



# Public Engagement in Electricity Network Development: A Case Study of the Beauly–Denny Project in Scotland

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Ambitious renewable energy targets and an aging infrastructure necessitate a substantial upgrading and expansion of the electricity transmission networks around Europe and beyond. Although vital for the functioning of the economy, grid development projects are often met by public opposition, which increase costs and lengthy planning processes. Each grid development project affects a set of stakeholders – from state and local communities to NGOs, landowners and corporations – each with different objectives and perceptions of the project. The current planning processes have proven ineffective at resolving the conflicts among stakeholders, indicating the need for a new approach.

We study these issues from an Economic perspective, outlining the economic characteristics of transmission developments and public engagement. Our analysis has identified previously overlooked features of the planning process that are contributing to the rise in conflicts, public opposition and delays. A review of the literature suggests increased information provision and public engagement in transmission line planning as a way to increase public trust in network companies, public acceptance and therefore accelerate the realisation of new project. Public engagement implies the involvement of members of the public in policy-forming and policy development. The concept is not new but it is becoming increasingly important in infrastructural developments. However, there are no established guidelines, rules or frameworks defining how public participation ought to be formalised.

Following a literature study and outline of the theoretical approach we discuss the Scottish Beauly-Denny high voltage transmission development in detail. The Beauly-Denny project is a high profile development, subject to the longest



ever public enquiry in Scotland. It was widely reported on in the media and received over 20,000 objections. The difficulty in any major infrastructural development is to strike a balance between the long-term objectives of the various stakeholders and the overall benefits of the development. The complex nature of the planning process is largely due to conflicting interests, information asymmetry and the various principal-agent relationships amongst the vast range of stakeholders. Such conflicts occasion transaction costs, further increasing the externalities of projects.

Our findings indicate a need for increased engagement with local communities at an earlier stage of planning. Public contribution is found to be at a stage downstream in the decision-making process and thus of little influence. However, if introduced at the early stages, public engagement can improve the possibility of a successful and excellent realisation of projects as local involvement in the design and implementation can increase local understanding and support. Moreover, trust between communities, developers and government is important for future negotiations and can be achieved through transparency, specific education and set guidelines for stakeholder engagement in the planning process. If communities are taken seriously and listened to at the start of a project and throughout, the level of trust for developers increases. In turn, this increases the likelihood of successful communications and lowers the rise of conflicts.

Allowing communities to take a more active role in the planning process should be done if the benefits, e.g. accelerated development, outweigh the costs, e.g. from the negotiation process. Communities along the Beaulieu-Denny line felt as if their opinions were not taken seriously and felt left out, partly because they simply did not have the relevant information and knowledge about the planning process. Knowledge and experience are two important aspects of transmission line development and planning yet the consumers do not require more know-how than the responsible planning unit. It may therefore be a case for educating, perhaps not a whole community, but representatives from the community forming a community consultation group. More importantly though is that the future framework and process is transparent and that information is easily available to all stakeholders. The roles and tasks of stakeholders should be clearly stated before commencing new projects, an undertaking which may involve policy changes on a governmental level. This minimises information asymmetries and thus transaction costs.

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