

# The Drax Power (Generating Stations) Order

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

Applicant's Responses to Other Parties' Submissions at Deadline 4 (Submitted for Deadline 5)



The Planning Act 2008

## **Drax Power Limited**

**Drax Repower Project** 

Applicant: DRAX POWER LIMITED

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# **Glossary and Abbreviations**

The updated Glossary and Abbreviations for the Proposed Scheme are contained in Document Reference 1.6 (Examination Library Reference REP3-003) submitted in November 2018 at Deadline 3 of the Examination.



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# 1 INTRODUCTION

## 1.1 Purpose of this Document

- 1.1.1 On 29 May 2018, Drax Power Limited ("Drax" or "the Applicant") made an application ("the Application") for a Development Consent Order to the Secretary of State for Business, Energy and Industrial Strategy ("the SoS"). The Application relates to the Drax Repower Project ("the Proposed Scheme") which is described in detail in Schedule 1 of the draft DCO (where it is termed the "authorised development").
- 1.1.2 The Application was accepted for Examination on 26 June 2018.
- 1.1.3 The Proposed Scheme is described in detailed in Chapter 3 (Site and Project Description) of the Environmental Statement (Examination Library reference APP-071), subject to the changes proposed under two non-material amendment applications; one for the removal of the Site Reconfiguration Works ('Stage 0') from the Application (as set out in the cover letter submitted at Deadline 2 (Examination Library Reference REP2-003), as well as non-material design changes proposed at Deadline 3 as set out in the cover letter (Examination Library Reference REP3-001) and in the Assessment of Non-Material Amendments to Proposed Scheme (Examination Library Reference REP3-022) submitted at Deadline 3.
- 1.1.4 This document, submitted for Deadline 5 of the Examination, contains the Applicant's responses to submissions made by interested parties for Deadline 4 on 13 December 2018.
- 1.1.5 The submissions responded to in this document were submitted by:
  - Friends of the Earth Selby (Examination Library Reference REP4-018)
  - James Hewitt (Examination Library Reference REP4-022)
  - Cath Kibbler (Examination Library Reference REP4-023)
  - North Yorkshire County Council (Examination Library Reference REP4-019, REP4-020, REP4-021, REP4-024 and REP4-025).
- 1.1.6 ClientEarth's Deadline 4 'Post-Hearing Submission and Response to Deadline 3 Submissions' (Examination Library Reference REP4-017) is responded to separately in the document 'Note on the Substantial Weight to be Given to Need and Application of the Tests Under Section 104 of the Planning Act 2008' (Applicant's document reference 8.5.16) submitted as part of the Applicant's Deadline 5 submission.

# 2 FRIENDS OF THE EARTH SELBY

#### 2.1 Summary of Submission

 Friends of the Earth (FotE) assert that the Applicant's Deadline 3 responses to their Written Representation (Examination Library Reference REP1-016) are insufficient as they refer to responses to other Written Representations such as the one submitted by ClientEarth. FotE suggest that this may have been intentional to make FotE feel insignificant.



- FotE considers that the Applicant's response did not go into sufficient detail in respect of local impacts.
- FotE would like the Applicant to revisit its response to FotE in their Deadline 3 submission.

- 2.2.1 The Applicant welcomes the participation of all interested parties in the Examination process. The Applicant had regard to all written representations and the order in which written representations were responded to by the Applicant does not reflect any priority or significance.
- 2.2.2 The response (Examination Library Reference REP3-024) to FotE's Written Representation submitted for Deadline 3 avoided repetition of other responses to parties who had raised similar points to FotE by cross referencing to where points were already addressed, and in doing so appropriately addressed the points raised by FotE. These points mainly related to the need for the Proposed Scheme; the financing of the Proposed Scheme; the impact of the Proposed Scheme on meeting the Government's climate change targets; and the baseline against which the Proposed Scheme has been assessed. All these points have been addressed in the overall response document to Written Representations (Examination Library Reference REP3-024).
- 2.2.3 FotE, in its Deadline 4 submission, reiterated concerns about the impact on the local population. With respect to the impacts on the local population FotE has previously raised in relation to air quality, light and public health, the Applicant responded to these issues in the Applicant's Responses to Relevant Representations (Examination Library Reference REP1-013) at paragraph 1.2.2, and this was highlighted to FotE in section 6.2 of the Applicant's Responses to Written Representations.
- 2.2.4 With regard to air pollution, it is reiterated (previously addressed in the Applicant's responses to Relevant Representations at paragraph 1.2.2 (Examination Library Reference REP1-013)) that the Proposed Scheme, being gas fired energy generation, is not a significant source of primary particulate matter. The assessment in the Environmental Statement Chapter 6 Air Quality (Examination Library APP-074) confirms "potential impacts from emissions [particulate matter] are... negligible".
- 2.2.5 With regard to FotE previous comment that "Much of what Drax outputs has an impact on the local population, both the particulates that are released into the air and the cloud cover the power station creates. The plume Drax produces blocks an average of 10 hours of sunlight per month this reduction in access to natural light can have an impact on Vitamin D levels." this has already been responded to in section 5.11 of the Applicant's Response to Relevant Representations (REP1-013). It is reiterated that the plume is already produced by the existing Drax Power Station and not a result of the Proposed Scheme. It is also noted that no evidence has been submitted by FotE to substantiate the claim that the plume would block an average of 10 hours of sunlight per month.



# 3 JAMES HEWITT

## 3.1 Summary of Submission

- Mr Hewitt states that the Applicant would expect a useful life of 25 years for each of the two proposed units (Unit X and Unit Y respectively), with a start in 2022/23. Mr Hewitt asserts that given the IPCC's finding that countries such as the UK must be fully decarbonised by 2030 the maximum duration that each unit can operate would however only be eight years.
- Mr Hewitt states that the Applicant would likely have gone out of business by the end
  of 2027 when its current biomass subsidy expires. He asserts that without these
  subsidies Drax would not be commercially viable.
- Mr Hewitt notes that the UK is already set to break the carbon budgets set out in the Climate Change Act 2008, and the approval of this Application would compound this.
- Mr Hewitt asserts that approving this Application would encourage investment in the UK's fracking industry.



- 3.2.1 In response to Mr Hewitt's concerns over the decarbonisation of the UK, it is noted that the relevant National Policy Statements EN-1, EN-2 and EN-4 identify an urgent need for new generation capacity including gas-fired power stations. It is clear that the Government envisages an on-going role for fossil fuel generating stations to help maintain security of supply during periods of low intermittent renewable electricity generation and to move to the low carbon economy by supporting the electrification of other sectors. This need has been repeated in Written Ministerial Statements dated 18 November 2015 and 17 May 2018, which were provided as appendices to the Written Summary of Applicant's Oral Case at Issue Specific Hearing (Environmental Matters) (REP4-012) submitted for Deadline 4.
- 3.2.2 Section 2.2 of EN-1 describes how policy supporting new energy generation capacity sits alongside the UK's climate change obligations. The need for fossil fuel generating stations is identified in the context of and with the aim of meeting the legally binding target contained in the Climate Change Act 2008 to cut greenhouse gas emissions by at least 80% by 2050 as compared to 1990 levels. Whilst the Proposed Scheme would operate beyond 2030, it is fundamentally designed to enable more intermittent renewable technology to enter onto the system whilst offering secure flexible generating capacity at a far lower carbon intensity than current gas plant. As set out in the Planning Statement submitted with the Application (Examination Library Reference (APP-062), the Proposed Scheme is in accordance with national policy, and scrutinising the appropriateness of those policies is not within the remit of this Examination.
- 3.2.3 National Grid's Future Energy Scenarios ("**FES**")<sup>1</sup> published annually, considers how the energy sector in the UK could evolve through to 2050 across four illustrative pathways, taking into consideration behaviour change from consumers and innovation in technology. Whilst recognising that this analysis is only a prediction, the analysis demonstrates the task ahead for the UK.
- 3.2.4 In all four of National Grid's 2018 FES scenarios, electricity demand is forecast to rise from 2030 onwards, due to the electrification of the transport system in all scenarios and then the electrification of heat in some scenarios. Compared to electricity demand of 297 TWh today, this rise ranges by 25% (373 TWh, Two Degrees Scenario) to 48% (441 TWh, Community Renewables Scenario)<sup>2</sup>.
- 3.2.5 Yet, despite this rise in demand, a significant volume of ageing, less efficient plant is expected to retire over the coming years. Analysis by Aurora Energy Research undertaken by the National Infrastructure Commission suggests as much as 50 GW of existing capacity could retire by 2035<sup>3</sup>.

<sup>&</sup>lt;sup>3</sup> https://www.nic.org.uk/wp-content/uploads/Power-sector-modelling-final-report-1-Aurora-Energy-Research.pdf (pg.23)



<sup>&</sup>lt;sup>1</sup> http://fes.nationalgrid.com/fes-document/

<sup>&</sup>lt;sup>2</sup> http://fes.nationalgrid.com/media/1363/fes-interactive-version-final.pdf (pgs. 47-49)

- 3.2.6 New electricity capacity must therefore be brought on to the system to replace this retiring capacity and to meet the rising demand forecast by National Grid, whilst at the same time meeting the UK's climate ambitions.
- 3.2.7 Of the two FES scenarios compliant with the UK's 2050 decarbonisation target, "Community Renewables" and "Two Degrees", both have higher volumes of renewable generation coming onto the system over the coming years than the alternative scenarios. However, both "Community Renewables" and "Two Degrees" also have a higher overall volume of non-renewable generation capacity. This is because, the majority of renewable generation is intermittent and hence only generates when weather conditions are favourable. The changeable and seasonal nature of the weather in the UK means that wind and solar generation can account for a significant percentage of overall electricity supply or a relatively low amount.
- 3.2.8 Recognising this constraint, National Grid expects that more generation capacity from other electricity sources biomass, nuclear, gas will be required in 2030 and 2050 in high renewable scenarios on the basis that this capacity will be required to balance supply and demand when wind and solar output is low, and to provide National Grid with the system support services required to manage grid stability (we refer to the Applicant's document 'Note on the Substantial Weight to be Given to Need and Application of the Tests Under Section 104 of the Planning Act 2008' (Applicant's document reference 8.5.16)). It is for this reason, that across all four of National Grid's FES scenarios including the two scenarios that meet the UK's 2050 decarbonisation a significant amount of gas generation capacity is expected to remain on the system in the future as part of the non-renewable mix. Accordingly, the power sector cannot achieve a fully decarbonised state, with current technology.
- 3.2.9 The Department for Business, Energy and Industrial Strategy also publishes rolling annual forecasts of deployment rates for different technologies out to 2035. These forecasts take into consideration both government policy and commercial intelligence from the private sector. The latest version of the forecast, published in January 2018, shows that the Government expects there to be 29GW of natural gas generation on the Grid by the end of the 2020s, moving into the 2030s, which is not surprising given the forecasts of National Grid.
- 3.2.10 In response to Mr Hewitt's concerns regarding Drax's commercial viability, the Applicant has provided a detailed Funding Statement (Examination Library reference REP2-016) that demonstrates that Drax has access to appropriate funding to carry out the Proposed Scheme without subsidy. Drax Power Limited's parent company Drax Group plc is listed on the London Stock Exchange and has extensive corporate governance in place to ensure that the financial integrity of the business is regularly monitored and independently audited.
- 3.2.11 In response to Mr Hewitt's concerns about the Proposed Scheme encouraging fracking, it is noted that National Grid Gas is the owner and operator of the National Transmission System (NTS). The Applicant has no control over the source of the gas used for the Proposed Scheme, and the Proposed Scheme does not rely on fracked gas. Please refer to the Applicant's response to BiofuelWatch's Written Representation as set out in section 5.8 in the Applicant's Responses to Written Representations (Examination Library Reference REP3-024).



- 3.2.12 The Applicant would like to reiterate that any UK Government decisions on planning policy with respect to the use of unconventional gas sources will be subject to separate scrutiny, including environmental and sustainability assessments. Similarly, projects to extract and supply the gas will be subject to their own approval process to ensure they are consistent with Government policies. It follows that consideration of gas sources for the Proposed Scheme are outside the scope of the Examination of the Application.
- 3.2.13 The Applicant also directs Mr Hewitt to the note submitted at this Deadline 5, entitled 'Note on the Substantial Weight to be Given to Need and Application of the Tests Under Section 104 of the Planning Act 2008' (Applicant's document reference 8.5.16) which responds further to many of the points raised in his submission.

## 4 CATH KIBBLER

## 4.1 Summary of Submission

- Ms Kibbler states that allowing the Applicant to develop gas powered generation would be contrary to the need to transition to a low carbon economy. Ms Kibbler notes that the recent IPPC report states we would have 12 years to stop catastrophic climate change.
- Ms Kibbler states that granting consent for Eggborough Power Station means that there is no need for the Proposed Scheme bearing in mind the increase in renewable capacity and reductions in demand for electricity that would occur over the next few years.
- Ms Kibbler states that the Proposed Scheme would increase the demand for fossil fuels and increase the likelihood of fracking occurring to provide fuel for the Proposed Scheme.



- 4.2.1 With respect to Ms Kibbler's comments in relation to the need for the Proposed Scheme, increase in demand of fossil fuel and fracking, please see the Applicant's response to Mr Hewitt at paragraphs 3.2.1 3.2.9 above.
- Ms Kibbler's comment that following Eggborough Power Station receiving consent there 4.2.2 would be no need for the Proposed Scheme, has been responded to in the Applicant's response to Written Representations (Examination Library Reference REP3-024) at section 4.10. Table 1 in paragraph 4.10.7 of the Applicant's response lists Combined Cycle Gas Turbine (CCGT) projects which have received consent in the UK since 1993 and their current status. Since 1993, not one (with the single exception of Keadby 2 with a capacity of 852 MW) of the CCGT projects has been constructed and/or is in commercial operation. Furthermore, National Policy Statement EN-1 makes it clear that it is not the role of planning policy "to set targets or limits on any new generating infrastructure to be consented..." (paragraph 3.3.24). If the planning system were to set such targets or limits, then they would be arbitrary figures based on projections of what the Country "may" need in electricity capacity over the next 25 or so years. Indeed, if policy were to set such a target or limit, there would be a real risk that insufficient capacity is available to be constructed, resulting in adverse effects on the economy, society and environment (perversely, it could result in a slowdown in the decarbonisation of other sectors, given a lack of security of supply).
- 4.2.3 The Applicant has also responded to this point more generally in relation to other consented capacity at the Issue Specific Hearing on Environmental Matters, and its response is set out at paragraphs 3.24, 3.34 and 3.35 of the Written Summary of Applicant's Oral Case at Issue Specific Hearing (Environmental Matters) (Examination Library Reference REP4-012). At the hearing, the Applicant explained that treating consented capacity as the need having been met has no basis in Government policy, makes no allowance for whether or not there is actual generation on the ground (which in the end is what matters), is inconsistent with an overarching approach that assumes need and with the clear policy approach that leaves to the market the delivery of the necessary infrastructure. Moreover, the Government does not surrender control once consent is granted. It has other controls such as taxation, emissions limits, and the capacity market by which it can control the capacity that is actually brought on line. If the Government had wished decision makers to count consented but un-built capacity as satisfying need, it would have said so. Indeed, it would have had to say so explicitly given that such a position would be inconsistent with the market based approach.
- 4.2.4 The Applicant also directs Ms Kibbler to the note submitted at this Deadline 5, entitled 'Note on the Substantial Weight to be Given to Need and Application of the Tests Under Section 104 of the Planning Act 2008' (Applicant's document reference 8.5.16) which responds further to many of the points raised in her submission.



# 5 NORTH YORKSHIRE COUNTY COUNCIL

### 5.1 Summary of Submission

- North Yorkshire County Council (NYCC) on behalf of Selby District Council (SDC) and NYCC (the "Authorities") have submitted the following for Deadline 4 of the Examination:
  - Authorities' comments on the updated draft DCO (Examination Library Reference REP4-019);
  - Letter from John Wainwright (Principal Landscape Architect, NYCC) to Michael Reynolds NYCC and Paul Edwards SDC dated 15.10.2018 (Examination Library Reference REP4-020) referred to at point 9 appendix 1 Statement of Common Ground (Examination Library Reference REP4-008);
  - Letter from John Wainwright (Principal Landscape Architect, NYCC) to Michael Reynolds NYCC and Paul Edwards SDC dated 23.7.2018 (Examination Library Reference REP3-021) referred to at point 25 appendix 1 Statement of Common Ground (Examination Library Reference REP4-008);
  - Email from NYCC to the Planning Inspectorate (Examination Library Reference REP4-024) dated 30 November 2018 in response to the Applicant's response to the Local Impact Report (Examination Library Reference REP3-026); and
  - Email from NYCC to the Planning Inspectorate (Examination Library Reference REP4-025) dated 13 December 2018.
- NYCC has also submitted a draft mitigation strategy prepared by Martin Woolley Landscape Architects, which was presented to the Applicant for the first time the day before the Issue Specific Hearing on Environmental Matters held on 5 December 2018. The Applicant does not respond to this document at this Deadline 5, rather the Applicant is discussing this document with NYCC and SDC. In the meantime, the Applicant does not agree with the contents of this document, as per its position set out by at the Issue Specific Hearing, and recorded in Written Summary of the Applicant's oral case at the Issue Specific Hearing (REP4-012). The Applicant reserves its right to formally respond to this draft mitigation strategy during the course of the Examination, subject to the outcome of its discussions with NYCC and SDC.



- 5.2.1 The Applicant confirms receipt of the letters (Examination Library Reference REP4-020 and REP4-021) referred to in appendix 1 Statement of Common Ground (Examination Library Reference REP4-008), which have been discussed at various meetings with the Authorities (refer to Table 1 'Consultation with NYCC (SoCC and post submission engagement only) within the Statement of Common Ground). This is also acknowledged by the email from the Authorities (Examination Library Reference REP2-025).
- 5.2.2 The Applicant acknowledges receipt and clarifications provided in the email (Examination Library Reference REP4-024) in response to the Applicant's response to the Local Impact Report (Examination Library Reference REP3-026).
- 5.2.3 The Applicant welcomes the confirmation from the Authorities' in the email (Examination Library Reference REP2-025) that it defers to the Selby Internal Drainage Board with respect to drainage consents and on the basis of the IDB's agreement to the inclusion in the DCO of Article 8 (3) the Authorities have no comment.
- 5.2.4 The Applicant confirms that it has had discussions with the Authorities in relation to the Public Rights of Way Management Plan (as recorded in the email (Examination Library Reference REP2-025)) and a revised management plan reflecting those discussions is submitted at this Deadline 5 (Applicant's document ref 8.4.6).
- 5.2.5 With respect to the Authorities' proposed amendments to the draft DCO (Examination Library Reference REP4-019), the Applicant responds as follows:
  - Amendments to the definition of "maintain" the Applicant does not accept these amendments for the reasons explained at the Issue Specific Hearing relating to the DCO. Those reasons are set out at paragraphs 3.7 to 3.16 of the Written Summary of Applicant's Oral Case at Issue Specific Hearing (DCO) (Examination Library Reference REP4-011). With respect to the amendments made so that the definition reads "includes inspect, repair, adjust, alter, remove, refurbish, reconstruct, replace and improve any part, but not the whole of, the authorised development", the Applicant has explained its position in this respect and this is recorded at paragraph 3.17 of the Written Summary of Applicant's Oral Case at Issue Specific Hearing (DCO); it is not clear what NYCC's objection is to the Applicant's proposed drafting in this respect.
  - Amendment to article 3(2) the Applicant does not consider this amendment is necessary, for the reasons set out in response to the Examining Authority's written question DCO 1.5, at paragraph 7.1.32 of the Applicant's Response to Written Questions (Examination Library Reference REP2-035). The Applicant's understanding from the Examining Authority's comments at the DCO Issue Specific Hearing is that it is satisfied with the response provided by the Applicant on this matter.
  - Amendments to article 13(2)(c) the Applicant does not accept these amendments. It is not clear the reason for the deletions, and the Applicant considers that the words proposed to be deleted add clarity.
  - Insertion of new paragraph (5) at Article 33 the Applicant is content to accept this insertion.



- Amendments to paragraph 2(1), Schedule 11 the Applicant has made amendments to this paragraph in the draft DCO submitted at this Deadline 5, which it expects will deal with NYCC's concerns with the previous drafting of this paragraph.
- o Paragraph 4, Schedule 11 the Applicant has accepted this amendment.

