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Tees CCPP Project



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

Statement of Common Ground with Tees Valley Wildlife Trust

The Planning Act 2008

Applicant: Sembcorp Utilities UK
Date: April 2018

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GLOSSARY

Abbreviation	Description
CCR	carbon capture ready
CEMP	Construction Environmental Management Plan
CHP	combined heat and power
DCO	Development Consent Order
EN-1	The National Policy Statement for Energy
ES	Environmental Statement
MW	megawatts
NPS	National Policy Statement ('NPS')
NSIP	Nationally Significant Infrastructure Project
PEI	Preliminary Environmental Information
RCBC	Redcar and Cleveland Borough Council
SCU	Sembcorp Utilities (UK) Limited
SoCG	Statement of Common Ground
SoS	Secretary of State
the Applicant	Sembcorp Utilities (UK) Limited
the Order	Tees Combined Cycle Power Plant Order
TVWT	Tees Valley Wildlife Trust

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1 INTRODUCTION

OVERVIEW

- 1.1 This Statement of Common Ground ('SoCG') has been prepared on behalf of Semcorp 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 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 Semcorp Industries, a Singapore-based group providing energy, water and marine services globally, Semcorp 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.
- 1.8 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 Proposed Development. 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 5 'Project Description and Alternatives' of the Environmental Statement ('ES') Volume I (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 Proposed Development would commence in around the second half of 2019. The construction of the Proposed Development 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 Proposed Development 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 The purpose of this SoCG (see Section 2 of this report) is to set out the agreement that has been reached between SCU and the Tees Valley Wildlife Trust ('TVWT') in respect of the following matters relating to the Proposed Development:

- the role of TVWT;
- consultation;
- ecology;

- visual amenity;
- noise; and
- biodiversity enhancement.

1.17 In addition, this SoCG also sets out where matters (if any) which remain to be resolved (see Section 3 of this report).

2 MATTERS AGREED

THE ROLE OF TVWT

- 2.1 TVWT is an independent, local charity established in 1979 and registered with charity number 511068. TVWT is part of a UK-wide partnership of 47 Wildlife Trusts which work to protect wildlife and wild places. TVWT is a non-prescribed consultee for the purposes of the Application. As part of its work TVWT manages 15 Nature Reserves in Tees Valley, helping to protect many important habitats and species through:
- Working with local authorities, businesses and others to protect, manage and enhance the natural environment of the Tees Valley. This includes strategic planning for the natural environment through a Tees Valley Nature Partnership. TVWT also engages with the planning process to help guide development and ensure the area's best ecological assets are protected.
 - Promoting lifelong learning in environmental matters through a programme of education and training. This includes working with pupils in classroom activities in creating wildlife and growing areas in school grounds, and in supporting school visits to nature reserves. TVWT also offers and provides work-based training for young people who have left formal education and a range of courses and events for adults.
 - Managing nature reserves to safeguard areas for wildlife and to provide places for education and the enjoyment of nature. TVWT owns and manages over 500 acres of land as nature reserves and has carried out works to many other areas of former industrial and under-used land to enhance its value for wildlife and for the benefit of local people.
- 2.2 The nature reserves under management by TVWT include Lazenby Bank, which comprises an extensive area of mixed woodland on the southern edge of Middlesbrough. The woods are for the most part, deciduous and include areas that are Ancient Semi-Natural Woodland, and others that have been replanted with broadleaves and conifers. The reserve is ecologically significant because of its scale, intrinsic interest and quality as ancient woodland, and conservation potential to restore replanted areas.
- 2.3 Conservation work to be carried out at Lazenby Bank includes a focus on the removal of non-native trees to support natural woodland regeneration and the spread and diversification of ground-flora. With sympathetic management, it is envisaged that much of woodland at Lazenby Bank could support increased biodiversity value and make a significant contribution to the conservation of woodland biodiversity at the landscape-scale across the Tees Valley.
- 2.4 This SoCG has consequently been structured to reflect the above activities and other topics of interest to TVWT in relation to the Application.

CONSULTATION WITH TVWT

- 2.5 The Applicant has engaged with TVWT on the Proposed Development during by way of informal non-statutory consultation and during the formal Stage 2 consultation (12 June 2017 to 21 July 2017) carried out pursuant to section 42 of the PA 2008; although, it should be noted that TVWT itself is a non-prescribed consultee, as previously stated.
- 2.6 During that consultation process, TVWT provided comments on the Preliminary Environmental Information ('PEI') by completing an electronic feedback form on the Applicant's website as part of the formal Stage 2 consultation – included at Appendix 1 to this report. Jeremy Garside of TVWT also attended the public consultation event at Lazenby Village Hall on 4 July 2017.
- 2.7 Following the formal Stage 2 consultation, the Applicant met with Jeremy Garside of TVWT on 2 August 2017. TVWT and SCU discussed biodiversity enhancement that could be provided/supported by the Applicant. The Applicant subsequently agreed to some biodiversity enhancement and further information on this matter is provided later in this section under the sub-heading 'Enhancement'.
- 2.8 During the consultation the following key matters were agreed:
- TVWT is neither in favour nor opposed to the Proposed Development, but accepts there are benefits as a result of the Proposed Development;
 - TVWT accept the need for the Proposed Development;
 - TVWT acknowledges the importance of the Proposed Development and the wider Wilton International Site for employment and the economy of Teesside;
 - TVWT accepts that the Site has low ecological value and that the Proposed Development will have minimal impacts on ecological sites in the wider area; and
 - TVWT considers that the Proposed Development may have some negative effect on the residential communities immediately adjacent to the Wilton International Site, in relation to noise and visual impacts.
- 2.9 More detail in respect of the above matters is provided in the remainder of this section.
- 2.10 The Applicant shared an initial draft of this SoCG with TVWT in January 2018. In a subsequent phone call on 13 February 2018, changes to the structure and content were agreed. These are reflected in this report.
- 2.11 It is agreed that the above is an accurate record and that the consultation undertaken by the Applicant has been inclusive and robust.

NEED FOR AND BENEFITS OF THE PROPOSED DEVELOPMENT

- 2.12 Section 6 of the Planning Statement (Application Document Ref. 5.2) identifies the key benefits of the Proposed Development as well as its likely significant adverse effects. The key benefits include the following:
- The National Policy Statement ('NPS') for Energy ('EN-1') clearly confirms the urgent 'need' that exists for all types of nationally significant energy infrastructure, including new fossil fuel generating stations that are carbon capture ready ('CCR'). The Proposed Development, with a gross output capacity of up to 1,700 MW, would respond to this urgent need in a timely manner (the Proposed Development could be operational by 2022).

- The Proposed Development would support the increased deployment of renewable energy in the UK, which is crucial if the country is to move to a low carbon economy. In this respect, EN-1 recognises that fossil fuel generating stations have a vital role to play in adding to the security, diversity and resilience of the UK's electricity supplies. Not least, they ensure that the country is not overly reliant on any one type of generation and can be operated flexibly, providing back-up for when generation from intermittent renewable generating capacity is low.
- Gas is more efficient and results in lower carbon dioxide emissions than other fossil fuels such as coal and oil. Furthermore, the Proposed Development would deploy highly efficient gas turbine technology that would result in significantly lower emissions than average UK gas-fired power plants. The Proposed Development therefore represents a form of low carbon electricity generation and would make a positive contribution toward the UK's carbon dioxide reduction targets.
- The Proposed Development has been designed to be CCR so should the deployment of carbon capture technology become feasible in the future its carbon dioxide emissions would be reduced further. The Proposed Development has also been designed to be combined heat and power ('CHP Ready') so that should a viable heat demand be identified in the future the Proposed Power Plant would be able to accommodate the necessary facilities and connections to meet that demand.
- The Proposed Development would make use of previously developed land at an existing power generation site that already benefits from electrical, gas and cooling water connections and other infrastructure. This would assist in minimising the impact of the Proposed Development upon the environment and its carbon footprint during construction.
- The Proposed Development would have substantial benefits for the regional and local economy, in terms of employment during the circa 36 month construction phase. The Proposed Development would provide a significant number of long-term jobs. It is estimated that there would be up to approximately 60 jobs during operation. There would also be further indirect and induced jobs generated.
- Further to the above, the draft DCO (Application Document Ref: 2.1) includes Requirement 29 'Employment and skills plan' that is aimed at promoting employment, skills and training development opportunities for local residents during construction and employment opportunities during operation.
- The local development plan produced by Redcar and Cleveland Borough Council ('RCBC') recognises the importance of the Wilton International Site. It supports further development which is related to the energy industries. The Proposed Development would ensure that the Site once again acts as a location for electricity generation. It is therefore in accordance with strategic policy in the local development plan.

2.13 It is therefore agreed the Proposed Development would deliver a number of very clear and substantial benefits, and that the significant adverse effects (minor to moderate) are confined to visual amenity at a small number of residential and recreational receptors in proximity to the Site – further detail is provided later in this section under the sub-heading 'Visual amenity'. It is agreed that the benefits of the Proposed Development substantially outweigh the limited harm that would result.

ECOLOGY

- 2.14 Chapter 9 'Ecology' of ES Volume 1 (Application Document Ref. 6.2.9) provides an assessment of the potential effects of the Proposed Development on ecology. The assessment is informed by a desk based summary to identify nature conservation designations, habitats and species.
- 2.15 Taking account of the development design and impact avoidance measures that would be employed, no significant adverse effects are predicted in relation to ecology. The assessment concludes that the Site has negligible ecological value for habitats and species of flora and fauna, and no significant effects are predicted. Furthermore, there would be no significant effects on off-site habitats due to changes in air quality, nitrogen deposition or acid deposition.
- 2.16 In specific regards to breeding birds, it is agreed that there will be negligible effect on bird species due to the Site mainly comprising of concrete and gravel. Breeding bird surveys have been carried out by the Applicant and its consultants, which only found a single pair of Ringed Plovers. These were recorded as breeding on the Site in 2017.
- 2.17 No specific mitigation is therefore required, as all the effects of the Proposed Development are not significant. A draft Construction Environmental Management Plan ('CEMP') (Application Document Ref. 6.3 – Annex L) has been prepared and would be developed to include standard mitigation and good practice in relation to advice on construction with regards to nesting birds and mammals. The detailed CEMP is secured by Requirement 13 of the draft DCO (Applicant Document Ref: 2.1).
- 2.18 It is therefore agreed that the impacts on ecology associated with the Proposed Development are not significant and acceptable, and that no specific mitigation is necessary.

VISUAL AMENITY

- 2.19 Chapter 11 'Landscape and Visual Amenity' of ES Volume 1 (Application Document Ref. 6.2.11) provides an assessment of the effects of the Proposed Development on landscape character and visual amenity. The study area for landscape and visual effects includes areas where it is considered that there is potential for significant direct or indirect effects on landscape character or sensitive views due to the construction, operation and decommissioning stages of the Proposed Development.
- 2.20 The assessment notes that the Proposed Development is located on land that is considered suitable for power generation, being previously developed land in an industrial area. It should be considered that the immediate context within which much of the Site sits is already very much industrialised in terms of its character and appearance. It is dominated by the large and functional industrial buildings and plant. The closest of which is the Teesside Ensus bioethanol plant, adjacent to the east of the Site, which is Europe's largest wheat bio refinery.
- 2.21 The key impact of the Proposed Development on visual amenity would be from the heat recovery steam generators housing and stacks. However, it is important to note that the Proposed Development is located on the site of a similarly sized (former) power station (now demolished, with demolition works ceasing as recently as 2015) and the industrial context of the surrounding area should also be considered. Residual effects range from 'not significant' to 'minor' to 'moderate' and would reduce over time. Importantly, the majority of effects are not significant.
- 2.22 The minor to moderate (significant) effects are confined to a small number of residential and recreational receptors in proximity to the Site. It is notable that the Proposed Development will be visible from the Iron Age site at Eston Nab; however, the assessment concludes that the magnitude of change is small and, owing primarily to the distance from the asset, the significance of effect as a result of the Proposed Development is minor and not significant. It should also be reiterated that the

immediate context within which much of the Site sits is already very much industrialised in terms of its character and appearance and the Site was previously occupied by a similar power station.

- 2.23 The Proposed Development includes soft landscaping proposals, focused primarily upon reinstating shrubs and planting trees in the western section of the Site (closest to the settlements of Grangetown and Eston), and the existing area of off-site planting to the west of the Site would provide some visual screening of the Proposed Power Plant.
- 2.24 It is therefore agreed that the landscape and visual impacts associated with the Proposed Development are on the whole acceptable and are consistent with the type of development that is proposed. Furthermore, that the Site is in the right location, being set primarily within an industrial context and on land previously occupied by similarly sized, former power station; allowing the use of existing water, gas and electricity connections.
- 2.25 It should also be noted that neither Natural England nor RCBC has raised any objections to the Proposed Development, on visual amenity or other grounds.

NOISE

- 2.26 The noise effects of the Proposed Development are assessed at Chapter 8 'Noise and Vibration' at ES Volume I (Application Document Ref. 6.2.8). The location of key noise sensitive receptors has been considered when assessing the effects associate with noise levels from the various phases of the Proposed Development.
- 2.27 The assessment selects key locations which are considered to be representative of the nearest and potentially most sensitive existing receptors to the Site. The assessment acknowledges that the Proposed Development has the potential to result in noise impacts at the closest residential receptors to the Site. These include receptors at Grangetown, Lazenby and Lackenby.
- 2.28 The assessment notes that the most important potential impacts are from the operation of the Proposed Power Plant, which would result in noise from fixed equipment during the night when baseline noise levels are likely to be lowest. These have been mitigated by careful early layout of the Site, including placing key external sources (such as cooling towers) as far from receptors as possible; the retention of a noise barrier (which provides noise reduction to residents in Lazenby); and the provision of a noise barrier on the western boundary of the Site to reduce noise at Grangetown. On-plant mitigation, such as placing key items in buildings or enclosures, has also been employed. As a result of these embedded mitigation measures, the resulting noise levels are not expected to result in any significant noise effects.
- 2.29 It is therefore agreed that the noise impacts associated with the Proposed Development are not significant and acceptable; although, it is acknowledged that levels are likely to increase above the current baseline at some receptors.

BIODIVERSITY ENHANCEMENT

- 2.30 In recent discussions and meetings with TVWT, the possibility of the Applicant providing biodiversity enhancement measures as part of the Proposed Development has been discussed, as previously stated. The Applicant welcomes the opportunity, through TVWT, to provide biodiversity enhancement and benefit to the local community.
- 2.31 NPS EN-1 includes policy that supports this type of approach to the provision of biodiversity enhancement. Paragraph 5.3.4 states that (underlining added for emphasis):

“The applicant should show how the project has taken advantage of opportunities to conserve and enhance biodiversity and geological conservation interests.”

- 2.32 It has therefore been agreed that the Applicant would (i) provide support for TVWT local initiatives, (ii) provide bird boxes and (iii) provide bat boxes. Further detail is provided below.
- 2.33 The Applicant would provide support to initiatives to develop and maintain local nature reserves currently managed by TVWT. The detail of this support would be agreed in due course and is likely to include one or more of the following:
- provision of staff during ‘employee community days’ where SCU employees assist TVWT with carrying out remediation works within local nature projects;
 - provision of equipment and materials to assist TVWT in managing and improving access so as to support increased positive community use of Lazenby Bank; and/or
 - a financial contribution towards TVWT’s project at Lazenby Bank.
- 2.34 The Applicant would provide TVWT with 30 bird nest boxes (of varying specification to be agreed with TVWT in due course and to suit different species of birds); to be installed by TVWT in specified woodland locations in Lazenby Bank Wood. The locations would be determined in advance by a qualified ecologist provided by TVWT. The Applicant would also provide TVWT with 10 bat roost boxes; to be installed by TVWT in specified woodland locations in Lazenby Bank Woods. Again, the locations would be determined in advance by a qualified ecologist provided by TVWT. .
- 2.35 It is considered that the measures would enhance the existing biodiversity resource and increase its value. In terms of the local community, broadly speaking the works would improve the visitor experience and to some degree the amenity value of Lazenby Bank Woods. Whilst the ES concludes that there would be no likely significant effects arising from the Proposed Development in terms of the ecology and nature conservation, these measures would take advantage of opportunities to conserve and enhance biodiversity in accordance with NPS EN-1.
- 2.36 For the avoidance of doubt, however, it should be noted that the enhancement proposals do not comprise mitigation measures. This is on the basis that impacts on ecology associated with the Proposed Development are not significant and acceptable, and no specific mitigation is necessary.

3 MATTERS TO RESOLVE

3.1 There are no matters left to resolve between the parties.

Signed:



Print name and position: Jeremy Garside, Chief Executive

On behalf of Tees Valley Wildlife Trust

Date: 23/04/18

Signed:



Print name and position: Scott Taylor Business Development Manager

On behalf of Sembcorp Utilities (UK) Limited:

Date: 23/04/18

APPENDIX 1 – ELECTRONIC FEEDBACK FORM FROM TEES VALLEY WILDLIFE TRUST

Q. HOW WOULD YOU DESCRIBE YOUR OVERALL VIEW OF THE PROJECT?

Neither in favour or opposed

Q. DO YOU THINK THIS PROJECT WILL HAVE BENEFITS FOR BOTH THE WILTON INTERNATIONAL SITE AND THE WIDER TEESIDE COMMUNITY?

Agree

Q. WHAT ARE YOUR REASONS FOR THIS VIEW?

We understand the need for power to facilitate existing operations and new development at Wilton International. We understand the importance of this site for employment and the economy of Teesside.

We have looked carefully at the Environmental Information Report and attended a consultation event and understand the application site has low ecological interest and that the development will have minimal indirect impacts on ecological sites in the wider area.

Q. DO YOU HAVE ANY OTHER COMMENTS ON THE PROJECT?

The project will have a negative effect on the residential communities which are immediately adjacent to Wilton International. The Environmental Information Report acknowledges that, of the heritage assets in the area, the iron age hill fort at Eston Nab is the most likely to be affected by the project. The Project will result in a significant increase in greenhouse gases.

The Tees Valley Wildlife Trust has a significant interest in the management and restoration of the 87 hectare woodland at Lazenby Bank, which extends from Wilton to the Eston Nab. Key objectives of woodland management are to ensure its continued operation as a carbon sink, to improve habitat connectivity to increase resilience to climate change and to provide a resource to benefit the health and well-being of local communities.

We would like to propose that Semcorp and its partners contribute to the Trust's project at Lazenby Bank in order to offset some of the negative impacts of the Tees CCPP Project.