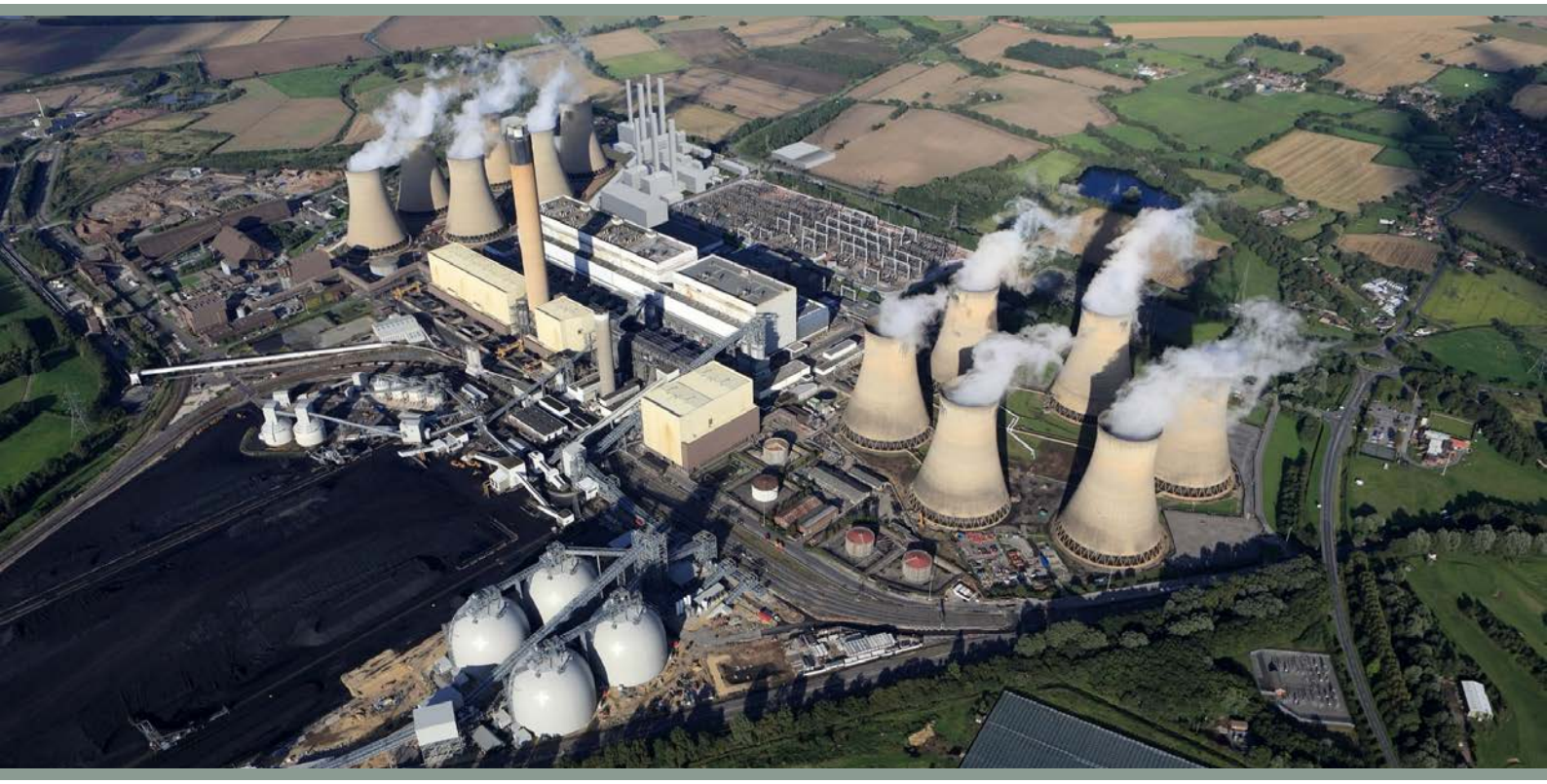
The Drax Power (Generating Stations) Order

Land at, and in the vicinity of, Drax Power Station, near Selby, North Yorkshire

Cover Letter



The Planning Act 2008
The Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009 – Regulation 5(2)(q)

Drax Power Limited

Drax Repower Project

Applicant:	DRAX POWER LIMITED
Date:	May 2018
Document Ref:	1.1
PINS Ref:	EN010091

Drax Power Station
Selby
North Yorkshire
Y08 8PH

+44(0)1757 618381
www.drax.com

Michele Gregory
National Infrastructure Case Manager

The Planning Inspectorate
Major Applications and Plans Directorate
Temple Quay House
Temple Quay
Bristol
BS1 6PN

29 May 2018

PINS Reference: EN010091

Document Reference: 1.1 Cover Letter

The Planning Act 2008 – Section 37 'Applications for Orders granting Development Consent'

The Drax Power (Generating Stations) Order

Dear Michele Gregory,

1. Please find enclosed an application (the "Application") from Drax Power Limited ("Drax" or the "Applicant") for a Development Consent Order ("DCO") under section 37 of the Planning Act 2008 ("PA 2008") in respect of the Drax Repower Project.

2. Drax is seeking development consent for the repowering of up to two existing coal-powered generating units (Units 5 and 6) at the Existing Drax Power Station Complex with new gas turbines that can operate in both combined cycle and open cycle modes. The term "repower" is used as existing infrastructure, such as the steam turbine and cooling towers, that are currently used for the coal fired units would be re-utilised for the new gas fired generating units/stations. The Existing Drax Power Station Complex is located near Selby, North Yorkshire.

3. The repowered units (which each constitute a new gas fired generating station) would have a new combined capacity of up to 3,600 MW in combined cycle mode (up to 1,800 MW each), replacing existing units with a combined capacity to generate up to 1,320 MW (660 MW each). The new gas turbine generating stations (or units) have been designated the terms "Unit X" and "Unit Y".

4. Each of Unit X and Unit Y would have (subject to technology and commercial considerations) a battery storage facility with a capacity of up to 100 MW per Unit, resulting in a combined battery storage capacity of up to 200 MW. The two battery storage facilities

would be stored in a single building. The total combined capacity of the two gas fired generating stations, Unit X and Unit Y, and two battery storage facilities (i.e. the total combined capacity of the Proposed Scheme) is therefore 3,800 MW.

5. To connect Unit X and Unit Y to its gas fuel supply, a new gas pipeline connection is required from the "Power Station Site" (being where Unit X and Unit Y are to be located) to the National Transmission System. In addition, an electrical connection into National Grid's substation that is located at the Existing Drax Power Station Complex is required as well as other associated development works. Together, the development described in paragraphs 4 and 5 of this letter are termed the "Proposed Scheme".

6. Drax is therefore applying for consent to:

- repower either Unit 5 or Unit 6 and construct Unit X as a gas fired generating station (with a gross electrical output capacity of up to 1,800 MW);
- repower Unit 5 and Unit 6 and construct both of Unit X and Unit Y as gas fired generating stations (each with a gross electrical output capacity of up to 1,800 MW so a combined output of up to 3,600 MW).

7. Where only Unit X is constructed, and subject to technology and commercial considerations, a battery storage facility with a gross electrical output storage capacity of up to 100 MW would also be constructed.

8. Should Unit Y then be constructed, and again subject to technology and commercial considerations, a further battery storage facility with a gross electrical output storage capacity of up to 100 MW would be constructed (housed in the same building that is constructed for the battery storage facility for Unit X).

9. Accordingly, the Application is seeking consent for four generating stations, all of which are classed as a Nationally Significant Infrastructure Project in their own right (satisfying section 15(1) and (2) of the PA 2008). The two gas fired generating stations and the two battery storage facilities are:

- in England (section 15(2)(a));
- to be located within the Existing Drax Power Station Complex, and are therefore onshore generating stations (section 15(2)(b)); and
- with a capacity of up to 1,800 MW, in respect of each of the gas fired generating stations, and with a capacity of up to 100MW, in respect of each of the battery storage facilities, would each have a capacity of more than 50 MW (section 15(2)(c)).

10. In accordance with Government commentary, the two battery storage facilities are generating stations under section 15(1) and (2) of the PA 2008. Government and Ofgem and the energy industry have directed that energy storage facilities should be categorised as a subset of a generating station given the process of electricity storage, which involves generating rather than storage. This is because in order to convert the stored potential energy into energy that can be output to the grid, the potential energy must be regenerated and it is this regeneration process that means the battery storage facility is a generating station. The Government confirmed this opinion in its Call for Evidence titled “A smart, flexible energy system” published by the Department for Business, Energy and Industrial

Drax Power Limited
Registered Office: Drax Power Station, Selby, North Yorkshire YO8 8PH
Registered in England and Wales Number 4883589

Strategy and Ofgem (November 2016), which states at paragraph 22 that *"BEIS, the Scottish Government and the Welsh Government agree that a storage facility is a form of electricity generating station*." This opinion was repeated in the response to the Call for Evidence published by the Government and Ofgem (a paper titled "Upgrading our energy system" (July 2017)) and from Ofgem in its paper "Clarifying the regulatory framework for electricity storage: licencing" (September 2017). This is set out in the Explanatory Memorandum to the draft Order submitted with the Application.

11. A DCO is therefore required for the Proposed Scheme as it falls within the definition and thresholds for a Nationally Significant Infrastructure Project under sections 14 and 15(1) and (2) of the PA 2008, given that the capacity of the Proposed Scheme is in excess of 50 MW.

12. The DCO, if made by the Secretary of State (SoS) for Business, Energy and Industrial Strategy, would be known as The Drax Power (Generating Stations) Order.

Drax Power Limited

13. Drax Power Limited is a subsidiary of Drax Group Plc and is a UK energy business committed to helping change the way energy is generated, supplied and used as the UK moves to a low carbon future.

14. Drax owns and operates the existing Drax Power Station, including the "Power Station Site" where Unit X, Unit Y and the two battery storage facilities would be located.

Site Description

Existing Drax Power Station Complex

15. Drax Power Station is a large power station, comprising originally of six coal-fired units. It was originally built, owned and operated by the Central Electricity Generating Board and had a capacity of just under 2,000 MW when Phase 1 was completed in 1975. Its current capacity is 4,000 MW after the construction of Phase 2 in 1986.

16. Three of the original six coal-fired units are now converted to biomass (Units 1-3) and this is assessed as the current baseline in the Environmental Statement ("ES") (document reference 6.1). By the latter half of 2018, four units (Units 1-4) will run on biomass with only two units (Units 5 and 6) running on coal. One or both of Units 5 and 6 will be repowered as part of the Proposed Scheme, this means the existing coal-fired units would be decommissioned and replaced with newly constructed gas-fired units utilising some of the existing infrastructure. The area within the Existing Drax Power Station Complex where development is proposed is referred to as the "Power Station Site" and is approximately 53.4 ha.

Pipeline Area

17. The Gas Pipeline route is approximately 3 km in length and crosses agricultural land to the east of the Existing Drax Power Station Complex. The land required for the construction of the Gas Pipeline is called the "Pipeline Construction Area" in the Application and is 25.4 ha, and the land required for the operation and use of the Gas Pipeline is called the "Pipeline Operational Area" in the Application and is 2.4 ha.

18. An additional area is located on Rusholme Lane (Rusholme Lane Area) to accommodate a potential passing place for traffic during construction of the Gas Pipeline.

19. The Pipeline Construction Area, the Pipeline Operational Area and the Rusholme Lane Area are together called the "Pipeline Area" in the Application.

Carbon capture

20. In order to comply with the Carbon Capture Readiness (Electricity Generating Stations) Regulations 2013, Unit X and Unit Y have been designed to be carbon capture ready and a suitable area of land has been identified for the installation of carbon capture equipment that can accommodate both Unit X and Unit Y. This area of land is called the "Carbon capture readiness reserve space" in the Application. The Application includes a Carbon Capture Readiness report, document reference 5.7.

Site Boundary

21. In the Application, the term "Site" means the Power Station Site, the Carbon capture readiness reserve space and the Pipeline Area. The Site is approximately 78.9 ha and lies approximately 4 m Above Ordnance Datum (AOD).

22. The Site Boundary (depicted with a red line in Figure 1.1, Chapter 1 (Introduction) of the ES) represents the maximum extent of all potential permanent and temporary works required as part of the Proposed Scheme.

23. The Power Station Site, the Carbon capture readiness reserve space and the Pipeline Area have been divided into a number of development parcels shown on Figure 1.3, Chapter 1 (Introduction) of the ES.

24. The current land uses at these development parcels are described in Table 3-1 of the ES Chapter 3 (Site and Project Description).

Environmental Impact Assessment

25. The Proposed Scheme represents development that requires an Environmental Impact Assessment ("EIA") development and, therefore, the Application includes an ES (document reference 6.1, 6.2 and 6.3) that reports the findings of the EIA that has been undertaken.

26. This Application is in accordance with the Infrastructure Planning (Environmental Impact Assessment) Regulations 2017 ("EIA Regulations 2017"), which came into force on 16 May 2017. The Proposed Scheme falls under Schedule 1 paragraph 2(1) of the EIA Regulations 2017 – Thermal power stations and other combustion installations with a heat output of 300 megawatts or more.

27. In accordance with regulation 8(1) of the EIA Regulations 2017, the Applicant submitted a request for an EIA Scoping Opinion accompanied by a Scoping Report (document reference 6.2.1.1), which was received by the SoS on 13 September 2017. A Scoping Opinion was received by the Applicant from the Planning Inspectorate (PINS) (on behalf of the SoS) on 23 October 2017 (document reference 6.2.1.2).

Drax Power Limited
Registered Office: Drax Power Station, Selby, North Yorkshire YO8 8PH
Registered in England and Wales Number 4883589

The Application Submission

28. The Application Guide (document reference 1.2) lists the documents that comprise the Application and sets out how these meet the relevant legislative requirements. The Application Guide is a live document that will be updated throughout the examination of the Application, as required.

29. Schedule 1 (Authorised Development) of the draft DCO (document reference 3.1) provides the formal description of the Proposed Scheme and its components, and identifies the individual Work Numbers for those components. A detailed description of the Proposed Scheme is provided in Chapter 3 (Site and Project Description) of the ES.

30. The Land Plans (document reference 2.2) show the extent of the land (the Order land) over which powers of compulsory acquisition are required for the Proposed Scheme, while the Works Plans (document reference 2.3A) show the Order limits and identify the location of the main components of the Proposed Scheme within the Site by reference to the Work Numbers set out in Schedule 1 of the draft DCO.

31. The draft DCO provides for powers of compulsory acquisition of interests and rights in land (including new rights) within the Order limits. The provisions relating to compulsory acquisition are set out at Articles 19 to 32 of the draft DCO. These and other provisions of the draft DCO are explained in the Explanatory Memorandum (document reference 3.2). Information on the interests and rights that exist in relation to the land within the Order limits is provided by the Book of Reference (document reference 4.3). The justification for the proposed compulsory acquisition of interests and rights in land is set out in the Statement of Reasons (document reference 4.1), with the ability of the Applicant to fund this confirmed by the Funding Statement (document reference 4.2).

32. The ES that reports the findings of the EIA undertaken for the Proposed Scheme comprises ES Volume 1 (Main Report and Figures), Volume 2 (Appendices) and Volume 3 (Non-Technical Summary) (document references. 6.1 – 6.3). It has not been possible for Drax to fix all of the design details of the Proposed Scheme at this stage and, therefore, the Proposed Scheme has sought to incorporate some flexibility within its layout and design. In order to accommodate this flexibility and ensure a robust EIA of the Proposed Scheme, a "Rochdale Envelope" approach has been adopted, meaning that the EIA has been undertaken within the maximum extents of the parameters of the Proposed Scheme. These parameters are secured in the draft DCO via requirement 7 in Schedule 2, with the parameters being listed in Schedule 13.

33. The Applicant has consulted extensively on the Proposed Scheme. This has included a stage of non-statutory consultation (the Stage 1 Consultation), followed by a stage of statutory consultation (the Stage 2 Consultation) in accordance with sections 42, 47 and 48 of the PA 2008. The consultation undertaken and how responses received to that consultation have been taken into account is documented within the Consultation Report (document reference 5.1).

34. The assessment of the Proposed Scheme against the relevant National Policy Statements (NPSs) and other relevant planning policy is set out in the Planning Statement (document reference 5.2).

Drax Power Limited
Registered Office: Drax Power Station, Selby, North Yorkshire YO8 8PH
Registered in England and Wales Number 4883589

35. Schedule 2 (Requirements) of the draft DCO contains a number of requirements that would control the detailed design of the Proposed Scheme, in addition to its construction and operation, to ensure that it remains within the scope of the EIA carried out and does not result in unacceptable impacts. These would require the submission to and approval by the local planning authority of further details of the Proposed Scheme.

36. We enclose with this letter:

- Two hard copies of the Application documents (as listed in the Application Guide (document reference 1.2) and Electronic Application Index (document reference 1.5)) in hard copy form; and
- 3 USBs containing the Application Documents.

37. The initial application fee of £6,939 has been paid to the Planning Inspectorate (PINS) by CHAPS on 21 May 2018. The payment reference is BX18052108663643. Please do not hesitate to contact me should you have any queries regarding the Application. We look forward to receiving acknowledgement of the Application and in due course, confirmation of its acceptance.

Yours sincerely

Jim Doyle
Environmental Consents Officer
Jim.Doyle@drax.com