

26TH June 2023

From Alan B Smith PI Identification Number 20030110

To Planning Inspectorate re Sunnica Ltd Application No EN 010106

For onward transmission to the Secretary Of State The Rt Hon Gregg Shapps MP.

Reason;

- **(A).** Additional Information re Sunnica Funding Statements dated 18 Nov 2021, 13th Jan 2023 and 3rd March 2023 Regulation Reference 5(2)(h)
- **(B).** Statement of Need. Alternatives to Solar
- **(C).** Additional Information re Battery Energy Storage Systems (BESS) Liverpool Fire.

I refer to my Written Representation dated 13th October 2022 to the Planning Inspectorate in which I reserved the right to add further information as it became available.

Dear Secretary of State

I am aware that in 2 days' time (28th June 2023) the ExA will complete their recommendation to you.

INTRODUCTION

Further information is now available on the Finances of Sunnica Ltd and the additional 3 UK companies which I feel is important in the decision making process for this NSIP application.

As to the substantive information required for a funding statement I would like to firstly refer to **Planning Inspectorate Application EN 010123 Ecotricity (Heck fen Solar)** Funding Statement dated February 2023. This is a good example of project funding off balance sheet and I attach pages 4,5,7 and 8. This provides in depth requirements for the Secretary of State on a funding statement presented by a developer under Reg 5 (2) (h) of the APFP Regulations and the Guidance.

It is not considered Sunnica Ltd in its 3 attempts, has met all those conditions in its own Funding Statements presented to the Planning Inspectors.

The Financial Year End for the 4 UK companies, namely Sunnica Ltd, Jigg FM UK Ltd, Padero Solaer Ltd and Solaer UK Ltd is 30th April annually.

The accounts to 30th April 2022 were due 9 months after the FYE, at Companies House on the 31st January 2023, well before the close of the Examination 28th March 2023.

On the 13th January 2023 Sunnica Ltd, The Applicant of the NSIP, requested Companies House to extend that date by 3 months to the 30th April 2023 for all 4 UK companies, without reason.

This meant those 4 UK companies latest financial statements could not be scrutinised by the public until after the close of the Examination despite being part of the organogram. This in turn meant that as part of the 6 month examination process people affected by the Sunnica proposal could not comment to the Planning Inspectors either at an open meeting or in correspondence.

It later became apparent in correspondence between Sunnica and the ExA that they had taken advantage of an extension permitted by Companies House to UK companies that due to Covid restrictions a 3 month extension was available for 2023.

Cont.

However although the same extension was available for the 2021 accounts Sunnica had elected to not take advantage of the extension.

(A1) THE 4 UK COMPANIES 30th APRIL 2022 ACCOUNTS.

These were duly lodged as agreed and published by Companies House in early May 2023.

It is only considered necessary to update you with the accounts of Sunnica Ltd.

The financials of Sunnica Ltd have worsened since the accounts for 30th April 2021 with Stock increasing on the previous year by £2,323,342 to £7,031,125, Indebtedness to group members increasing by £3,426,820 to £7,440,133 and the deficit on reserves increasing by £101,149 to £525,418.

A further financial year for Sunnica Ltd has just been completed as at 30th April 2023 and if the same trend continues as the last 2 years it would see a stock figure of some £9million and a deficit on reserves approaching £625,000

In a normal commercial transaction for financing, an interested party such as a lender or investor would wish to see draft accounts for the present year 2023 before making any decision.

As Sunnica Ltd is the applicant and the 4 UK Companies are included in the Corporate Structure and Organogram then their 4 sets of audited accounts must form part of the decision making process for the recommendation by the ExA to the Secretary of State.

There are 2 outstanding questions which Sunnica Ltd have failed to answer to the Planning Inspectors;

- Why is there a stock figure in the balance sheet when the company is not trading?
- How will a credit line to their associate Company Jigg FM UK Ltd be repaid in September this year which will amount to £2.5/3 million?

(A2) COMPARISONS SHOULD BE MADE WITH THE FUNDING STATEMENTS OF;

- Cleve Hill Solar Farm NSIP Ref EN 010085
- Longfield Solar Farm NSIP Ref EN 010118

It is noted that the same solicitors are involved with Sunnica Ltd and the 2 above companies.

It is also noted that there is a directors connection between Sunnica Ltd and Longfield Solar Park

(A3) CLEVE HILL SOLAR PARK FUNDING STATEMENT

AREA 890 ACRES ESTIMATED CAPITAL COST £450MILLION TO INCLUDE £50 MILLION CP

The main backer was Wersol Ltd and that companies full audited accounts were attached to the application. The applicant noted it had assessed and taken expert advice on the commercial viability of the project. That it was commercially viable and can be funded, although no evidence was provided.

The capital funding would be off Balance Sheet and the applicant had the ability to procure the financial resources to fund the works.

The reality is no finance was forthcoming as 18 months from 28th May 2020, the date the SOS gave planning consent, Cleve Hill Solar Park was sold to Quinbrook for an undisclosed sum. Cont.

It was not until May 2023 that work commenced, 3 years after planning granted.

(A4) LONGFIELD SOLAR PARK FUNDING STATEMENT.

AREA 1134 ACRES ESTIMATED CAPITAL COST £450/550 MILLION INCLUDES CP COSTS UNNOWN

EDF is the majority shareholder with a 51% stake in the applicant company. It has submitted financial reports with the application which are robust documents and the funding of the works will be on Balance Sheet.

The other shareholder of the applicant with 49% ownership is Padero Solar Ltd. This company is part of a group of 3 companies which includes PS renewables. PS renewables is the trading name of Padero Solaer Ltd.

Adrian Mozas is a director of Padero Solaer Ltd T/A P.S. Renewables and Sunnica Ltd

Matthew Hazell is a director of Sunnica Ltd and also Padero Solar Ltd.

Hence the connection between the NSIP of Longfield Solar Park and Sunnica Energy Farm.

At 2.3 it states the applicant has appointed a number of professional advisors and is confident that the scheme is commercially viable through its own detailed analysis and having taken the advice from the professional advisors they name.

(A5) SUNNICA LTD FUNDING STATEMENT No 1

AREA 2500 ACRES ESTIMATED CAPITAL COST £600MILLION TO INCLUDE CP COSTS £32MILLION.

The first of three Funding Statements provided by Sunnica Ltd was dated 18th November 2021. This included the Consolidated Financial Accounts of, the financial backer at that time, Solaer Holding SL, audited by Deloitte and dated 31st December 2020.

Included in the document were Balance Sheets, Profit and Loss accounts, Cash Flow Projections and the Consolidated Directors report for the year ending 31st December 2020.

Sunnica Ltd, as the Applicant, did not include its own audited accounts for 30th April 2021 or those for its connected UK companies namely Jigg FM U K Ltd, Solaer UK Ltd and Padero Solaer Ltd T/A PS Renewables.

I refer now to the examination Library **REP2-240j** Reports by Accountants Findlay Wetherfield Scott and Financial Analyst Michael Mills.

The Accountants identified stocks being held of £4,707,783 as at April 2021 although the company had not traded and did not have planning consent for the development. It also had a deficit on reserves at that date of some £424,269.

It was also apparent from the audited accounts of Solaer Holding SL (page 49) that in September 2023 Sunnica Ltd has to repay a credit account to Jigg FM UK Ltd of between £2.5/3million.

The Financial Analyst in studying the accounts of Solaer Holding SL discovered that under the Spanish Limited Liability Companies Law, 10% of the net profit for each year must be transferred to the legal reserve. The auditors quote that at 2020 year end the balance of this reserve had not reached the legally required minimum (page 32) Auditors report. Cont.

It was also noted by the Analyst that Solaer Holding SL was operating with a negative operating cashflow which was clearly not sustainable and a declining profitability. The audited accounts for December 31st2021 were never produced by Sunnica.

On the 19th September 2022 Solarpack Corporacion Tecnologica signed a share purchase agreement for the acquisition of 100% of Solaer Holding.

(A6) SUNNICA FUNDING STATEMENT NO 2

This was dated 13th January 2023 and gave the ExA the details of the new backer for Sunnica Ltd, Los Dalton de Pozoseco S.L. (LDP)

I refer to the Planning inspectorate Library **REP6-052** and The Financial Analysts report dated 23rd January 2023 for comments on the new financial structure.

(A7) SUNNICA FUNDING STATEMENT NO 3

This was dated 3rd March 2023.

I refer to The Financial Analyst report dated 10th March 2023 and the Planning Inspectorate Library ref **REP8-054**.

It is noted that there is no documentary evidence by Solaer Holding S.L. at the time it was backing Sunnica, or any of the 4 new Spanish Companies in the Organogram of FS No 2 and 3 that they will back Sunnica Ltd financially or give guarantees, sureties or bonds.

(A8) FURTHER COMMENT ON THE THREE COMPANIES (CLEVE HILL, LONGFIELD AND SUNNICA FUNDING STATEMENTS.)

(A9) CAPITAL COST OF THE DEVELOPMENT.

The Sunnica Ltd estimated development costs are very similar to Longfield. However there is no comparison with Cleve Hill and Longfield as to the vast acreage of the Sunnica proposal.

In addition to the other two developments costs, Sunnica has 15km of cabling to the Burwell grid connection, 75 acres of BESS and an estimated 1.1million solar panels.

Therefore in comparison with just Longfield, one would expect a figure of may be double the capital cost putting the figure for an investor at may be approaching £800million to a £billion.

(A10) VIABILITY OF THE PROPOSED DEVELOPMENT.

It is noted that none of the three Sunnica Funding Statements include any comment on the viability of the proposed development as per Cleve Hill and Longfield. There is no mention of liaising with any professional advisors on the commercial viability and/or capital cost.

Various submissions have called for a viability statement to include cash flow projections and profitability forecast. At the end of the examination no such document had been produced.

Such a document would be required by any investor and should also be available for the Secretary of State to base a decision on funding.

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(A11) FINANCIAL BACKERS

The 3 solar farms have different requirements as to whether the capital cost will be on balance sheet as per Longfield or off balance sheet as per Cleve Hill and Sunnica.

As to the Cleve Hill solar farm development needing an investor it would appear, as already quoted, that none were forthcoming, resulting in a sale of the solar farm 18 months after planning consent was granted.

Longfield is different as it has the strength of EDF behind the proposal but the applicant still includes a robust financial document by its auditors so the Secretary of State can judge the exact status of the backer.

Sunnica

There is no comparison in what Deloitte delivered as auditors for Solaer Holding S.L. and what has been prepared by Andersens in the way of statements for;

Los Dalton de Pozoseco, SLU	Registered October 2022. (A Start-Up Company)
Bafi Genki S.L.	Registered October 2019 (Only 2 years of trading)
Los leandros Solares S.L.	Registered February 2007(No financial history supplied)
Cecu Solar S.L	Registered July 2006(No financial history supplied)

REP8-054 is a very critical report by the Analyst on the new Spanish set up which makes it difficult for the Secretary of State to make a decision on funding and makes the Sunnica proposal unattractive to an investor.

STATEMENT OF NEED

(B1) We are all conscious of the Governments goals for renewable energy by 2030 and 2050. However there appears to be long delays with large scale solar producing green energy compared to smaller acreages of solar arrays which are not subject to a NSIP.

(B2) Cleve Hill Solar Park received planning consent 28th May 2020, as mentioned previously, work **only started in May 2023.**

(B3) As to the Sunnica proposal, the Consolidated Directors report dated 31st December 2020 for Solaer Holdings S.L. by the auditors Deloitte states “ Outlook, In the UK, Sunnica construction will commence with 20MW in 2021, 50MW in 2022 and 100MW in 2023.”

This was an assumption planning would be granted but demonstrates how way off the mark such forecasts are. It is now 3 years since the scoping opinion and the Examination has only just finished.

(B4) The Times ran an article 30th December 2022. “Electricity exports to Europe soar as wind and solar power increase.” Sunnica have indicated that if they receive planning consent they will export the maximum amount of electricity. It makes no sense to give up 2,500 acres of good agricultural land producing food and then export the electricity and have to import more food. Cont.

(B5) It is also apparent from an article by Greenmatch, 18th December 2020 that during the life of photovoltaic panels a 20% decrease in power might occur. Between the first 10-12 years the maximum decrease in efficiency is 10% and 20% when reaching 25 years.

(B6) There is also a problem with the ethical sourcing of solar panels from China. On the 13th February 2022 the Times ran an article “Dominic Raab rips up solar contract linked to Uygher slavery. A multimillion contract to install solar panels on dozens of prisons and courts”

(B7) In May 2021 Sheffield Hallam University issued a report headed “In Broad Daylight; Uygher forced labour and global supply chains”. The executive summary lists names of companies involved in the Xinjiang province and in the supply chain.

(B8) Sunnica estimate 1.1million solar panels being imported. **The supply chain must be checked.**

(B9) On the 18th March 2021 the Solar Power Portal states Governments across the world have put hydrogen at the centre of their decarbonisation plans “Green Hydrogen is the fuel of the future”

(B10) In September 2021 the Government published its Hydrogen Strategy and the goals to be achieved by 2030. December 2022 saw the publication of the Update to the market, a very comprehensive report on progress in this sector of the Renewables market.

(B11) In October 2021 JCB (Lord Bamford) announced its huge investment in green energy and the exclusive rights to import 10% of the product from the Australian firm Fortyescue Future Industries (FFI). JCB in 2022 was due to start production of the first green hydrogen powered excavators.

(B12) Ryse Hydrogen owned by Lord Bamfords son owns Northern Irelands Bus giant Wrightbus and they have successfully produced green hydrogen powered double decker buses for Northern Ireland and the first of those such vehicles was launched by the Mayor of London in June 2021 for use on London routes.

(B13) Autocar 1st March 2023 ran an article BMW iX5 Hydrogen now ready to commence public trials. The European Commission is funding 2 research projects that aim to see an additional 49 hydrogen filling stations and more than 1400 cars, vans and trucks run on hydrogen within the EU by 2022.

(B14) October 2020 Japan Strategic hydrogen roadmap has ambitious goals of;

40,000 fuel cell vehicles by 2020, 200,000 by 2025 and 800,000 by 2030

320 hydrogen refuelling stations by 2025, 900 by 2030 .

(B15) April 2023 East Cambs District Council announces a £2million investment to purchase a new fleet of recycling Lorries that run on Hydrotreated Vegetable Oil, (HVO)

(B16) In April 2023 The Times runs an article on the proposal by XLink to install 12 million solar panels in Morocco to provide 8% of the UKs electricity needs with a potential completion date of 2030.

(B17) This is all evidence of ways to reduce reliance on solar panels in the UK positioned on good class agricultural land, thus maintaining valuable farm land for reducing food imports and stabilising the price of food now at its highest inflationary level.

(B18) Therefore the Sunnica statement of need is questionable.

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In addition The Examiners heard how this Sunnica scheme will not be carbon neutral in its lifetime.

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BESS

BATTERY ENERGY STORAGE SYSTEMS

(C.1) The ExA has heard during the 6 month examination of serious concerns on safety issues from myself , in my written representation dated `13th October 2022 (Planning Inspectorate REF **REP2-098a**) Appendix No 6 Paras 6-16 to 6-28, and from Academics.

(C2) The Academics reports can be viewed in the Library ref;

- **REP2-098d** ResearchGate Safety of Grid Scale Lithium-ion BESS
- **REP2- 098e** Hazardous Assessment of BESS by Ian Lines Atkins Ltd.

My WR also indicated I reserved the right to send in further evidence as and when received.

(C3) There is now further information available re the Liverpool BESS fire and explosion September 2020 which I wish to share with the Secretary of State.

- February 2021 I lodged a complaint with Merseyside and Rescue Service (MFRS) and requested information under the Freedom of Information Act.
- March 2022 I refer my complaint to The Information Commissioners Office (ICO).
- December 2022 I receive the ICO final report upholding the MFRS decision not to release certain “so called sensitive information” under the FOI.
- January 2023 I appeal the ICO decision with the General Regulatory Chamber-First-tier Tribunal.

(C4) The 2 MFRS fire reports can be viewed in the Library ref;

- **REP2-098b** MFRS Incident Investigation team Fire report.
- **REP2-098c** MFRS Significant Incident report.

(C5) As at the date of this report The Judge and Tribunal at The First Tier Tribunal have not met to make a decision on my appeal to the Commissioners decision.

This should be available by the end of July so I reserve my right to correspond with the Secretary of State when the decision is published.

C6) REASONS FOR APPEAL

MFRS under the Freedom of Information Act would not disclose to me a report dated November 2020, some 2 months after the incident in Liverpool in September 2020.

In December 2021 I was advised the report on the fire was ready for signing off by management at MFRS and was also going to Orsted for comment.

The report was not released until March 2022. I then requested all correspondence between MFRS and the developer Orsted,(A Danish Company) over a 2 year period until march 2022.

I was told there was sensitive information that would affect the trading position of Orsted.

The Commissioners report stated that the sensitive information as quoted by MFRS was in fact inaccuracies as quoted by Orsted. Having accepted Orsteds arguments MFRS subsequently made amendments to some sections of the report before completing it.

What is disturbing is the degree of control potentially exercised by the operator Orsted over the content of the draft report. Orsted were in a powerful position to influence content, going beyond "inaccuracies". The long delay between the incident (September 2020) and the release of the reports (March 2022) has already indicated to close observers an unwarranted degree of suppression of information, which even Members of parliament were unable to release.

Whatever the Judge decides in my appeal, there is clear evidence that MFRS is accountable to the British public and not Orsted.

(C7) NATIONAL FIRE CHIEFS COUNCIL (NFCC)

The Lead Officer for the NFCC covering Alternative Fuels and Energy Systems is Matthew Deadman. In 2021 he advised me ;

- The NFCC works to drive sector improvement but does not have a role in instructing individual fire and rescue services, or local planning matters.
- Therefore the 51 County Fire regions each train their own staff which means the NFCC has no national policy for training fire fighters for BESS fires and explosions.

On the 21st April 2023 the NFCC issued their final Grid Scale BESS Planning Guidance for Fire and Rescue Services. However it has to be emphasised these are purely guidance notes.

The fact it is 21/2 years since the Liverpool Fire and Explosion and 12 months since the MFRS 2 Fire Reports were published it is considered this is far too long a period for such a serious incident.

Academics are of the opinion, the safety controls required for grid-scale BESS should not primarily be the responsibility of Fire and Rescue Services, but of the "COMAH Competent Authority (CA)" administering the Control Of Major Accident hazards (COMAH) Regulations 2015.

SUMMARY

I request the Secretary of State to please take into consideration the 3 sections of this report when reading the recommendation of the Planning Inspectors and making the final decision on the Sunnica Ltd application..

Yours faithfully

Alan B Smith

Yours sincerely

Alan B Smith

1.1.5.8 Works to create and maintain a permanent means of access from an existing public highway (A17) to Work No. 1A, Work No. 1B, Work No. 2, Work No.3 and Work No.4 (Work No. 8);

1.1.5.9 Works to create, enhance and maintain green infrastructure and create biodiversity net gain areas (Work No. 9A);

1.1.5.10 Works to create a permissive path (Work No. 9B); and

1.1.5.11 Works to existing streets to facilitate access to Work Nos. 1 to 9B (Work No. 10).

1.1.6 The 'Associated Development', for the purposes of Section 115 of the PA 2008 comprises Work Nos. 2 to 10 of the Proposed Development.

1.1.7 A more detailed description of the Proposed Development is provided at Schedule 1 ('Authorised Development') of the draft DCO (document reference 3.1) and Chapter 4 (Proposed Development) of the ES (document reference 4.1) and the areas within which each of the main components of the Proposed Development are to be built is shown by the coloured and hatched areas on the Works Plans (document reference 4.1).

Purpose and Structure of this Statement

1.1.8 This Statement has been produced as required by Regulation 5(2)(h) of the Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009 ("**APFP Regulations**") which provides that the application must be accompanied by:

*"if the proposed order would authorise the compulsory acquisition of land or an interest in land or right over land, a statement of reasons **and a statement to indicate how an order that contains the authorisation of compulsory acquisition is proposed to be funded**"(our emphasis).*

1.1.9 In preparing this statement the Applicant has considered guidance in DCLG, 'Planning Act 2008: Guidance related to procedures for the compulsory acquisition of land' (September 2013) (the "**2013 Guidance**").

1.1.10 The 2013 Guidance (in respect of the funding statement) states as follows:

" Resource implications of the proposed scheme

17. Any application for a consent order authorising compulsory acquisition must be accompanied by a statement explaining how it will be funded. This statement should provide as much information as possible about the resource implications of both acquiring the land and implementing the project for which the land is required. It may be that the project is not intended to be independently financially viable, or that the details cannot be finalised until there is certainty about the assembly of the necessary land. In such instances, the applicant should provide an indication of how any potential shortfalls are intended to be met. This should include the degree to which other bodies (public or private sector) have agreed to make financial contributions or to underwrite the scheme, and on what basis such contributions or underwriting is to be made.

18. The timing of the availability of the funding is also likely to be a relevant factor. Regulation 3(2) of the Infrastructure Planning (Miscellaneous Prescribed Provisions) Regulations 2010 allows for five years within which any notice to treat must be served, beginning on the date on which the order granting development consent is made, though the Secretary of State does have the discretion to make a different provision in an order granting development consent. Applicants should be able to demonstrate that adequate funding is likely to be available to enable the compulsory acquisition within the statutory period following the order being made, and that the resource implications of a possible acquisition resulting from a blight notice have been taken account of. "

1.1.11 Where an Order includes the compulsory acquisition of land (including the compulsory acquisition of rights in land) Section 125 Planning Act 2008 applies the Compulsory Purchase Act 1965. Consideration has therefore also been given to general guidance for compulsory acquisition of land in DLUHC Guidance on Compulsory purchase process and The Crichel Down Rules (July 2019) (the "**2019 Guidance**").

1.1.12 The 2019 Guidance (in respect of the funding statement) states as follows:

" What information about the resource implications of the proposed scheme does an acquiring authority need to provide?

In preparing its justification, the acquiring authority should address:

a) **sources of funding** - the acquiring authority should provide substantive information as to the sources of funding available for both acquiring the land and implementing the scheme for which the land is required. If the scheme is not intended to be independently financially viable, or that the details cannot be finalised until there is certainty that the necessary land will be required, the acquiring authority should provide an indication of how any potential shortfalls are intended to be met. This should include:

- the degree to which other bodies (including the private sector) have agreed to make financial contributions or underwrite the scheme; and
- the basis on which the contributions or underwriting is to be made

b) **timing of that funding** - funding should generally be available now or early in the process. Failing that, the confirming minister would expect funding to be available to complete the compulsory acquisition within the statutory period (see section 4 of the Compulsory Purchase Act 1965) following the operative date, and only in exceptional circumstances would it be reasonable to acquire land with little prospect of the scheme being implemented for a number of years.

Evidence should also be provided to show that sufficient funding could be made available immediately to cope with any acquisition resulting from a blight notice. "

1.1.13 This Statement is one of a number of documents accompanying the Application and submitted to the Secretary of State, and should be read in conjunction with those documents. In particular, this document supplements the Statement of Reasons (document reference 4.1).

2 CAPITAL FUNDING

Corporate Structure and Assets

2.1.1 Ecotricity (Heck Fen Solar) Limited (company number: 13225224) is the Applicant for the DCO. The Applicant has been formed to create and develop the Heckington Fen Solar Park and is a company registered in England and Wales. Ecotricity (Heck Fen Solar) Limited is currently a dormant company.

2.1.2 Ecotricity Generation Limited (company number: 3117225) is the beneficiary of a grid connection agreement with National Grid to connect the project to the grid. Ecotricity (Heck Fen Solar) Limited and Ecotricity Generation Limited are part of the group owned by Green Britain Group Limited (the "**Ecotricity Group**").

2.1.3 Founded by Dale Vince in 1995, the Ecotricity Group was the world's first green energy supplier and now supplies customers across the UK from a growing portfolio of wind and sun parks, with all its electricity supply coming from 100% renewable energy. The Ecotricity Group is a high technology business, developing cutting edge green

Application through the examination. As can be seen from its consolidated funds, the Ecotricity Group will be able to fund these costs from its own resources.

2.1.10 If the Secretary of State grants development consent for the proposed development then, as is common in privately funded infrastructure projects, the Ecotricity Group would seek further funding with the support of its legal and financial advisors. The Ecotricity Group would consult with a variety of financial institutions and investors to enable the construction, operation and decommissioning of the proposed development. A final decision has not yet been taken on the type of finance that will be used, but this approach is tried and tested in the market and the Ecotricity Group has no concerns that it would be unable to obtain finance for the construction, operation and decommissioning of the proposed development.

2.1.11 The Ecotricity Group would look to construct, operate and decommission the proposed development under a turnkey full EPC contract. The Ecotricity Group would also provide the appropriate guarantees to any external investors and would retain control of the construction, operation and decommissioning stages of the proposed development's lifecycle and would be involved in the long term.

2.1.12 The description of funding provided above is very common place in the market and indeed the Ecotricity Group has significant experience in delivering multiple projects across the UK using this structure. It has been active in the renewable energy market since 1996 and owns and operates a fleet of wind turbines and solar parks.

3 FUNDING FOR LAND ACQUISITION AND BLIGHT

3.1.1 The delivery of the Project requires the acquisition of land or rights (including the creation of rights and the imposition of restrictions) in, under, over land, and the temporary possession of land.

3.1.2 As set out in the Statement of Reasons (document reference 4.1), the Applicant has already secured a number of voluntary agreements over the DCO land. However, compulsory acquisition powers are required to ensure that the Project can proceed without impediment.

3.1.3 The current cost estimate (see paragraph 2.5 above) includes an amount to cover the total cost of the payment of compensation for the compulsory acquisition included in the DCO and required for the Project.

3.1.4 Should any claims for blight arise as a consequence of the Application, the Applicant has sufficient funds through GBGL to meet the cost of acquiring these interests at whatever stage they are served. However, the Applicant has not identified any holders of interests in the DCO land who it considers could be eligible to serve a blight notice.

3.1.5 In order to ensure that sufficient funds are in place or security is in provided prior to powers of compulsory purchase being exercised, draft DCO includes Article 43, which prevents the exercise of the compulsory acquisition powers until the Secretary of State has approved a form of security from the Applicant. This form of article is now common practice in privately funded development consent orders and has been approved by the Secretary of State in The Cleve Hill Solar Park Order 2020 (Article 39). The article states as follows:

Guarantees in respect of payment of compensation

43.—(1) The undertaker must not exercise the powers conferred by the provisions referred to in paragraph (2) in relation to any land unless it has first put in place either—

- (a) a guarantee, the form and amount of which has been approved by the Secretary of State in respect of the liabilities of the undertaker to pay compensation pursuant to the provisions referred to in paragraph (2); or
- (b) an alternative form of security, the form and amount of which has been approved by the Secretary of State in respect of the liabilities of the undertaker to pay compensation pursuant to the provisions referred to in paragraph (2).

(2) The provisions are—

- (a) article 18 (compulsory acquisition of land);
- (b) article 20 (compulsory acquisition of rights);
- (c) article 21 (private rights);
- (d) article 26 (rights under or over streets);
- (e) article 27 (temporary use of land for carrying out the authorised development);
- (f) article 28 (temporary use of land for maintaining the authorised development); and
- (g) article 29 (statutory undertakers).

(3) A guarantee or alternative form of security given in respect of any liability of the undertaker to pay compensation under this Order is to be treated as enforceable against the guarantor or person providing the alternative form of security by any person to whom such compensation is payable and must be in such a form as to be capable of enforcement by such a person.

(4) Nothing in this article requires a guarantee or alternative form of security to be in place for more than 15 years after the date on which the relevant power is exercised.

3.1.6 The Applicant therefore considers that sufficient funding as a member of the Ecotricity Group and adequate security in the above Article are in place to satisfy the requirements of Regulation 5(2)(h) of the APFP Regulations and the Guidance.