processes, clear timeframes are given, and many institutions expect that those schedules and deadlines are being met. In practice, the problems to meet/respect them are manifold, manifold for several reasons, including:

- » Consultation processes should not be launched during vacation time to allow the affected population to be seriously engaged in the process.
- » It is not advisable to start a consultation directly before or around Christmas.
- » Electoral deadlines can be a key factor for delays. It is not advisable to start public processes during elections as they pose a risk that the project might become a topic for the political debate. In addition, new members of parliament and political leaders come into power following elections, and all have to be involved in the communication of the project.

Consequently, the 'real life' planning and implementation of a project concerns many factors that are not accounted for in the permitting laws. These factors are multiplied for cross-border (most PCIs), because these cross Member States with different administrations, structures, and expectations.

Public interest often emerges at a stage too late – often when least expected and not during the right time of the very complex processes – that is often only understood by authorities and lawyers. Thus, process steps are often voluntarily repeated by project promoters and/or authorities in order to get the buy-in of the residents and to reduce the number of legal complaints in the long run.

In addition, real interactions and involvement of residents requires identifying problems and developing joint solutions. This requires time, often many months or even a year, as it is often needed to hire external expertise, plan different alternatives, assess technical solutions, etc. To have a meaningful exchange, project promoters must use the time needed for such interaction, even if it delays the projects.

All in all, the projects are affected by a large variety of factors that introduce delays, many coming as a surprise and could not be anticipated in the project. Long-term projects are not predictable, and it is not surprising that they cannot be foreseen in a long-term project plan.