

TRANSCRIPT_DRAXBECES_ISH4_SESSION 2_24032023

00:15

Good morning and welcome back to this issue specific hearing I sh for into the draft development consent order. Before we begin, can I just confirm that everyone can hear me clearly? Can I also confirm with Mr. Herold that the live streaming and recording of this event has commenced? Thank you. So we're picking up at item eight on the agenda, which is consents and licences. At Issue specific hearing to the applicant gave an update on the environmental permit application. And that they intended to submit all seven of the staged elements by March or April 2023. Has this been submitted now? Or is there an update that you can get for us?

01:03

Jim Doyle, on behalf of Drax power, so we envisage submitting the outstanding documentation to the Environment Agency by the end of March, who by the end of this month will have completed submission as part of the stage application.

01:24

Thank you. And next question relates to the district level licence for great crested newts. The other consenting licenced document states that it's awaiting natural England's signature has this been obtained?

01:59

which groups are passed out? Because I understand that yes, that's now being signed.

02:07

Thank you. The energy licence modification application, which is row row 16 of the other consents and licences document was submitted in September 2022. Is there any update on on this?

02:27

Which gives him half the applicant? No, there is no update on that.

02:31

Is there an anticipated timescale for hearing back on that application?

02:55

Give me some policy arguments. We are we're talking to National Grid. As you know, it was part of this application generally, and the SOC G. So we will pick up with them. If there's any update, they can give us on the progress of modification application and see if we can get an update. And if we can't, then through the socg with the systems operator, we can update you through that route.

03:24

Thank you, that'd be helpful. And I I've been referring to the other consents and licences documentation should have clarified that that the latest version is examination Library Reference rep 251020. And I, in this document, I want to ask the applicant if they can update approximate anticipated timescales for rows 10 to 14. Currently, they say, application or notification to be made as required, that will be helpful. If this gave a timescale for example, prior to construction or prior to full commissioning.

04:12

Which gave us some policy outcomes. Yes, we can. We can add approximate timing as to when we will do that. A lot of lines you've just just suggested.

04:21

Thank you. That'd be helpful. Is there any other Is there any further update that you have to give on this on this document?

04:29

Nothing from the applicant to know.

04:32

Okay, thank you. Does anyone else have any comment they'd like to make on other consents and licences? Mr. Foote,

04:40

sorry, I'm just mystified some half doubt because I will just note on comes the SSE GS but one of the requests that was previously made in filings and authority was for them to reflect the other party's positions on those other consents and licences which we are doing in the process of updating the SOC GS but I know I can confirm that the position on on all of the mentioned in this in this document is that the interested parties agree that rather than we can just apply and or that they say no impediment to being able to deal with the applications in the usual way. So an example I've given national highways. So we've updated that to account for the rows in this document that refer to the need to get abnormal load, consents, etc. They've said the way that we'll deal with that, and usually

05:29

that's helpful. Thank you. If there's no other comments from anybody on other consents, and licences are hand in hand over to Mrs. Jones.

05:40

Yep, we could just turn to the section 106 agreement, please. I think the the latest version of that was submitted a deadline three, which is rep 3016.

06:04

Could the applicant just talk us through the current draft and what amendments had been made and what it secures? Think I don't mean, I don't mean line by line.

06:21

Thank you, which groups I'm part of the applicants. So yes, when the current negotiating the sexual assault agreements with the authorities. So it's still in draft draft form. As I've excuse me, as I've mentioned, in the earlier part of this hearing, on the first amendments you've made was to remove the local employment scheme from the draft and late which is, which has been removed. So the draft now effectively contains one shedule, which has to do with the ecological offsites improvement works in the river habitats. And effectively, as we discussed at the environmental issue specific hearing on Wednesday, we have under paragraphs one and two of that schedule, we have a commitment to an obligation to submit an update to biodiversity net gain assessments, to take into account the detailed design and that has to go to the Council for approval. As to when we do that. Paragraph two says that once we prior to the commencement of the scheme, and once the authority has approved the phasing plan, we will then between us agree the appropriate timing for the update to take place to have regard to the detailed design the landscaping of biodiversity strategies, for example, we then have, we then submit that net gain assessment authority. And under paragraph three, there is an obligation of that plan, when we submit it must demonstrate set out how we are going to deliver a 10% net gain biodiversity value in respect of the project, we also then have to identify where we're going to be providing that habitat. And if it's not in our ownership, and this particularly applies to the off site, biodiversity net gain for the river, how we're going to secure the delivery of that habitat, how we're going to secure the management and monitoring of that habitats as we have to make an have a demonstration obligation to the authority. We then have in the park last part of the of the schedule, at the timing of when we deliver the biodiversity net gain. The moment the any off site habitat required, it's not that it's not contained in the off site provision area as defined in the works plans that has to be delivered prior to the end of construction period. And there is a commitment that it has to be maintained for 30 years and then it will guarding the other the other off site at the other biodiversity net gain, then we have to deliver that on the prior to the project called commence sorry, until we delivered that habitats, mitigation. So for example, the orchid has to be removed, it has to be translocated before we can commence the scheme. And then it clarifies that 30 years is the management requirement. We are in negotiations with the authority over the drafting. So I anticipate that drafting will be further will be required iterations of that we further discussions are taking place yesterday and today. So Wednesday and today. And we've we're hopeful that we will reach agreement over that agreement with the authorities before the end of the The examination

10:04

just a couple of points, obviously the the river habitat, you already know that that can't be delivered on on site or within land that you own. Can you explain to me how that's a kit that secures the the bng for the river habitat, please,

10:21

which groups on behalf of the applicant. So under we work with first point knows we're still negotiating with your thoughts on this. So what I say is without prejudice to our conversations over those discussions, and as we identified at the issue specific hearing on Wednesday, we have had a call with the canal, the rivers trust, to discuss and Natural England to discuss the how we can secure the rivers biodiversity net gain. So we are in a negotiation over that. And we are either have or about to today or

next week, submit a proposal to the authority as to how we, how it will all be secured. But actually, the 116 they have in front of us just security anyway, because as I said, in my summary that we are in when we submit the biodiversity net gain assessment, we have to demonstrate to the Yorkshire North Yorkshire county council, how the off site mitigation is secured, and how it's secured for 30 years. So we can't that obligation will not be discharged without them being satisfied, legally, that we have secured that and how we demonstrate that it doesn't set it out here. But I would envisage that as demonstrating the contracts are in place between the applicant and the landowner for the payment of the money to receive the credits, then potentially an agreement with the landowner and the rivers Trust, the rivers trust is going to be carrying out those works. So what may want to see that. And potentially there could be a unilateral section 106 agreements from the landowner to the host authority where the bng is being provided, which isn't this authority. So there are various mechanisms by which we can do that. I don't think you need that for security in this examination, because you've got the comfort that under this 1/6 agreement, the obligation won't be discharged industry provided the satisfaction of the local authority, that all those mechanisms are in place, and we can't do anything on the scheme without that being discharged. That's a similar approach to the quarry Riverside developed consent order, where that demonstration had to be made to the local authority in that case, which was the Bexley then Landsberg Bexley. The bng wasn't that we also offsite that actually wasn't in the one to six agreements, that was all within the requirement for the landscaping mitigation plan, that is part of that approval process. The applicant there had to demonstrate that at least 10% of biodiversity net gain was secured off site through the demonstration of various legal agreements. So that's how it's, it's, it will be secured and you will have the comfort on that. So our strategy is to agree that wording with the authority when they've agreed it presented to Natural England, and hopefully during the next couple of months, you will have both of us don't have common ground who the North Yorkshire county council and Natural England confirmation, they're satisfied that the mitigation is appropriate secured in the 106 agreement. And it was minded as well, the Environment Agency has passed that conversation as they have in their in the draft socg. With them, they've highlighted the bng there, they're interested in that as well. So we'll loot the EA the EA in that conversation. But can't position which we're discussing the authorities that this one is its agreement, it can provide the necessary security and the other agreements that I mentioned, which are partly out of our control, we wouldn't be the outcome when we pass them. You don't need to see those because the lock is in this agreement in terms of not being able to do anything without satisfying the authority.

14:18

In terms of where you're at, could you either the Council or the applicant sort of briefed me on where you're seeking amendments or where there may be areas of disagreement and 106?

14:44

Which groups on health outcomes I think on the whole and I'm be strange Brexit? I think on the whole the wording is more or less agreed. There are a few more provisions to be inserted into the drafting, which have been discussed to my colleagues and the council. For example, when certain things are provided. So I think on the whole, the structure is there. There are just some drafting tweaks to provide clarity over a few points. So I would be hopeful that over the next month that we can get this fully agreed and executed and put in well before against examination.

15:23

Okay. It's the council have anything they wish to add

15:25

on that? Kelly Dawson for North Yorkshire county council and Selby District Council. If it is this, I can confirm, effectively, we are really into the wording of the schedule, there's more refinement we can do to make things clearer, and the particular discussions around those triggers. But in principle, we are comfortable that it is capable of being secured to our satisfaction. It's just agree in that that precise wording now.

15:51

Okay, thank you. It's good to know that you're hopeful that you will get that. But that will, you will get that executed within the course of the examination. But I do have to point out in order for us to give weight to that, in our recommendation report that we do need to have a signed and dated section 106 agreement before us before the end of the examination. And if we're not at that point, what I would request from the council as to where those areas of disagreement are.

16:21

Thank you which groups on problems? Yes, fully understand that by the last deadline before midnight, or whatever the deadline is you need the one to six. And I say where negotiations are I think we we should meet that deadline. I'm hopeful of that very fruitful conversations are taking place. And, and as I say, given the lock in the agreement, the other agreements to deliver that we're going to be required. And we're agreeing that in the process, I think also another point I want to mention is that our understanding is that the river biodiversity net gain is should actually be provided in advance of the scheme anyway, and so we'll be paying for that and getting the credits for that. So it's when we come to discharge, should we get consent and becomes discharged the obligation? I think it'll be quite straightforward in reality, obviously, legal drafting has to cover all eventualities but I think the timing we understand that we have is trust in the landowner keen to move forward with those with those enhancement works.

17:23

Okay. Thank you for that. That's all I had to ask on the section 106 agreement. Is there anything else anyone in the room would like to raise? Mr. Boozman?

17:35

Thank you stupid from from just transition Wakefield's. It's just a question of clarity and clarification. Really, you were very careful Mr. Griffiths in your use of the word rivers trust.

17:45

So can I assume that that is the local rivers trust rather than the canal and rivers trust?

17:55

Which goes in perfect, yes, it's not the canal and river trust. It's the cause of Dale. And I've just

18:03

got Jim door. Drax power. Yeah, so colder and colder.

18:05

Thank you. Thank you. That's all.

18:09

Thank you, Mr. Booth. Okay, in which case, I'll hand back over to Misty Northover to deal with statements of common ground.

18:19

Thank you. So the latest statement of commonality of statements of common ground, which is rep 3015. Identifies further discussions required on the matter of TCO. In several of the statements of common ground, can the applicant provide an update on how discussions are progressing? And where there's been progress made relevant to discussions around the DCA?

18:44

Average because and I'm gonna hand over to Mr. Matthew stocks from the recipe to give you an update on the SOC G's.

18:56

Matthew stocks double SP on behalf of the applicant? Yes, we are in continued discussions with with all stakeholders in relation to the SLC G's. Deadline three, we only submitted two which were with SDC and MICC. And with East Riding of Yorkshire, we did seek to submit an updated version with national highways. But understand that wasn't accepted. So that will be submitted at the deadline for in terms of the draft DCO items specifically. I think the focus at the moment is in relation to some of the technical matters that feed into that. So kind of by proxy, I guess we're reaching agreement on that but we were trying to deal with some of the larger issues at hand at the moment. So obviously with salvia North Yorkshire progress has been made and reported in this week's hearings in terms of transport matters. So that will be captured in there. And in terms of the Environment Agency, we've made progress in terms of what matters as well. So we're hoping to submit an updated version of that, if not a deadline for that deadline five. We are also in continued discussions and negotiations with Natural England, and we have a meeting with them sheduled just after deadline for so we will be submitting an SOC G then, but that should do it deadline five. I can discuss that point further. Just as a side, we obviously have a signed version with Historic England. And we are on the basis that we are fully agreed with Selby, ADB and Gulin. M And IDB hoping that we can move towards the same version with them. A deadline five as well. So yeah, in general, good progress being made across the board. And that will be reported in the next next time and have come along with it as well.

20:59

Thank you. Any comments any parties present today would like to make on statements of common grounds? And or what what's just been said by the applicant? No, I'm not seeing any not seeing any hands. In which case, I will move on to item 10 of the agenda, which is review of actions and issues and actions. So I have been taken down the actions from today's hearing. And I will just bring them up.

So I have a list of seven actions, which I'll run through. Firstly, for that applicant, Article Six of the DCO to consider the wording in the DCO and explanatory memorandum to be aligned around the the wording and or could that be done for deadline for second action again, for the applicants article 12 to review whether stop up needs to be adjusted closure? And could that be done for deadline for sheduled 14, update the reference in the top right corner to refer to requirements six writing requirement to deadline for again. Fourth action that the applicants requirement 15 and 16. The inclusion of work number three within these requirements and an explanation in the explanatory memorandum as to why other work numbers are not included, could not be done the deadline for

23:08

and then for the local authorities, this is action five to confirm if they have any comments on which work numbers should be included within those two requirements 15 and 16. And could this be done for deadline for action six is for the applicants requirements 21 to take instruction on whether the local trade trade unions should be included within this requirement. And could this be done by deadline for?

23:53

Yes, I mean, the requirement may not. Obviously subjects instructions to requirement wouldn't change. It probably be the plan. So whether we would submit another plan at default, depending on we may not. But we can confirm when we submit the updated order what our position is.

24:10

That be helpful. Thank you. And then action seven for the app is for the applicants and it's an update to the consents and licence, other consents and licences document to provide anticipated timescales for rows 10 to 14 and confirm the current status of the energy licence modification application within the statements of common ground

24:42

and I going to suggest this comes with deadline five, which is when the next round of statements of common grounds are requested. Thanks. So that's that saw the actions I had does that tally with your with your list as well?

24:57

Yes, sir. Thank you. That's Tallis, valid.

25:01

Thank you. Does anyone else have any comments on actions and issues from the meeting? No, in which case, I will hand over to Mrs. Jones to go through any other matters.

25:13

Thank you. I don't have any other matters that I need to raise. Does anybody in the room have any other matters that they would like to raise it at this point before we move to close this hearing? Is to hear it.

25:28

James, your two independent, three little points. And one other comment as well, contextually, the climate change committee has advocated strongly to government that unabated burning of biomass should cease once the renewable obligations, subsidies expire, which is 2027. So the default position will be I think that the power station that Drax will close. The second one is that the budget allocated about 20 billion to pump Capture and Storage and nuclear power stations. Some suggest that tracks alone requires 30. So more just for one power station. The third one is that the Drax itself has paused investment in the project. I'm sure this doesn't mean that this can't go ahead. But it demonstrates I think it suggests to me that they lack confidence in the performance of their technology. And the other point is the DCO. It's suggested about I'm missing my ignorance on this apologies. But it seems odd that what goes in the power, the facility doesn't seem to be considered in the DCO. What comes out doesn't seem to be either. And more importantly, perhaps, the performance of the facility also doesn't seem to be considered. Thank you.

27:10

Thank you. Mr. Hewitt. could you just clarify exactly what you mean by what what goes in? And what? What comes out?

27:17

Yes, certainly, the sustainability and the carbon credentials of the biomass, that woody biomass, and I certainly can find myself to woody biomass or other forms of biomass. And what comes out is co2, which is we actually have to be zero very quickly, we and the carbon topic capture aspect that says the storage of it is not considered or the liability in case of failure. And likewise, the the energy penalty, the additional past power, this required probably from burning gas, or maybe even be wood to make up the deficit of electricity supply to the grid, that the operation of the carbon capture facility in the compressors will take away.

28:17

Thank you. Thank you. I'll hand over to the applicants. And in a moment, I think some of those points we did. You know, we've heard as well, haven't we at the previous issue specific hearing one, and we did that. And certainly, it's our our job as an examining authority to take everybody's points on board. And when we write our recommendation report, we'll have to take views on on all matters that have been put to us during the examination. Obviously, it's not for us to say now because we're still doing the examination and and there may be more hearings and there will be more written questions. But certainly, you know, please be rest assured that all the points that have been made and put to us we will consider carefully and we will have to deal with that when it comes to our recommendation report.

28:59

Rest assured I got every competence. Thank you very much.

29:02

Thank you. The applicant like to respond on any of Mr. Hewitt's points.

29:08

Thank you, Richard Lewis on behalf of the applicant respectively, the Committee on on climate change the point the applicant has set out its position as to what it envisaged is a likely scenario post 2027 When subsidies expire and that is that the units would remain operating. There is no legal position in from the government that would prevent the biomass plants from running the only way obviously, I can't second guess what governments will do. But at the moment, there is no nothing being suggested that a the law change to acquire generating stations such as Drax would have to shut after 2027. And therefore the position is set out in the application, which is the mid merit scenario. So rather than running at 8760 hours, which it would do with the carbon capture plant, it would probably be more likely to be the mid merits scenario 4000 hours, that's the it could be lower than that it could be slightly higher than that, are we our duty on the environmental impact assessment is to take a reasonable case. And that's the case that we consider is reasonable guys in the budget, that's the as you know, from the I think it is h one, but forgive me if I've got that wrong. We obviously discussed elements of the funding for carbon capture projects, and the various tracks, and track one, track two, etc. The track one announcement is expected after the budget, which could be next week, for example, but even if and drugs may or may not be in direct track, one doesn't mean if it's in track, if it's not in track one, it won't be in track two, it's about the government allocating funds to certain projects specific times, there will still need to be a requirement for a consent for drugs to then compete for, to push forward and track to for example, it will want the consent to be able to demonstrate to government that it can should it get that funding in that track, it can hit the ground running and and and build plants to help with net zero in terms of 3.3. So I've noted down pausing investment. I think that's a indication of press release that was issued by the company a couple of days ago, I'll just be clear that the company is still proceeding with Drax is still proceeding with the feed process, which is the front end engineering design process for Beck's that is carrying on that. So it's investing in that as it is indeed in this process. As with any infrastructure projects, elements might be accelerated or slow down, depending on where things are. But I can confirm that the front end engineering design process is continuing. And then regarding the final point of the fuel into the station, as you pointed out, that has previously been discussed. And I don't want to go over our submission to gain. But this is obviously an application for carbon capture plants, not a new generating station. And in any event, our carbon assessment has taken into account the full lifecycle. So as I brief comments in response to Mr. Hewitt,

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thank you, Mr. Griffith, is to hear it. Is there anything else you want to come back on? No, thank you.

32:52

Okay, and so since I'm supposed to adapt going, I just wanted to also set the context of that climate change committee report is obviously talking about unabated emissions. But it goes on to say that we're CCs in in applied. And biomass still has a role in as we've always said, in terms of the future of the country. So I just want to make the point and he mentioned unabated and of course with CCS will be brought up.

33:20

Thank you. Okay, then, in which case we will we'll move to the close of this Oh, sorry, Miss Brown.

33:30

At Brown for biofuel watch. I just like to ask the applicant if the engineering aspects one times a unit is proceeding with Becks then why the company is issued a press release indicating the country.

33:51

Chem dog tracks power. So press release was issued earlier this week. And we expect a decision from the government. I think it's by the 30th 31st of March. In terms of track one status. The draft already invested significant amounts of money into into this project. And the investments we've made in things like front end engineering and design, those will complete so there's no there will be no end to that that that front end engineering and design package of work will complete in order for us to progress the project and we Drax absolutely does you envisage progressing the project with government support

34:40

these bands that answer your question,

34:42

Katie BAM biofuel watch. No. I'm afraid that doesn't answer the question.

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And perhaps Mr. Day, you could explain by what you mean by the front end part and how that's different to the next phase.

34:56

So front end engineering, engineering and design provides us with is a more detailed design of the information we need to construct the project. So it's being undertaken by a number of consultants working for us, and gives us a better a better outline of what the water project will will look like. So it's a fairly significant package of work. And, as I say, will provide you with a much better overview of what the project will will look like. And then we can proceed on proceed forward.

35:32

Thank you, Mr. Dyer. I think it's probably also worth me saying that as far as this examination goes, this continues an application has been made, it is before us. And we will continue with that examination unless, unless an application is withdrawn. So unless an application is withdrawn, the application is made. And we will continue with an examination

35:55

which was in Parliament. Thank you. That's very helpful clarification, I was about to say something similar. And of course, it's a big company to PLC company. And the projects have timelines and things slip. That's no difference. But absolutely, this project is investments continuing through the feed process, the front end engineering process, whose application other elements might be held back slightly until further clarifications on the business model. For backs, as we discussed the previous hearing, that's not a surprise, it's a it's a private investment going into the project at the moment. So until further clarifications from government over business models, etc, then elements might be slow down. In terms of as as as, as it's been helpful to clarify, the application continues. And the drive to help get to net zero continues. And as we heard yesterday, and could post acquisition here, and you have

the funding statement, that she had demonstrated deliverability of the compulsory acquisition of which there is I think, in this funding statement, it's about only 160,000 pounds in terms of the compensation costs, given this project is primarily done being built on brownfield land. And the company with assets of 1.3 billion can afford that. So in terms of the deliverability of the proposed acquisition site and funding, the examining authority has more than enough comfort that the company can afford a compulsory acquisition costs. So that's, if we have anything else further to add them in response to the four points. Mr. Hewitt mentioned. We'll put that in writing.

37:32

Thank you very much. And thank you, Ms. Brown. Okay, in which case, we will move to the close of this hearing. And I would just like to say thank you to everybody for contributing today. And in all the hearings this week, they have been enormously beneficial to the examining authority. I'd like to wish everybody a safe journey home, and a lovely and well deserved weekend. Just a quick reminder that the next deadline in the examination is deadline for which is the 28th of March. If we could have everybody's post hearing submissions, including written summaries of any oral submissions by that date, that would be much appreciated. The time is now 1218. And issue specific hearing for for the Drax, bioenergy with carbon capture and storage project is now closed. Thank you