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Tees CCPP Project

The Tees Combined Cycle Power Plant Project Land at the Wilton International Site, Teesside

Written Summary of Applicant's Oral Case – Issue Specific Hearing on the Draft DCO – 14 June 2018

Examination Deadline 4

The Planning Act 2008



Applicant: Sembcorp Utilities (UK)

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GLOSSARY

| Abbreviation | Description |
|--------------|--|
| AIL | Abnormal Indivisible Loads |
| Applicant | Sembcorp Utilities (UK) Limited |
| CCS | Carbon Capture and Storage |
| CHP | Combined Heat and Power |
| DCO | Development Consent Order |
| EIA | Environmental Impact Assessment |
| ES | Environmental Statement |
| ExA | Examining Authority |
| GPDO | General Permitted Development (England) Order 2015 |
| ISH | Issue Specific Hearing |
| MW | Megawatts |
| NSIP | Nationally Significant Infrastructure Project |
| PA 2008 | Planning Act 2008 |
| PINS | Planning Inspectorate |
| RCBC | Redcar and Cleveland Borough Council |
| SCU | Sembcorp Utilities (UK) Limited |
| SoS | Secretary of State |
| The Proposed | The Tees CCPP Project |
| Development | |
| the Site | The Project Site |



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1 INTRODUCTION

Overview

- This Written Summary of Oral Case has been prepared on behalf of Sembcorp Utilities (UK) Limited ('SCU' or the 'Applicant') in respect of its application (the 'Application') for a Development Consent Order (a 'DCO'). The Application was accepted for examination (the 'Examination') by the Secretary of State (the 'SoS') for Business, Energy and Industrial Strategy on 18 December 2017.
- 1.2 SCU is seeking a DCO for the construction, operation and maintenance of a new gas-fired electricity generating station with a nominal net electrical output capacity of up to 1,700 megawatts ('MW') at ISO conditions (the 'Project' or 'Proposed Development'), on the site of the former Teesside Power Station, which forms part of the Wilton International Site, Teesside.
- 1.3 A DCO is required for the Proposed Development as it falls within the definition and thresholds for a 'Nationally Significant Infrastructure Project' (a 'NSIP') under Sections 14 and 15(2) of the Planning Act 2008 ('PA 2008').
- 1.4 The DCO, if made by the SoS, would be known as the 'Tees Combined Cycle Power Plant Order' (the 'Order').

SCU

- 1.5 SCU provides vital utilities and services to major international process industry customers on the Wilton International site on Teesside. Part of Sembcorp Industries, a Singapore-based group providing energy, water and marine services globally, Sembcorp Utilities UK also owns some of the industrial development land on the near 810 hectares (2,000 acre) site which is marketed to energy intensive industries worldwide.
- 1.6 SCU owns the land required for the Proposed Development.

The Project Site

- 1.7 The Project Site (the 'Site') is on the south west side of the Wilton International Site, adjacent to the A1053. The Site lies entirely within the administrative area of Redcar and Cleveland Borough Council (RCBC) which is a unitary authority.
- Historically the Site accommodated a 1,875 MW Combined Cycle Gas Turbine power station (the former Teesside Power Station) with the ability to generate steam for utilisation within the wider Wilton International site. The Teesside Power Station ceased generation in 2013 and was demolished between 2013 and 2015.
- 1.9 SCU has identified the Site, based on its historical land use and the availability of natural gas supply and electricity grid connections and utilities as a suitable location for the Project. In summary, the benefits of the Site include:
 - brownfield land that has previously been used for power generation;
 - on-site gas connection, supplied from existing National Grid Gas Plc infrastructure;
 - on-site electrical connection, utilising existing National Grid Electricity Transmission infrastructure;
 - existing internal access roads connecting to a robust public road network;
 - availability of a cooling water supply using an existing contracted supply (from the Wilton Site mains) and existing permitted discharge consent for effluent to the site drainage system
 - screening provided by an existing southern noise control wall, approximately 6 m in height;
 - potential for future combined heat and power ('CHP') and carbon capture and storage ('CCS');
 and





- existing services, including drainage.
- 1.10 A more detailed description of the Site is provided at Chapter 3 'Description of the Site' of the Environmental Statement ('ES') Volume 1 (Application Document Ref. 6.2.3).

The Proposed Development

- 1.11 The main components of the Proposed Development are summarised below:
 - Work No. 1 a natural gas fired electricity generating station located on land within the Wilton International site, Teesside, which includes the site of a former CCGT power station, with a nominal net electrical output capacity of up to 1,700 MWe at ISO Conditions; and
 - Work No. 2 associated development comprising within the meaning of section 115(2) of the 2008 Act in connection with the nationally significant infrastructure project referred to in Work No. 1.
- 1.12 Please refer to Schedule 1 of the Draft DCO (Application Document Ref. 2.1) for more detail.
- 1.13 It is anticipated that subject to the DCO having been made by the SoS (and a final investment decision by SCU), construction work on the Project would commence in around the second half of 2019. The construction of the Project could proceed under one of two scenarios, based on SCU's financial modelling, as follows.
 - **'Scenario One'**: two CCGT 'trains' of up to 850 MW are built in a single phase of construction to give a total capacity of up to 1,700 MW.
 - **'Scenario Two'**: one CCGT train of up to 850 MW is built and commissioned. Within an estimated five years of its commercial operation the construction of a further CCGT train of up to 850 MWe commences.
- 1.14 The above scenarios have been fully assessed within the ES.
- 1.15 A more detailed description of the Project is provided at Schedule 1 'Authorised Development' of the draft DCO (Application Document Ref. 2.1) and Chapter 5 'Project Description' of the ES Volume I (Application Document Ref. 6.2.5).

The purpose and structure of this document

1.16 This document provides a written summary of the Applicant's oral case at the Issue Specific Hearing ('ISH') on the Draft DCO held on 14 June 2018. This document has been submitted for Deadline 4 of the Examination (6 July 2018).



2 WRITTEN SUMMARY OF APPLICANT'S ORAL CASE

Introductory remarks

- 2.1 The ISH on the Draft DCO was held on 14 June 2018 at Redcar and Cleveland House, Kirkleatham Street, Redcar, TS10 1RT.
- 2.2 The ISH concerned matters relating to the draft DCO for the construction, operation and maintenance of the Proposed Development, on the site of the former Teesside Power Station, which forms part of the Wilton International Site, Teesside.
- 2.3 The ISH took the form of running through the Examining Authority's ('ExA') agenda published on 06 June 2018.

Introduction of participating parties

- 2.4 The ExA, Mr David Richards.
- 2.5 The Applicant:
 - Claire Brook ('CB'); Partner, Womble Bond Dickinson;
 - Kate Ashworth ('KA'), Associate, Womble Bond Dickinson;
 - Carole Nichols ('CN'), Utilities Shift Manager, SCU;
 - Scott Taylor ('ST'), AVP Business Development, SCU;
 - Jake Barnes-Gott ('JBG'), Senior Associate, DWD LLP; and
 - Rob Booth ('RB'), Senior Planner, DWD LLP.
- 2.6 The following Interested Parties participated in the ISH:
 - David Pedlow ('DP'), representing Redcar and Cleveland Borough Council ('RCBC').

Main discussion points

2.7 The relevant section from the hearing agenda issued by the ExA on 06 June 2018 is quoted when dealing with the main discussion points in the remainder of this section. The main discussion points were primarily from the ExA's agenda.

Agenda Section 1: Introduction and opening remarks

- 2.8 The ExA provided an overview of the agenda, including each specific section.
- 2.9 The ExA noted that the agenda for the hearing was produced before the updated draft DCO (version 2) [REP2-085] was published, and that some items of the agenda have been dealt with by the updated draft DCO. The ExA advised that he would make clear where this is the case.

Agenda Section 2: Introduction of participants

2.10 See sections 2.5 to 2.6 above.

<u>Agenda Section 3: Review of changes to the draft DCO ref [AS-018] submitted with the Applicant's proposed change – Requirement 4</u>

- 2.11 The ExA summarised the changes to AS-18 (the draft DCO with proposed change) and Requirement 4 therein regarding the buildings affected by the proposed change to the DCO. The ExA confirmed that these have been picked up in the draft DCO and discussed sufficiently in the Issue Specific Hearing on Environmental Matters on the previous day.
- 2.12 CB and DP confirmed there was nothing more to add on this matter.



Agenda Section 4: Does the draft DCO rev 2 submitted with the Applicant's proposed change address FWQ1.3.1 with regard to latest plans, and other changes indicated in the Applicant's response to the first written question ref [REP2 080]?

- 2.13 The ExA stated that he believes that the latest draft DCO [REP2-085] is up to date and addresses FWQ1.3.1. However he noted the Applicant should keep an eye on this and ensure the DCO reflects all up to date references.
- 2.14 CB noted that a table of changes to the draft DCO has been produced and will be provided for Deadline 4.

Agenda Section 5: Schedule 1, Part 1 – continued reference to works which 'may' be required in connection with the development or associated development

- 2.15 The ExA confirmed that this has been addressed in the Applicant's answers to the written questions and corrected in the latest draft DCO [REP2-085].
- 2.16 CB confirmed that the Applicant had corrected three references of 'may' to 'will' in the latest draft DCO in Schedule 1 at paragraphs 2, 3 and 5.

Agenda Section 6: Justification for wide ranging permitted development rights included in part 3, Article 8

- 2.17 The ExA stated that the draft DCO may contain some references to irrelevant sections of the Town and Country Planning (General Permitted Development) (England) Order 2015 ('GPDO').
- 2.18 CB confirmed that the Applicant had undertaken a review and amended which parts are relevant to the Proposed Development; resulting in the deletion of Part 18.
- 2.19 CB explained that similar provisions are included in the York Potash DCO and Able Marine DCO, the York Potash DCO incorporates permitted development rights for harbours set out in Part 8 Class B and the Able Marine DCO is also harbour related.
- 2.20 The ExA noted that the draft DCO refers to Parts rather than individual classes within the Parts and that there are no precedents from any other CCGT developments.
- The ExA raised the topic of Part 7 'Non-Domestic Extensions/Alteration' and queried the scope of the rights in Part 7. Class H allows you to erect, extend and alter industrial buildings and warehouses. This could be used to construct above and beyond what is set out in the Works Plans [REP2-076, REP2-026, REP2-048, REP2-007, REP2-075].
- 2.22 CB stated it is unlikely that the Applicant would take full advantage of the provisions and also noted the further protective measures included in the GDPO at Article 3(10), which state that if the extent of the extension proposed constitutes EIA development, then automatically the permitted development rights are excluded.
- 2.23 CB noted that SCU consider the following classes within Part 7 of the GPDO as relevant to the Proposed Development:
 - Class I developments relating to an industrial process;
 - Class J hard surfaces for industrial and warehouse premises; and
 - Class K waste deposits from an industrial process.
- 2.24 CB also noted that following the further review, the Applicant is proposing to delete rights relating to Part 14 'Renewable Energy'.
- 2.25 The ExA asked whether the inclusion of Part 7 was absolutely necessary and CB explained that this is one of the most relevant Parts.
- 2.26 CB did note that there is a debate you do not need to include PD rights, but the Applicant has done so to ensure they can be relied upon.
- 2.27 The ExA concluded by stating that the tighter the DCO drafting can be, the better.



Agenda Section 7: Requirement 4: Justification of maximum 20m height for other buildings

- 2.28 The ExA noted that the 20m limit could be perceived as quite substantial even when taking into account the Site's context and asked whether the DCO could contain more detail.
- 2.29 ST stated that SCU wishes to retain the flexibility to construct buildings such as administration blocks, control rooms, workshops and maintenance buildings up to this height. It is also not yet decided how the power station will be integrated into the wider site as the detailed design has not been finalised. There may be structures which are integral parts of the turbine, but sit outside of the building. This threshold needs to be included to accommodate these external structures if they are necessary.
- 2.30 DP noted that perhaps once the Applicant has some more detail, it may be able to provide further certainty over buildings in relation to the 20m. However, he confirmed RCBC is happy to give as much flexibility to the Applicant as possible, and that given the industrial context of the Site it will not affect the character of the wider site.
- 2.31 CB noted in terms of the environmental assessment, buildings and structures up to 20m do not need to be considered for air quality dispersion modelling purposes, as they are below one third of the stack height and in terms of visual amenity, any buildings up to 20m would not be visible, due to tree screening in the area, with the exception of at the Eston Nabb viewpoint, but in any event the main structures will still dominate the viewpoint.

<u>Agenda Section 8: Requirement 13: Updated draft Construction Environment</u> Management Plan

- 2.32 The ExA requested to be informed of the changes made to the CEMP.
- 2.33 CB confirmed that the updated CEMP [REP2-008] has been changed to such an extent that there are too many changes to illustrate clearly through tracks. However, a document to illustrate the changes with a summary could be provided if required.
- 2.34 CB noted that the Applicant has, in response to the first set of written questions, conducted a cross referencing exercise of mitigation measures that are incorporated within the CEMP against those mitigation measures included in Table 17.1 in Chapter 17 of the Environmental Statement ('ES').
- 2.35 The ExA referenced the matter of specific measures relating to emergency working or major out of hours working. CB confirmed that we will expand the relevant paragraph (L.42) to include a reference to BS5228.
- 2.36 CB explained requirement 13 has been updated as follows:
 - 2.36.1 the Code of Construction Practice must now specify mitigation and management measures;
 - 2.36.2 the CEMP must include a Considerate Construction Scheme; and
 - 2.36.3 the CEMP must include details of monitoring measures.
- 2.37 The ExA confirmed that this addresses this agenda item sufficiently.

Agenda Section 9: Requirement 15: Updated draft Construction Traffic Management Plan

- 2.38 The ExA noted that the 'Construction Transport Management Plan' is referred to as the 'Construction Traffic Management Plan' in the draft DCO. CB confirmed one of the documents would be updated for consistency and asked whether the ExA had a preference. The ExA confirmed the document is usually called a 'Construction Transport Management Plan'.
- 2.39 CB also explained the amendments to Requirement 15 in relation to FWR 1.3.34 with respect to managing abnormal indivisible loads ('AILs') and incorporating a definition of Preliminary Works and AILs.



Agenda Section 10: Requirement 30: Reference to the role of Health and Safety Executive (HSE)

- 2.40 The ExA firstly noted that this requirement is now requirement 29 in the current draft DCO [REP2-085].
- 2.41 CB explained the background to requirement 29. Following the HSE's initial representation, the Applicant factored in a new requirement in the DCO and included a new chapter 15: Major Accidents [APP-057] in the Environmental Impact Assessment ('EIA').
- 2.42 The HSE has subsequently provided a response to FWQ 1.3.41 which requests a change to the wording of requirement 29. However the Applicant believes the HSEs concerns have been adequately addressed and that HSE's proposed wording appears to duplicate other statutory requirements that already exist.
- 2.43 CB confirmed that the Applicant intends to discuss this with the HSE further and evaluate the need to incorporate any additional wording.
- 2.44 The ExA explored HSEs additional comment that it was not appropriate for it to be consulted on the assessment produced pursuant to requirement 29.
- 2.45 DP confirmed that it was not within RCBCs remit either and it would not be competent to approve a safety assessment. Therefore if HSE are removed from the requirement, RCBC are no longer comfortable with the wording.
- It is noted that the HSE refer to the Health and Safety at Work etc Act 1974, this requires a suitable assessment to be produced in any event and therefore this requirement does not appear to add anything.
- 2.47 CB confirms the Applicant's current intention is to delete this provision.
- 2.48 The ExA decides to move on but questions whether the requirement would be enforceable or necessary in its current state.

Agenda Section 11: Progress on Review of leases with (National grid Electricity Transmission ('NGET') to obviate need for protective provisions.

- 2.49 CB stated that documentation has been prepared by SCU's lawyers and is currently with NGET's lawyers to review and respond.
- 2.50 The ExA stated that ideally the leases would be in place prior to the end of the examination. However he noted that NGET has confirmed it does not need protective provisions.

Agenda Section 12: Progress on S.106 Obligation (FWQ 1.3.40)

- 2.51 CB confirmed that in terms of obligations relating to employment, the Applicant has received the detailed heads of terms and a draft is being prepared.
- 2.52 The heads of terms include:
 - The provision of a construction training and employment method statement
 - Opening up opportunities for local businesses to bid for development contracts
 - Producing quarterly procurement process reports
 - Obtaining and submitting employment returns
 - Financial contributions towards training and upskilling for residents and for workshops and coaching session for local businesses

these have been agreed in principle with the wording to be finalised.

- 2.53 CB noted that having considered the extent of what will be covered in the S.106; the Applicant now feels that Requirement 28 (employment and skills plan) is no longer needed and can be removed from the draft DCO [REP2-085].
- DP confirmed that RCBC is happy to discuss the removal of Requirement 28 subject to the finalisation of the S.106.
- 2.55 The ExA then asked whether in relation to Carbon Capture there was any more to discuss than already discussed during the Environmental ISH on 12 June 2017.



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Written Summary of Oral Case – Issue Specific Hearing on the Draft DCO on 14 June 2018

2.56 CB confirmed that the report will determine whether there is a need for additional off site land. If we do the Applicant will look at the appropriateness of the land within its ownership and the area required. if necessary the Applicant will secure the land through a section 106 obligation to be retained for carbon capture in the future.

Agenda Sections 13 and 14: Next Steps / Other Business

- 2.57 DP confirmed RCBC has no further issues to raise.
- 2.58 The ExA confirmed that he does not envisage the need for any further hearings during the Examination.
- 2.59 CB noted that the consultation report on the non-material change and oral submissions will be prepared and submitted on or before Deadline 4.
- 2.60 The ExA confirmed he would issue his decision on materiality following receipt of the consultation report.
- 2.61 The hearing closed at 10:54am.