

# APPLICANT'S RESPONSE TO WESTERN RIVERSIDE WASTE AUTHORITY DEADLINE 1 SUBMISSION NUMBER: 9.13

**Cory Decarbonisation Project** 

PINS Reference: EN010128

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Volume 9



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### **INTRODUCTION**

### 1.1. PROJECT OVERVIEW

- 1.1.1. Cory Environmental Holdings Limited (the 'Applicant') is developing the Cory Decarbonisation Project located at Norman Road, Belvedere in the London Borough of Bexley (LBB) (National Grid Reference/NGR 549572, 180512).
- 1.1.2. A detailed description of the Proposed Scheme is set out in Chapter 2: The Proposed Scheme, Volume 2 of the **Environmental Statement (ES) [APP-045]**, submitted with the Development Consent Order (DCO) Application.

### 1.2. PURPOSE AND STRUCTURE OF THIS DOCUMENT

- 1.2.1. This document provides the Applicant's responses to the Western Riverside Waste Authority ('WRWA') Written Representation (REP1-043).
- 1.2.2. This response starts with providing the context of the relationship between the Applicant, other Cory entities and the WRWA, so that WRWA's concerns, and the Applicant's response, can be seen in that context, allowing the ExA to focus on those matters that are relevant to the DCO process, rather than wider commercial considerations. This will encapsulate consideration of the points made in Appendices 1 and 3 of the WRWA Written Representation.
- 1.2.3. As part of this, the Applicant has also set out the engagement it has, and will continue, to undertake with WRWA moving forward.
- 1.2.4. The nature of the relationship between the parties, and the engagement between them to date, is set out in section 2 of this response.
- 1.2.5. Further to that engagement, the Applicant can confirm that in the DCO submitted at Deadline 2:
  - in Schedule 2, WRWA has been added as a consultee on the final CoCP, CTMP and ground conditions investigations and assessments strategy;
  - article 32(6)(b) (what was article 30) has been amended to make clear that it
    applies to contractual rights. The Applicant does not intend to update the Land
    Plans as they already make clear that the plans need to be read alongside the
    DCO, and it is the DCO which controls the use of powers; and
  - the Applicant does not intend to provide for separate protective provisions for WRWA in the DCO, given that it is highly unlikely that WRWA would ever be in possession of the Riverside 1 site (and if it was, would benefit from the RRRL protective provisions), and these were not required for Riverside 2, which had similarly complex operational and commercial interactions with Riverside 1.
- 1.2.6. The rest of this response then deals with the practical and technical matters raised in Appendix 2 of the WRWA Written Representation, including highlighting where the Representation materially misstates the contractual agreement between WRWA and





Riverside Resource Recovery Limited (RRRL) and/or Cory Environmental Limited (CEL).



### RELATIONSHIP BETWEEN CORY AND WRWA

### 1.3. ENGAGEMENT WITH WRWA

- 1.3.1. As set out in paragraph 5 of the WRWA Written Representation (Background), Cory has been in contract with the WRWA, in one way or another, since 1986. The Applicant has no material concern with the way in which the WRWA has characterised itself in paragraphs 2-4 nor with how it has characterised the long-term contractual arrangement between the parties at paragraphs 5-8.
- 1.3.2. The Applicant notes that its subsidiaries, Cory Environmental Limited (CEL) and Riverside Resource Recovery Limited (RRRL) (together "Cory"), have undertaken waste management services pursuant to the Waste Management Services Agreement ("WMSA") for the WRWA continuously for over 20 years. This relationship has been a good one, with Cory performing the services exceptionally well, including through difficult periods such as the Covid pandemic. Throughout this time, the parties have engaged in multiple complex commercial discussions negotiations, including relating to: the financing and construction of the Riverside 1 energy from waste (EfW) facility (Riverside 1) and Riverside 2 EfW facility (Riverside 2); multiple refinancings of Riverside 1; the construction of a materials recycling facility and household waste and recycling centre; the potential redevelopment of a transfer station; and multiple contract variations. The parties have always come to mutually beneficial agreements.
- 1.3.3. The Applicant began discussing the Proposed Scheme with the WRWA General Manager in 2022 (prior to commencing the DCO application process) and kept him abreast of its thinking. Until recently, the WRWA always appeared to the Applicant to be supportive of the Project, recognising the climate emergency and the impact of carbon emissions generated by WRWA's waste.
- 1.3.4. The Applicant is therefore somewhat puzzled by the WRWA's scepticism of the Proposed Scheme, and carbon capture technology in particular, shown in its Written Representation, not least because all of the constituent boroughs to the WRWA have announced Climate Emergencies, recognising carbon capture and storage as the route to make a material contribution to their own, and UK, decarbonisation targets.
- 1.3.5. As recently as October this year, WRWA asked Cory to speak at the Chartered Institute of Waste Management conference "Carbon Capture A Pathway to Reaching Net Zero" and to present on the Proposed Scheme. Furthermore, the WRWA submitted a letter of support for the section 35 Direction application for the Proposed Scheme. In this letter (which is available on the PINS page for the Proposed Scheme but is appended to this submission in any event at Appendix 1), the WRWA stated:
  - ... We are extremely supportive of projects that give us options to full decarbonise our Boroughs' waste. With the exception of Cory, we are not aware of any company with a facility in London, or the South East, that has deliverable





plans to capture and transport CO2. Cory is uniquely positioned to use the existing infrastructure of the River Thames to transport CO2 to subsea storage locations... It is hard to believe that there will be other options to decarbonise our waste, certainly by 2030, which is why we are writing to record our support for the Project.

... In our view, it is therefore appropriate for a project of such significance and providing such an array of benefits to go through the NSIP regime, This would also enable all parties to benefit from the certainty of timescale and process (given the number of consents that may be required) that comes with that process, which would therefore allow the Project's wide ranging benefits to be delivered in the most efficient manner.

The Authority supports this project, and its desire to go through the DCO process, and would therefore encourage the Department to ensure that it can move expeditiously through the planning regime.<sup>1</sup>

- 1.3.6. The Applicant notes that the WRWA has discussed the Project with its Members at WRWA meetings five times since June 2022, with the Applicant often providing updates to the WRWA management ahead of these meetings. These updates focussed on providing an update on the progress of the Proposed Scheme, and included high level indication of site and infrastructure location, the proposed CO2 shipping and storage model, and interaction with Riverside 1.
- 1.3.7. In 2023, the long-serving Treasurer and long-serving General Manager of the WRWA, who were deeply involved in the strategic and commercial matters relating the WMSA and the key decision-makers, have both retired, with WRWA not yet appointing a replacement General Manager, and the Treasurer and Clerk roles being reassigned several times.
- 1.3.8. However, despite this, the Applicant has engaged with interim management on the Proposed Scheme. For example, arrangements were made for WRWA Members to visit the Cory Riverside EfW site in early 2024, which for reasons not related to Cory did not go ahead. At WRWA's July 2024 meeting, it was noted:

Following a 14th May 2024 presentation by Cory to WRWA officers and Borough Directors on the development of their works on Carbon Capture and Storage progress on the Riverside Energy Park, officers feel that a Member visit to the Belvedere site to view progress on the construction of the Riverside Energy Park and to discuss with Cory the potential impact of the Emissions Trading Scheme and their plans for Carbon Capture will be of interest. If

<sup>&</sup>lt;sup>1</sup> Letter from Mark Broxup, General Manager Western Riverside Waste Authority, to Gareth Leigh, Head of Energy Infrastructure Planning, Department for Business Energy and Industrial Strategy (3 May 2022), <a href="https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/EN010128/EN010128-000009-cory%20Decarbonisation%20Project%20Section%2035%20Request%20(1)%20(1)\_Redacted.pdf</a>

<sup>&</sup>lt;sup>2</sup> Western Riverside Waste Authority, Paper No. WRWA 24-13, Member Meeting Minutes (29 July 2024), https://wrwa.gov.uk/wp-content/uploads/2024/07/WRWA-24-13-General-Managers-1.pdf

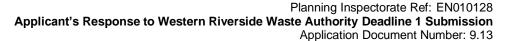




Members would like officers to arrange a visit to the facility in the coming months, officers will make the necessary arrangements with Cory.<sup>2</sup>

- 1.3.9. During this period, the Applicant continued to work on its DCO application to reflect the level of design work undertaken. As part of this, the Applicant sought to minimise the extent of interference with Riverside 1 and the extent of acquisition required of WRWA's interests (as with any other Affected Person). Ultimately, however, and for the reasons discussed at CAH1 (REP1-027), it was identified that some acquisition may be required. However, the Applicant considered (and continues to consider) that WRWA's interests (being the on-going operation of Riverside 1) are sufficiently protected through the drafting of the DCO (article 30 and the RRRL Protective Provisions) and through its waste management services contract with Cory. Once the Applicant had determined the scope of the powers presented in the DCO, Book of Reference and Land Plans submitted in the application, the Applicant held multiple meetings with WRWA and its advisors to explain the powers sought in more detail, and how it was intended that the Carbon Capture Facility would interact with Riverside 1 and RRRL land.
- 1.3.10. The meetings were organised so that WRWA could better understand the Proposed Scheme, and the workings of the DCO and its associated plans, to properly articulate its concerns to the Applicant, for the Applicant to consider how to address such concerns. This included three on site meetings with interim management of the WRWA, including its legal advisers, technical advisers and leading counsel. Further, the Applicant provided detailed explanations in writing to WRWA to set out the key protections for the WRWA contained within the draft DCO, how compulsory acquisition powers work (including the 'layering' of rights), and the importance of those powers for deliverability even if they ultimately are not required if parties come to voluntary agreements.
- 1.3.11. Recognising that WRWA (as with the Riverside Energy Park Order) would likely have some commercial concerns that sat outside the remit of the DCO process, the Applicant acknowledged, multiple times, that the parties would likely need to enter into a commercial agreement relating to matters unrelated to the DCO and compulsory acquisition (for example, relating to UK Emissions Trading Scheme (ETS) Change in Law and variations related to a new carbon removal service that would be able to be offered in the event of the Proposed Scheme being approved and funded). However, from the Applicant's perspective, these matters did not need to be, and could not be, addressed in detail at this stage of the project and are unrelated to planning/compulsory acquisition matters.
- 1.3.12. This culminated in the Applicant writing to the WRWA on 29 August 2024 seeking to:

Western Riverside Waste Authority, Paper No. WRWA 24-13, Member Meeting Minutes (29 July 2024), https://wrwa.gov.uk/wp-content/uploads/2024/07/WRWA-24-13-General-Managers-1.pdf





- understand from WRWA the specific nature of their concerns and how they sought for them to be remedied;
- agree a way forward for considering how any commitments WRWA sought from the Applicant could be documented (including, for example, through a private 'Deed of Understanding' to agree high level commercial principles, as was the approach taken during the Riverside Energy Park DCO examination – which was then developed into a full suite of detailed agreements, ahead of financial close of the Riverside 2 project, after the DCO had been granted); and
- agree an approach to the Examination, including developing a SoCG or joint position statement.
- 1.3.13. The Applicant did not receive a substantive response to this email (only an acknowledgment). Since then, the Applicant has followed up multiple times, in person and in writing, seeking to better understand WRWA's concerns relating to the Proposed Scheme (whether commercial or planning related), so that the Applicant can consider how these could be addressed (either through the DCO or through a separate commercial agreement, depending on the nature of the concerns). The Applicant has not received a substantive response from WRWA, only holding responses (e.g. "WRWA will respond in due course"). The WRWA Written Representation dated 26 November 2024 is the first time that the Applicant has heard the WRWA's concerns articulated.
- 1.3.14. The Applicant will continue to engage with the WRWA with the aim of reaching a mutually beneficial agreement between the parties. The Applicant is seeking to arrange a meeting to discuss all of WRWA's concerns, expected to be held in January.

### 1.4. THE CONTRACTUAL RELATIONSHIP BETWEEN CORY AND WRWA

- 1.4.1. The Applicant considers the WMSA Summary provided at WRWA Written Representation Appendix 1 to be an adequate and correct summary of the WMSA. However, there were some notable omissions in Appendix 1 that are relevant to address.
- 1.4.2. The Applicant addresses these points to provide a full context to the ExA, however it also notes that ultimately these points are predominantly commercial matters.

### **Commercial Position**

- 1.4.3. First, the Applicant considers the risks highlighted in the 'Adverse contractual consequences' note at Appendix 3 to be overstated; any residual risk able to be more than adequately addressed through a commercial agreement with WRWA, similar to that agreed for the Riverside Energy Park Order.
- 1.4.4. As the omissions in Appendix 1 and the overstated consequences in Appendix 3 are generally inter-related, they are considered together.





- 1.4.5. At paragraph 11 of Appendix 1, it is explained that in the event of termination, compensation is payable by WRWA in return for the EfW Operator's (i.e. RRRL) assets/shares (note that WRWA may elect to either take the RRRL shares and therefore own the whole company, or take the assets themselves, which would include the EfW facility and the freehold land). At paragraph 1.7 of Appendix 3, the WRWA contends that if the WRWA therefore becomes owner of the Riverside 1 EfW site (i.e. the Riverside 1 facility itself) following early termination of the WMSA, it risks being required to overpay for an asset of lesser value. However, the Applicant feels that this termination-compensation risk is overstated and omits important parts of the WMSA.
- 1.4.6. Firstly, termination of the WMSA is extremely unlikely, and this risk is not increased by construction of the Carbon Capture Facility an independent facility, with limited interface with the Riverside 1 EfW facility. This is explained in further detail below.
- 1.4.7. Secondly, there is a chance that WRWA would <u>underpay</u> for shares/assets that it would gain in a termination scenario. The WRWA notes that the senior debt repayment to the senior funders is 'adjusted', without explaining what that means. However, the detail of this adjustment is important. The WRWA is not obliged to repay the funders in full, but rather repay an amount based on a redundant and now wholly constructed debt profile, that amortises to zero by 2030. Therefore, during the construction phase of the Proposed Scheme, the compensation to the funders payable in return for taking over Riverside 1 will be far less than the funders (and shareholders) have invested into that project, thereby hugely incentivising the funders (or shareholders) to 'cure' the termination scenario and prevent a termination by the WRWA.
- 1.4.8. Furthermore, by 2030, the time that the Carbon Capture Facility is planned to be in operation, the debt repayment will be zero (so the WRWA's potential liability extremely limited); and by 2032 (two years into operation), the WMSA expires and the WRWA no longer has the obligation to take the EfW Operator's assets/shares and pay compensation.

### **Land Position**

1.4.9. In 2032, the WMSA expires, and the parties are instead under contract through the Residual Value Agreement (2032-2046), which has no compensation-termination obligations and is more akin to a normal customer waste contract. At this point, the WRWA's 'interest' in the land upon which the Riverside 1 EfW facility is located is limited to a 'suspended' lease that acts as security in the event that any 'royalties' owed by Cory to WRWA under the Residual Value Agreement go unpaid (a more usual contract would use security mechanisms such as parent company guarantees or bonds to secure payment, however the extended lease was a requirement of the WRWA in 2008). A royalty is only payable by Cory to WRWA to the extent that Cory is processing third party waste at Riverside 1 in place of WRWA waste, because WRWA has elected under the agreement to send its waste elsewhere, and the revenue generated by this will cover the royalty payment due. In such a scenario,





Cory is hugely incentivised to pay the royalty due, as the sublease would be terminated if it did not, preventing it from operating the asset that is essential to its core business (the EfW facility) if it did not, as it would no longer be the tenant (only the freeholder) of the site.

- 1.4.10. Consequently, the construction of the Carbon Capture Facility, rather than increasing the risk that Cory does not comply with its payment obligations, should be seen as decreasing that risk due to the carbon removal service in addition to residual waste treatment services RRRL will now be promising other customers.
- 1.4.11. This is important in the context that the WRWA contends at paragraph 4.4.2 of Appendix 3 that "[t]he DCO does not propose to give protection to WRWA in its capacity as leaseholder of the Site". The Applicant notes that the operation of the lease over Riverside 1 EfW facility is suspended unless and until either: the WMSA is terminated (which can only occur in very extreme circumstances, and absent a step in from Riverside 1 funders, described in more detail below); or, post 2032, the WRWA is permitted to terminate the sub-lease for non-payment under the Residual Value Agreement, as discussed above. Only in such a (highly unlikely) scenario will WRWA be in possession of, or a tenant of, the Site.
- 1.4.12. The Applicant has explained to the WRWA, via email on 29 August 2024, that WRWA benefits from the 'Protective Provisions' that are for the benefit of RRRL, which includes, by definition, the successors in title of the relevant RRRL land, i.e. Riverside 1. This covers a situation where WRWA is entitled to terminate the sublease or the WMSA, thereby becoming in possession of the Site (either as freeholder or leaseholder).
- 1.4.13. As such, in the scenario where WRWA holds an in force property interest in the land, its interests are protected. There is therefore no need for separate Protective Provisions.
- 1.4.14. In the interim period where RRRL continues to hold the relevant property rights, given the requirements of the WMSA, and its commercial operations more generally, it is clearly in RRRL's interests to ensure that the construction and operation of the Proposed Scheme do not interfere with the ability for Riverside 1 to operate and meet its on-going contractual obligations, which appear to be WRWA's main concerns. WRWA is therefore indirectly or directly protected at all times.
- 1.4.15. Furthermore, as has been explained to the WRWA, both in meetings and in writing, and as was also set out at CAH1, it is also the case that the powers in the DCO have inbuilt constraints within them. As well as the exclusions built into article 32, which ensure WRWA's private rights are not extinguished, the DCO is set up in a 'layered' fashion to incentivise promoters, ultimately, to acquire as little land as possible; however, flexibility is necessary at this stage as detailed design development is not complete.
- 1.4.16. The Applicant has explained to the WRWA that, if in the worst case (i.e. absent agreement with relevant parties) compulsory powers are used, these are constrained





by article 28 of the draft DCO, which sets out that such powers can only be used for Order land that is required for the authorised development or to facilitate it, or as is incidental to it.

- 1.4.17. The Applicant has also explained that, if in the worst case (i.e. absent agreement with relevant parties) compulsory acquisition of rights powers were to be used over the 'blue' land, these are limited to the purpose set out in Schedule 8 of the DCO, as specified for each plot.
- 1.4.18. As such, there is a built-in constraint and the Applicant/CCF SPV (as applicable) would not be able to acquire any land, or rights, not needed for the Proposed Scheme. The undertaking of the general vesting declaration process can also be subject to legal challenge; if it was considered that excessive land had been taken outside of what is actually required, there is an appropriate process already in place.

### **Insurability**

- 1.4.19. The WRWA predominantly relies upon the increased risk of 'uninsurability' to contend that this increases the risk of WMSA termination, and therefore compensation being payable by WRWA (paragraph 2.5, Appendix 3). The Applicant considers this to be incorrect for the reasons explained below.
- 1.4.20. Riverside 1 is currently insured, out of choice, by a single high quality insurer. Riverside 1 has achieved Highly Protected Risk status for over ten years and is therefore regarded as an attractive risk from the insurance perspective. It has the widest possible range of insurance options and is in no way constrained. The Applicant understands that the current premium rate for Riverside 1 is one of, if not the, lowest of any EfW facility in the UK.
- 1.4.21. At paragraph 2.5.2 of Appendix 3 it is asserted that "there is very limited insurance market available ... for waste infrastructure assets". The Applicant acknowledges that waste transfer stations, treatment facilities (other than EfW) and sortation plants have a poor loss history in the UK and there is a limited appetite in the UK marketplace for sites of this type that are not highly protected with significant resilience infrastructure.
- 1.4.22. However, Riverside 1 is neither a waste transfer station, nor a sortation plant. It is a treatment plant for the incineration of residual waste; it is an EfW facility. The UK marketplace for EfW risk is much wider and not limited in the same way as waste transfer stations, sortation plants or other types of treatment facilities. It depends on risk quality of the EfW facility (which for Riverside 1 is very high i.e. good) and/or the presence of poorer risk quality co-located waste transfer/sorting facilities. Riverside 1 does not have any co-located facilities and therefore is untainted by their presence. Notably, the installation of a waste handling/plastics sortation plant co-located at the Riverside Campus, as suggested as an alternative to carbon capture at Appendix 2 of the WRWA Written Representation, certainly would have a negative impact on the insurability of the Riverside 1 EfW facility.
- 1.4.23. Building new industrial infrastructure adjacent to existing facilities (or adjacent to existing infrastructure) is not new or unusual. For example, Riverside 2 is being built





adjacent to Riverside 1 and involves some physical works on and adjacent to Riverside 1. These activities have necessitated the implementation of proper project planning to prevent unforeseen and unwanted negative impacts. There were discussions with construction insurers about relevant issues and how adverse outcomes would be prevented and mitigated; all of which is all entirely normal. The presence of or risks to adjacent assets was not a significant concern for the construction insurers; they did not raise any questions or comments on these points when discussing insurance cover for either of these projects.

- 1.4.24. WRWA asserts that the presence of the Proposed Scheme construction activity adjacent to Riverside 1 will make the EfW facility more complex to insure whilst the work is ongoing (paragraph 2.5.3, Appendix 3). However, this is not the case for the construction of Riverside 2 and is not expected to the case for the future construction of the Carbon Capture Facility.
- 1.4.25. The Applicant has already had discussions with its current property insurer about the Proposed Scheme, who has not raised any concerns on this matter. This company insures carbon capture and storage facilities elsewhere in the world and has expressed interest in insuring the Proposed Scheme. Cory has a strong relationship with its insurers and the insurance market generally.
- 1.4.26. Riverside 1 was built and designed to be robust and resilient. Both it and Riverside 2 (once fully constructed) have installed by-pass systems that permit waste to be burned and the plant to continue operating whether or not power is being produced. This mitigates business interruption loss in an insurable event.
- 1.4.27. Furthermore, the Proposed Scheme is designed to ensure similar resilience into any carbon capture system (contrary what is suggested in Appendix 2 of the WRWA Written Representation) to allow Riverside 1 (and 2) to continue to operate whether or not the Carbon Capture Facility was functioning. This is because the existing 'stacks' for Riverside 1 and Riverside 2 are to be retained. If the Carbon Capture Facility were not operating, the flue gas would continue onto those stacks, rather than diverting to the Carbon Capture Facility.

### Conclusion

- 1.4.28. Given the context set out in this section 2, the Applicant understands that its actions in dealing with, and making voluntary agreements with, RRRL and/or WRWA (as applicable) in relation to the Proposed Scheme (whether land related to relating to other commercial matters) must be in compliance with the agreements that RRRL and CEL, has with WRWA (as well as agreements that RRRL and CEL have with their funders). The Applicant confirms that RRRL and CEL do not intend to breach these agreements, given the commercial consequences that would ensue.
- 1.4.29. Further, the Applicant notes that when developing the Riverside 2 project, all voluntary agreements made between it/the Riverside 2 SPV, RRRL, CEL and WRWA (as applicable) were in compliance with such agreements, so there is precedence to follow and the WRWA can gain comfort from this.



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1.4.30. In conclusion therefore, there is a good contractual relationship between the Applicant, its sister companies, and the WRWA which ensures that WRWA's interests are protected. WRWA's status is of a body who is able to step in to the protections built into the DCO in very extreme circumstances relating to the Riverside 1 EfW facility that are highly unlikely to occur. It is not a party who needs to benefit from its own separate protections, given that relationship, and, importantly, given that as a party it does not own or operate Riverside 1 and so therefore does not have an 'asset' that needs 'provisions' to protect. As such, WRWA's Written Representation should be seen as, ultimately it wanting to 'protect' its commercial position, which can be managed appropriately through private negotiation and voluntary agreement.



### RESPONSES TO PRACTICAL AND TECHNICAL MATTERS RAISED IN WRWA DEADLINE 1 SUBMISSION

In this section, the Applicant has responded to the concerns set out in Appendix 2 to WRWA's Written Representation. As noted above, these concerns should be seen in the context that WRWA has publicly expressed support for carbon capture at the Riverside Campus. It should also be seen in the context that Appendix 2 has been written by SLR Consultants. That same consultancy are the authors of a report, published on 3 December 2024, written for the Environmental Services Association, the trade body for recycling and waste treatment service providers on the future approaches to residual waste treatment. As seen in the press release (Appendix 2) accompanying that report, it concludes that "Energy-from-Waste plants fitted with carbon capture (CCS) technology offer the most reliable and lowest-carbon solution for treating residual waste in future". Clearly, this would appear to be a contradictory position in principle to that taken in WRWA's Written Representation.

Table 1 - Responses To Practical And Technical Matters Raised In WRWA Deadline 1 Submission

Section Number	Summary of issue raised	Applicant's response
1.1	Development status of carbon capture applied to EfW facilities	The Applicant has a proven record of providing high quality, efficient and reliable waste management services to our customers (including WRWA), including the successful operation of Riverside 1 since 2011. In designing the Proposed Scheme, as with Riverside 2, Cory has sought to avoid and minimise any potential disruption to our existing services at Riverside 1. It is in the Applicant's interests to do so.
		There is no evidence to suggest that integrating the Proposed Scheme will have any negative impact on the provision of Cory's waste management services generally or impact the waste incineration service, which is what the Applicant is contracted by WRWA to do for them. The Applicant has organised three site visits to explain and discuss the Proposed Scheme with WRWA and its technical advisor team (SLR was not present at any of the visits). In the highly unlikely event that the Carbon Capture Facility proves not to be reliable, residual waste can still be incinerated through Riverside 1 and 2. Operational interfaces are not unusual in industrial processes and are regularly managed through good design, clear operational practices and of course contract. Identification and ownership of risks are well established in contract and will not be difficult to set out here. Cory manages interfaces regularly for example, between Riverside 1 and 2, and the EPC contractor for Riverside 2, with no impact on Riverside 1 operations, or our service to WRWA. This is not a matter for the WRWA and does not impact the WMSA.
		In relation to abatement systems, the Applicant acknowledges that it will need to vary the permits for Riverside 1 and Riverside 2 as well as obtain a new permit for the Carbon Capture Facility, but will be able to work with the Environment Agency to ensure that a comprehensive emissions monitoring system is in place that is appropriate for the regulatory and performance requirements of EfW and Carbon Capture. It is not considered likely that physical changes would be required to the Riverside 1 abatement system.
1.2	Challenges in securing performance guarantees at retrofit projects	As has been set out in the Application documents, not least the Project Benefits Report (APP-042) the Applicant has a proven track record of delivering large scale complex infrastructure including Riverside 1 and 2 and its recent redevelopment of a transfer station at Barking. Cory is highly experienced in securing suitable EPC contractual arrangements and the appropriate performance guarantees necessary in delivering such projects successfully. These are commercial matters for Cory and are not relevant to WRWA. Furthermore, carbon capture rates do not impact the waste incineration service the Applicant provides to the WRWA.
		The WRWA will be liable under the UK Emissions Trading Scheme (ETS). The Applicant is under no obligation with WRWA to install carbon capture technology on the Riverside 1 EfW facility. If the Applicant does install the Proposed Scheme, CEL (as counterparty to the WMSA) could enter into a commercial contract with WRWA to capture (most) of the carbon from WRWA's waste (passing this obligation on to the Applicant), with WRWA



Section Number	Summary of issue raised	Applicant's response
		obtaining the benefit of avoiding ETS costs. Such an agreement however is purely a commercial matter and is not relevant to planning. It is noted that any physical interaction between the projects will be agreed through private voluntary agreement between the Applicant and RRRL, which for the reasons discussed in section 2, will also want to ensure that day to day operations of the EfW are not affected.
1.3	Downstream CO2 transport and storage	As it is entitled to (and as expected in NPS EN-1) the Applicant has made a judgement on the financial and technical viability of the Proposed Scheme. This judgement has not been made lightly, taking account of both the prevailing and emerging UK regulatory and market framework, and following a programme of robust technical appraisal and extensive consultation with prospective partners across the potential carbon capture and storage value chain, including global leaders in the deployment and operation of specialist shipping and offshore assets, and those entities bringing forward the transport and storage network (for example, Viking). None of these matters are relevant to WRWA or the contracted waste management services Cory provides to WRWA through Riverside 1.
		Furthermore, the Proposed Scheme includes for a buffer storage area for captured carbon, a Proposed Jetty which can take bigger ships and thus improve resilience, and ultimately that if carbon cannot be transported to site, it would in such circumstances be emitted from Riverside 1 and Riverside 2. None of this will impact on the ability of Riverside 1 to operate.
1.4	Waste management service continuity	As stated above, Cory has a proven track record of delivering and operating large scale complex waste management infrastructure (including Riverside 1 and 2) and associated logistical services. None of the assertions raised by WRWA are relevant to the operation of Riverside 1 or the waste management services provided by Cory to WRWA. The operation of the Proposed Scheme falls outside the remit of RRRL, who owns and operates the Riverside 1 EfW facility; the Carbon Capture Facility will be operated under a separate SPV. In any event, whether or not the Carbon Capture Facility operates as planned, Riverside 1 will continue operating as it does today, and delivering on the WRWA contract. Furthermore, the design does allow for Carbon Capture bypass and storage.
1.5	Alternative approaches to decarbonisation	This point is noted in the context of the WRWA previously publicly stating in its s.35 support letter that "It is hard to believe that there will be other options to decarbonise our waste, certainly by 2030, which is why we [WRWA] are writing to record our support for the Project".
		The Applicant is entitled to make a judgment on both the financial and technical viability of the Proposed Scheme. The Government has also confirmed that it agrees with the CCS "CCS is a necessity, not an option" (NPS EN-1 para. 3.5.2). Further, Government will incentivise the deployment of carbon capture technology through the industrial Carbon Capture Business Model for industrial users, which includes energy from waste facilities which have no viable alternative to achieve "deep decarbonisation" (NPS EN-1 para 2.4.7).
		Whilst the Applicant is not obliged to evaluate alternative technologies to CCS, it will continue to evaluate the viability of complementary decarbonisation measures. Nevertheless, the alternatives now presented by WRWA, even if viable, would not be capable of securing "deep decarbonisation" of the scale achievable by the Proposed Scheme. For example, pre-sorting plastic waste before sending to EfW facilities would not deliver equivalent CO2 savings for several reasons. Plastics often get mixed up with other types of waste, making it difficult to sort and extract them effectively. Contaminated plastics can reduce the efficiency of recycling processes and the quality of the recycled material. Not all plastics can be easily sorted and recycled which means the process



Section Number	Summary of issue raised	Applicant's response
		produces high quality control rejection rates, plastics that either fail to be extracted and stay in the waste stream (often after multiple cycles around the processing plant) and ultimately directed to EfW or landfill. Some types of plastics, such as multi-layered or composite plastics are particularly challenging to process. The sorting process is also time-consuming, far slower and labour intensive than the corresponding waste treatment rate of a modern EfW, and in this case two large co-located EfWs. Such a facility would also require associated development including dedicated road logistics infrastructure and substantial areas of operational and contingency storage accommodation.
		Notably, it is not necessary (or even preferable) for such pre-sorting facility to be co-located with the EfW facilities. The EfW facilities only need residual waste, not plastics. Whether or not a pre-sorting facility of the type envisaged above could be accommodated on land close to Riverside 1 and 2, due to its scale and operating configuration, a large third-party site would be required, together with a corresponding road or river logistics corridor and associated infrastructure.
		In addition, the market for recycled plastics can be volatile. If there is low demand for certain types of recycled plastics, the economic incentive to recycle them diminishes. Consequently, the practical difficulties associated with both extracting and then disposing of recycled plastics is the primary reason why plastics pre-sorting is not widely deployed. It is also that it is not currently clear what the impact of carbon pricing and the rules on Extended Producer Responsibility will have on packaging design moving forward. This means that there is a high risk of obsolescence associated with developing front end sorting equipment. This can be contrasted with the Government's clear approach to policy development for the planning, economic and regulatory policy for CCS.
		By the far the most effective way to minimise the production of fossil derived CO2 is to prevent it from entering the waste stream in the first place, upstream of the EfW. However, where this is not possible, CCS abated EfW is a far superior method of achieving deep decarbonisation than pre-sorting plastics in dedicated facilities given the inherent problems with the latter technology. Whilst the Applicant supports sortation and recycling – they do not reduce the need for CCS.
		WRWA claims that the potential reduction of electricity export to the National Grid would be "20-30%", due to the power demand requirements of the carbon capture equipment associated with Riverside 1. The representation then claims that a reduction in current generation capacity would need to be met by a corresponding increase elsewhere, requiring development of an additional generation facility. It is for the National Grid to determine the electricity generation mix for the UK, and it would be conjecture to seek to guess how it would choose to replace any energy no longer produced from Riverside 1 or Riverside 2. In particular, given the amount of renewable electricity generation projects already coming forward to meet the challenge set by NPS EN-1 (and the future coming on stream of Hinkley Point C and Sizewell C Nuclear Power Stations), it is not considered that this is something that should be seen as problematic.
		Whether the power demands of the Carbon Capture Facility are met by Riverside 1 (and Riverside 2) or the National Grid is irrelevant. The primary purpose of energy from waste facilities is to safely and efficiently treat residual waste; the societal benefits associated with this primary purpose are very significant, hence why Government is providing significant support towards the application of CCS to energy from waste assets. Energy from waste's contribution to the electricity supply is also an important, but secondary, purpose. The Carbon Capture Facility will require both electricity and steam to function, and the most economically, operationally and



Section Number	Summary of issue raised	Applicant's response
		environmentally preferable option is highly likely for those needs to be met by the associated energy from waste facilities, rather than via the construction of a new electricity and steam generating station. As explained at ISH1, the Applicant has provided for this in the design of the Proposed Scheme (REP1-024).
		If waste services are disrupted, Cory is responsible under its contract with the WRWA (WMSA) for storage and diversion of delivered residual waste. Once the boroughs have delivered the waste to the transfer stations, they have met their obligations. From that point on, Cory has taken ownership of the residual waste and under contract must treat/dispose of it in a suitable way and Cory is liable for any extra costs associated with this. The RRRL Protective Provisions ensure that RRRL can influence the construction and design of the Proposed Scheme to minimise disruption impacts.
		Nothing in the WMSA requires Cory to use the 'Belvedere Surplus Land' (which in the nomenclature of the Proposed Scheme, is the Borax Land) for any purpose benefiting the WRWA.
2.1 (Table 1)	Works to construct new jetty	The Applicant is clearly constructing a Proposed Jetty. The optionality remains only if construction of that Proposed Jetty will lead to the removal of the disused BPS Jetty. The preliminary NRA will be updated at detailed design stage, pursuant to the DCO, to ensure there is no risk to navigational safety in the Thames or impact to the safe and efficient operational use of the existing Middleton Jetty for waste transfer. Clearly if congestion was predicted this in and of itself could cause navigational safety and operational risks, but the preliminary NRA undertaken for this stage of the process and discussed with the PLA does not consider this likely to be the case.
		The Applicant has a proven track record of delivering large scale complex infrastructure including Riverside 1 and Riverside 2 (which is on track to be operational by 2026). Cory is currently constructing Riverside 2 on land immediately adjacent to Riverside1, including sharing of access and utilities infrastructure, with no impact on Riverside 1's operations; and no impact on the service provided to WRWA.
		In any event, once the boroughs have delivered the waste to the transfer stations, WRWA has met its obligations. From that point on, Cory has taken ownership of the waste and under contract must treat/dispose of it in a suitable way pursuant to the contract. WRWA's waste has priority at the Riverside 1 EfW facility. In the unlikely event of any disruption, other customers' waste would be diverted first. In the event that WRWA's waste did need to be diverted, Cory is liable for managing this and picking up any associated additional cost. The assertion made that any diverted would go to landfill is a wholly unsubstantiated assumption that does not reflect how Cory regularly manages its diversions, as and when they are required (for example during maintenance).
2.1 (Table 1)	Works to England Coast Path	Not only is the Applicant an experienced operator with a proven track record of delivering waste management infrastructure, Cory is also highly motivated to optimise the interfaces between the Proposed Scheme and Riverside 1 and 2 (when operational). To secure the benefits of decarbonisation from the Proposed Scheme, Cory will need to install a physical connection to the emission stacks at both Riverside 1 and 2, in order to divert the flue gases. The export connection will also require above ground pipework to run along the eastern flank of Riverside 1 (principally non-operational land used for landscaping and a mitigation wetland habitat area) to connect the Carbon Capture Facility to the new Jetty. Furthermore, the above ground infrastructure on the eastern boundary of RRRL land is situated on land which is not permitted to be used for waste management purposes and is constrained. It is also noted that the construction of the Proposed Jetty across the England



Section Number	Summary of issue raised	Applicant's response
		Coast Path is some distance away from Middleton Jetty. As such it will not be possible for those works to disturb movement of waste from barges at the latter jetty.
2.1 (Table 1)	Abnormal Indivisible Loads (AILs)	The Applicant understands, and has experience of, managing interface risks. Under the WMSA for Riverside 1, Cory has obligations to WRWA to treat its waste, with significant penalties if it fails to comply. Consequently, it is for the Applicant and RRRL to manage all interface risks during construction, not the WRWA, including in relation to access. Cory has demonstrated that it continues to effectively manage potential construction risks, through the successful construction of Riverside 2, with no impact on the service provided to WRWA, at Riverside 1.
2.1 (Table 1)	Works on roads movements around the Riverside 1 site	Cory understands and has experience of managing any interface risks. Cory has a contract with WRWA providing incineration services at Riverside 1. Cory has obligations to comply with under that contract, with significant penalties if Cory fail to do so. It is for Cory to manage any interface risks during construction not WRWA. Furthermore, Cory has successfully demonstrated that these potential construction risks through the construction of R2, with no impact on the service Cory provides to WRWA.
2.1 (Table 1)	Undertaking preconstruction investigations	Cory understands and has experience of managing any interface risks. Cory has a contract with WRWA providing incineration services at Riverside 1. Cory has obligations to comply with under that contract, with significant penalties if Cory fail to do so. It is for Cory to manage any interface risks during construction not WRWA. Cory has successfully demonstrated that these potential construction risks through the construction of Riverside 2, with no impact on the service Cory provides to WRWA. In any event, the focus of any preconstruction investigations will occur on the main development footprint itself, which is out with the area of Riverside 1.
2.1 (Table 1)	Use of areas of the site construction compounds and laydown	The Applicant notes that all site construction and laydown areas bar the Proposed Jetty Construction Compound are on locations off of Norman Road and some distance away from Riverside 1.
		Furthermore, construction of the Proposed Jetty is anticipated to be predominantly from the river. Installation of the above ground pipework and Access Trestle will be temporary period and commensurate with the limited scale of proposed infrastructure to be installed on the eastern flank of Riverside 1. The Outline CoCP also notes that access to business will still be able to be taken in the Proposed Jetty Temporary Construction Compound.  Matters such as this will also be managed pursuant to the approvals in the RRRL Protective Provisions.
2.1 (Table 1)	Onshore construction traffic, including deliveries to construction site, access by construction staff, and movements within the site	As is set out above, the Applicant can demonstrate successful risk management in the construction of Riverside 2 with no impact on WRWA.  In any event, WRWA's waste is delivered by river and traffic management of Norman Road will be managed by the CTMP.
2.1 (Table 1)	Utility connections	Cory understands and has experience of managing any interface risks. Cory has a contract with WRWA
2.1 (Table 1)	Electrical installation works	providing incineration services at Riverside 1, which require it to operate and thus having the relevant utility supplies in place. Cory has obligations to comply with under that contract, with significant penalties if Cory fail to do so. It is for Cory to manage any interface risks during construction not WRWA. In any event, there will be no



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		impacts on operations to connect utility connections as that installation would be timed with planned outages for Riverside 1 and Riverside 2.
2.1 (Table 1)	Ground gas migration	The Applicant considers this concern is misplaced. The potential for gas migration risk from the Proposed Scheme has been comprehensively addressed in the Environmental Statement, principally at Chapter 17: Ground Conditions and Soils (APP-061) and Chapter 20: Major Accidents and Disasters (APP-069). There is no inherent risk from contaminants to the WRWA's interests.
2.1 (Table 1)	Flood wall damage	As is set out above, the Applicant can demonstrate successful risk management in the construction of Riverside 2 with no impact on WRWA.
		WRWA's waste is delivered by river to the Middleton Jetty, an asset designed, built and maintained for this purpose. The Proposed Scheme has been designed to avoid impact both on Middleton Jetty and on the integrity of the flood embankment. The connecting pipework will not touch the EA's asset, instead using the airspace above. A detailed methodology will be provided to the EA at the detailed design stage and is required to be approved by them pursuant to its Protective Provisions. The EA will therefore be able to ensure that the concerns raised by WRWA will not arise. This issue was successfully addressed as part of the Riverside 1 construction process, when building the access ramp to Middleton Jetty, a much larger and substantial bridge that crosses over the footpath and flood embankment.
2.1 (Table 1)	Unexploded ordinance (UXO)	UXO is a standard risk that is effectively managed through expert UXO reports, an approach wholly successfully implemented in building both Riverside 1 and Riverside 2, and which is required to take place for the Proposed Scheme pursuant to paragraph 15.3.4 of the Outline Code of Construction Practice.
2.1 (Table 1)	Liability for RRRL damage to carbon capture plant installation during construction	There is no mechanism for 'additional liabilities' from damage by RRRL to carbon capture assets to flow directly through to WRWA under the WMSA. There is therefore no need for an indemnity for WRWA. Construction interface risk and liabilities will be managed through agreements between RRRL and relevant CCS parties (similar to the construction of Riverside 2) and through insurance.
2.2	Contamination Risk During the Construction Phase (Appendix 2, Section 2.2)	The Applicant considers this concern is misplaced. The potential for contaminants resulting from the Proposed Scheme has been comprehensively addressed in the Environmental Statement, principally at Chapter 5: Air Quality (APP-054), Chapter 17: Ground Conditions and Soils (APP-061) and Chapter 20: Major Accidents and Disasters (APP-069). There is no inherent risk from contaminants to the WRWA's interests. The Applicant has added WRWA as a consultee to DCO Requirement 21.
3.1 (Table 2)	Reduction in electricity export to the national grid and associated loss of power revenues. The loss of EfW power also removes from the National Grid a substantial base load, partly renewable power supply source, which also has "security of supply" energy generation merit as it is derived from a UK fuel source (locally collected waste).	It is for National Grid to determine its base load supply. Government is clear in its priorities to deliver decarbonisation, at speed and at scale. The use of energy generated by Riverside 1 and 2 for the Carbon Capture Facility is wholly appropriate, not least because the primary purpose of these facilities is to safely and efficiently treat residual waste, not generate energy. The Carbon Capture Facility has no bearing on either the waste throughput or energy generating capacity of Riverside 1. It is currently intended for the Carbon Capture Facility to use energy from Riverside 1 and/or 2 (as this is the optimal solution to its energy needs). However, that use is simply a different use of the energy generated, not a decrease in energy generating capacity.



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	Stated reduction in energy generating capacity would be sufficient to reduce electrical output of Riverside 1 from the S.36/NSIP threshold.	WRWA's concern about loss of revenues as a result of Riverside 1 supplying the CCS facility is a commercial matter, and is misplaced. The CCS SPV will have to pay for the power, it will not be receiving it for free.
3.1 (Table 2)	Increased complexity in processes and equipment associated with Riverside 1 increases overall risk of service disruption	As is set out above, the Applicant can demonstrate successful risk management in the construction of Riverside 2 with no impact on WRWA.  In any event, the interfaces between Riverside 1 and the Carbon Capture Facility are not complex; essentially ensuring the safe and efficient transfer of power and flue gases from the former to the latter. Further, Riverside 1 would continue to operate, and WRWA would continue to have incineration services provided, even if the Carbon Capture Facility is not operating. There is no substantiated risk to service provision.
3.1 (Table 2)	Variation of the Riverside 1 Environmental Permit	The emission levels for Riverside 1 (and Riverside 2) are already established through the Environmental Permit held for each facility. These have been drafted as relevant to the EfW and abatement technologies approved for use within each facility. The Carbon Capture Facility will have its own Environmental Permit, pre-application discussions for which are underway with the EA. There is nothing to read into the EA not being able to update the Examining Authority on its position; Cory understands that the EA is simply stretched and a meeting is in the process of being arranged. There is a due process for the environmental permitting regime and this will not affect Cory's compliance with the WMSA; again this is not a matter for WRWA or the contractual arrangements between the parties.
3.1 (Table 2)	Flue gas, steam and CO2 leakage risks and safety zones	The Applicant has undertaken the design process mindful of the need to account for safety considerations. It does not consider that the imposition of the Proposed Scheme would lead to the imposition of restrictions on the operations of Riverside 1 or access to it.
3.1 (Table 2)	Storage and use of hazardous substances	The Applicant is an experienced operator with a proven track record of operating waste management infrastructure including Riverside 1, which uses a range of substances all of which need to be transported, stored, used and disposed of safely. Storage and use of any hazardous substances are covered by national legislation and guidance and will be able to be dealt with within the operational envelope of the Proposed Scheme without causing an impact on the operations of Riverside 1. This is not a matter of concern for WRWA.
3.1 (Table 2)	River access congestion	Specialist marine consultants NASH have prepared a preliminary NRA that considers all river users including Cory's lighterage movements. The Applicant is highly motivated to ensure that Cory's river operations are not impacted by the Proposed Scheme, and this was a key matter considered in the Jetty Site Alternatives Report (APP-126). This is not a matter of concern for WRWA. Furthermore, the preliminary NRA will be updated at detailed design stage, pursuant to the DCO, to ensure there is no risk to navigational safety in the Thames or impact to the safe and efficient operational use of the existing Middleton Jetty for waste transfer. Clearly if congestion was predicted to cause this in and of itself would cause navigational safety and operational risks, but the preliminary NRA undertaken for this stage of the process and discussed with the PLA does not consider this is likely to be the case.



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3.1 (Table 2)	Flue gas ducting impact on site operations	The flue gas interface between Riverside 1 and the Carbon Capture Facility is not especially complex; it simply ensures the safe and efficient transfer of flue gases from the former to the latter. It would have no impact on the incineration of WRWA's waste.
		The LCO2 pipework will have no direct interface with the Riverside 1 EfW facility and suitable space will remain to ensure efficient and effective maintenance without disruption to the contracted waste services.
		Further, Riverside 1 would continue to operate, and WRWA would continue to have incineration services provided, even if the Carbon Capture Facility is not operating. There is no substantiated risk to service provision.
3.1 (Table 2)	CO2 pipeline constraint to current and future EfW operations	Cory understands and has experience of managing any interface risks. Cory has a contract with WRWA providing incineration services at Riverside 1. Cory has obligations to comply with under that contract, with significant penalties if Cory fail to do so. It is for Cory to manage any interface risks during operation not WRWA. Cory has successfully demonstrated that these potential operational risks through the development of Riverside 2, with no impact on the service Cory provides to WRWA. Given the presence of Riverside 1 and Riverside 2 on the Riverside Campus, there is unlikely to be further expansion of EfW operations beyond those already operated or consented. In any event, the interfaces between CCS and Riverside 1 and Riverside 2 are limited. Furthermore, future land use options are for Cory to determine, not WRWA.
3.1 (Table 2)	CO2 pipeline maintenance access	Cory understands and has experience of managing any interface risks. Cory has a contract with WRWA providing incineration services at Riverside 1. Cory has obligations to comply with under that contract, with significant penalties if Cory fail to do so. It is for Cory to manage any interface risks during operation not WRWA. Cory has successfully demonstrated that these potential operational risks through the development of Riverside 2, with no impact on the service Cory provides to WRWA. In any event, the interfaces between CCS and Riverside 1 and Riverside 2 are limited. Furthermore, WRWA's waste (along with the majority of other customer waste) comes via the river and waste vehicle deliveries such as London Borough of Bexley come in via the main gate and weighbridge towards the centre of the Riverside Campus. The access to the eastern side is used less frequently and maintenance requirements of Riverside 1 will not be compromised.
3.1 (Table 2)	Capacity of utilities	There is no impact on WRWA's interests. Cory has ensured that Riverside 1 and Riverside 2 have the utilities that they need to operate successfully and will do so with CCS too.
3.1 (Table 2)	Works access to utility connections	As identified in the WRWA Written Representation, the Applicant has proactively engaged with relevant providers, including Thames Water, to ensure that suitable provision for the required utilities is made, not just for the Proposed Scheme but also without detriment to Riverside 1, or 2. In any event, the interfaces between CCS and Riverside 1 are limited. Further consideration will be given to existing utilities and the overhead pipework as part of the detailed design stage, again with a focus of ensuring no detriment to the efficient and effective operation of Riverside 1 and 2. Control of this is secured pursuant to the RRRL Protective Provisions.
3.1 (Table 2)	Liability for RRRL damage to carbon capture installation during operations	There is no mechanism for 'additional liabilities' from damage by RRRL to carbon capture assets to flow directly through to WRWA under the WMSA. There is therefore no need for an indemnity for WRWA. Operational interface risk and liabilities will be managed through agreements between RRRL and relevant CCS parties and through insurance.



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3.1 (Table 2)	Interactions with heat offtake	The relationship between the Riverside EfW facilities and the Carbon Capture Facility in relation to heat is addressed at Appendix A of the Written Summary of the Applicant's Oral Submission at ISH1 (REP1-025). This matter is neither important nor relevant to the planning process.
3.1 (Table 2)	Impediment to development of the proposed AD facility	The AD facility proposed for Riverside 2 forms part of Phase 2 delivery for that facility. WRWA and Cory have agreed pursuant to contract what would happen in the event that the AD facility is not developed in time for mandatory food waste collections. In any event, the Proposed Scheme does not affect delivery of the AD facility; they can be built alongside each other.
3.1 (Table 2)	Liabilities for flue gas quality	There is no mechanism for any liabilities incurred by RRRL relating to flue gas specification to flow directly through to WRWA under the WMSA. The Applicant does not anticipate that the additional need to accommodate the CC plant flue gas input specification will tighten constraints on the composition of waste which can be accepted. The Carbon Capture Facility is being designed in the context of the waste that Riverside 1 and Riverside 2 currently accepts. It is not in Cory's commercial interest to design a CCS facility that impedes the type of waste that Riverside 1 and Riverside 2 process, being Cory's core business.
3.1 (Table 2)	Availability of suitably qualified personnel for CC plant operation.	Cory is a highly experienced operator and will ensure that the Proposed Scheme is staffed with suitably experienced and qualified staff, as it does at all its facilities. This is not a matter for WRWA or the planning process (noting that other regulatory regimes will have a roles in these matters also).
3.1 (Table 2)	CO2 offtake risk to ETS costs	This is a purely commercial matter between the parties. This matter is neither important nor relevant to the planning process.
3.1 (Table 2)	Carbon capture plant contractor	Cory is a highly experienced operator and will ensure that appropriate contractor(s) are in put in place, as it does at all its facilities. Again, this is not a matter for WRWA or the planning process.
4.1	Consideration of potential impacts upon the operation of Riverside 1 within the submission documents.	WRWA's waste is delivered by river, to Middleton Jetty. The avoidance of disruption to that asset has been a key consideration in the evolution of the Proposed Scheme. Traffic management of Norman Road will be managed by the CTMP. The construction of Riverside 2 commenced in January 2022, with construction vehicles using Norman Road to access the site and construction compounds. There has been no detriment to the ability of staff to access Riverside 1, or to delivery of the WMSA during the construction of that scheme. Furthermore, the RRRL protective provisions ensure that these outcomes will be secured.
		As a result of this, there is no need to assess the implications upstream or the operation of Riverside 1 – it is fully expected that the potential impacts raised will be managed to ensure that such impacts do not arise.
5.1	Overall Funding Model	Government has made its ambitions for CCS clear – committing to providing funding to support the
	The Funding Statement does not however provide details of the revenue sources which are expected to operate CCS and the pay back required capital investment. For reasons elaborated below in section 5.2, despite benefits in avoiding costs under the UK	establishment of CCS in at least four industrial clusters by 2030. The Applicant has a clear strategy to secure funding for the Proposed Scheme and intends to formally engage with one or more of the UK Government's Waste Industrial Carbon Capture Business Model funding competitions. Due to the specific characteristics of the project, including the significant decarbonisation benefits resulting from its scale and location on the River Thames, as a Non-Pipeline Transport (NPT) project the proposed development is well positioned to competitively participate in the forthcoming Track 2 ICC process, or indeed subsequent competitions. The UK



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	Emissions Trading Scheme (UK ETS), current market indications suggest that CCS is expected to be unviable without significant government subsidy.	Government recently reiterated its commitment to Track 2 and is currently consulting on adaptations to the ICC Business Models to accommodate NPT projects (refs).
		WRWA's advisors make a number of superfluous and highly speculative comments regarding the forthcoming UK ETS regime (insofar as it relates to the energy from waste sector, and the Proposed Scheme) and potential for income from stored biogenic carbon. The Applicant does not intend to respond in detail to these sections as they are neither important nor relevant to the planning process.
5.2	Carbon capture costs in the context of the UK Emissions Trading Scheme	The cost of the Proposed Scheme and its interaction with the ETS are commercial matters not relevant to this DCO application.
		The commercial deal to be made between EfW facilities that have carbon capture enabled, and their customers, to capture the carbon generated by waste processed, is not relevant to this DCO application.
5.3	Possibility of Delays in Subsuming EfW within the UK ETS  Relevance to the financial case for application of CC to EfW is the timescale over which any savings under UK ETS can be achieved. The new Government has not publicly expressed any intention to depart from the scheduled full inclusion of EfW with ETS from 2028 (with monitoring requirements applying from 2026). Nevertheless, it is possible that implementation challenges could ultimately lead to delays. Relevant factors include for example complexities around the administration for the inclusion of EfW, lack of preparedness of the waste sector, as well as the inherent political sensitivity of inclusion (with substantial local authority cost implications).	A change in law to bring EfW within the UK ETS is irrelevant to this DCO application. It is for Cory to consider the overall economics of the Proposed Scheme. The Proposed Scheme provides the only credible means to reduce the ETS liability that WRWA will have and in turn will need to compensate Cory. This is a commercial matter, which will be negotiated between EfW facilities and their customers in the context of the proposed carbon charges. ETS is being introduced to incentivise the decarbonisation of residual waste, which will be delivered by the Proposed Scheme. The economic model for the Proposed Scheme will be based on a combination of government support for CCS, carbon pricing for fossil carbon within residual waste, and the potential for decarbonisation services to other hard to abate sectors of the economy (through either voluntary markets or the emergence of a regulated carbon removals market place in the UK). All of these are strongly supported by government policy and legally binding carbon emissions targets  In short, the Applicant considers that the Proposed Scheme (which has been fully funded by Cory and not the WRWA thus far) provides a highly credible and very valuable option for the WRWA.
5.4	Potential for Passthrough of UK ETS Costs to Third Parties	In order for the UK to reach net zero, it is important that industrial facilities that can capture non-fossil carbon, as well as fossil carbon, do so. The UK will not reach net zero without CCS-enabled EfW facilities, BECCS or direct air capture. The reduction in fossil-derived waste (non-biogenic waste) does not erode the case for carbon capture. Indeed, the reduction of fossil carbon within the residual waste stream is complimentary and beneficial, as this will enable higher volumes of biogenic carbon to be captured, which will improve the ability to meet overall net zero targets and provide decarbonisation services to hard to abate sectors.
5.5	Income from stored biogenic carbon	This is a commercial matter between CCS-enabled EfW facilities and their customers. It is not relevant to this DCO Application.
5.6	Implications of Carbon Capture Project Failure for WRWA	Refer to Section 2 above.

# Appendices



# APPENDIX 1 - WRWA LETTER OF SUPPORT FOR THE SECTION 35 DIRECTION APPLICATION FOR THE PROPOSED SCHEME



### Western Riverside Waste Authority

General Manager: I

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Contact

Direct Dial

Date:

3<sup>rd</sup> May 2022

Head of Energy Infrastructure Planning
Department for Business Energy and Industrial Strategy
Level 3, Orchard 2
1 Victoria Street
London
SW1H 0ET

For the Attention of

Dear

### RE: <u>PROPOSED CORY DECARBONISATION PROJECT</u>

I write to record Western Riverside Waste Authority's support for the proposed Cory Decarbonisation Project ("the Project") at Belvedere.

The Authority is responsible for the management of waste delivered to it by the London Boroughs of Hammersmith & Fulham, Lambeth, Wandsworth and the Royal Borough of Kensington and Chelsea.

The Authority is committed to reducing emissions and helping to decarbonise its constituent boroughs. Our strategy has been focused on recycling, avoiding landfill, reducing waste, and minimising vehicle movements. Our waste is transported on the River Thames to Cory's modern, efficient (R1) Energy from Waste facility in Belvedere, which significantly reduces emissions and improves safety on London's roads. Our Boroughs' recycling is all processed at our modern facility in Wandsworth.

We now face a significant challenge to further decarbonise our waste in support of the Greater London Authority and the UK's respective 2030 and 2050 targets. Processing 1 tonne of waste creates around 1 tonne of CO<sub>2</sub>, and our Boroughs deliver c300,000 tonnes of residual waste each year. This equates to roughly 300,000 tonnes of CO<sub>2</sub>. We are extremely supportive of projects that give us options to fully decarbonise our Boroughs' waste.

With the exception of Cory, we are not aware of any company with a facility in London, or the South East, that has deliverable plans to capture and transport CO<sub>2</sub>. Cory is uniquely positioned to use the existing infrastructure of the River Thames to transport CO<sub>2</sub> to subsea storage

locations. Most other energy from waste facilities in London and the South East are landlocked and do not have easy access to existing infrastructure to transport CO<sub>2</sub>. It is hard to believe that there will be other options to decarbonise our waste, certainly by 2030, which is why we are writing to record our support for the Project.

Cory is also developing a new facility adjacent to its existing one. These facilities will form a key part of the waste infrastructure in London and the South East and will serve the waste recovery needs of over 3 million people. The Project would capture up to 1.5 million tonnes of CO<sub>2</sub>, materially contributing not just to the Authority and the GLA's decarbonisation plans but also to the UK's 2050 net zero target.

In our view, it is therefore appropriate for a project of such significance and providing such an array of benefits to go through the NSIP regime. This would also enable all parties to benefit from the certainty of timescale and process (given the number of consents that may be required) that comes with that process, which would therefore allow the Project's wide-ranging benefits to be delivered in the most efficient manner.

The Authority supports this project, and its desire to go through the DCO process, and would therefore encourage the Department to ensure it can move expeditiously through the planning regime.

Yours sincerely,





## APPENDIX 2 – ENVIRONMENTAL SERVICES ASSOCIATION PRESS RELEASE



December 3, 2024

# Residual waste policy trajectory risks undermining carbon reduction goals

### DECARBONISATION, ENERGY-FROM-WASTE, UK GOVERNMENT POLICY

A new study, published today (3<sup>rd</sup> December 2024) by the Environmental Services Association, has found that Energy-from-Waste plants fitted with carbon capture (CCS) technology offer the most reliable and lowest-carbon solution for treating residual waste in future, but that current policy trajectory could put investment in CCS at risk and undermine the waste hierarchy.

The independent report, which was authored by SLR Consulting, presents the findings of an appraisal of viable future residual waste treatment solutions on three grounds; cost, reliability and technological readiness, and carbon emissions performance.

The study found that, without further government intervention, development of CCS will not be financially viable for the majority of EfW facilities, even accounting for avoided Emissions Trading Scheme (ETS) costs which are due to come into effect from 2028. Additionally, proposed government subsidy support for producing Sustainable Aviation Fuel (SAF) from residual waste could allow these facilities to offer the cheapest waste disposal route. This could divert waste from existing infrastructure despite the fact that SAF production via gasification and other processes has a low degree of demonstration at scale and is unlikely to outperform EfW with CCS on carbon emissions unless the waste has a very high organic content.

### **RECENT NEWS**



December 12, 2024



December 3, 2024



Additionally, the report concludes that large-scale development of less reliable or unproven waste treatment technologies poses a risk to established infrastructure, which is essential to the sanitary management of waste, and that unless suitable market adjustments are made to constrain landfill, the application of the ETS to energy recovery holds the potential to incentivise treatment by landfill under current policy considerations.

**Head of Climate and Energy Policy at the ESA, Charlotte Rule, said:** "Under current policy trajectory, there is a risk that residual waste material could fall down the waste hierarchy and that the treatment solutions favoured by present policy conditions – whether fully intended or not – risk becoming white elephants that strain essential public sanitation services, while not fully realising the maximum carbon emissions savings potentially on offer.

As highlighted in the recommendations of the report, there is a need for more joint working across Government to ensure that the push and pull of various government departments with a stake in this issue – Defra, DESNZ, DfT and The Treasury – doesn't result in unintended consequences that undermine the UK's existing high-performing infrastructure, as well as the recycling and waste sector's Net-Zero pathway.

Building on the work set out in this report, we would like to see Government, along with the Climate Change Committee (CCC) produce a robust independent evidence base to inform relative support for EfW with CCS and SAF production for waste, by exploring the relative greenhouse gas emission impacts of each solution as well as issues around deliverability risk."

A full copy of the report is available to \_\_\_\_\_ or from our



Residual waste policy trajectory risks...







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