Harbour Energy Deadline 5 Comments on Applicant's Submissions and Proposed Mitigation

1. Introduction

Harbour Energy has reviewed and considered the submissions made by the Applicant over the course of the Morgan Generation Assets development consent order (DCO) Examination. There remain some material differences between the Applicant and Harbour Energy. As stated in Harbour Energy's Written Representation (REP1-045), Harbour Energy is committed to finding solutions that will allow the co-existence of its operations with other stakeholders, including the Applicant. To that end, Harbour Energy is committed to seeking pragmatic approaches to mitigate the adverse effects of Morgan Generation Assets. This document sets out the most material differences in view between the Applicant and Harbour Energy and proposes a pragmatic mitigation that could be implemented through Protective Provisions.

2. Summary of Material Differences

2.1. Aviation

2.1.1. Loss of currently available flying opportunities

Whilst the Applicant acknowledges that the Morgan Generation Assets would adversely affect helicopter flights in support of Millom decommissioning (see for example: Appendix A within Volume 4, Annex 11.1 Aviation and radar technical report - Helicopter Access Report (APP-045) and item REP1-044.10 of Table 2.3 of the Applicant's Response to Written Representations (REP2-005)), the full extent of the resultant disruption and economic loss has not been accepted. Harbour Energy considers this issue to be of greater criticality than the marine access issues covered in Section 2.2.

The Applicant and Harbour Energy have calculated slightly different values for the loss of flying opportunities relative to those currently available. The difference of view was set out as item HE.AOME.5 in the initial draft Statement of Common Ground (REP1-031) submitted at DL1. Although the status of this item was marked as "Ongoing point of discussion", no further discussion on this matter has occurred since before DL1. As indicated in the initial draft Statement of Common Ground, Harbour Energy assesses that, after voluntarily limiting its proposed future flying to daylight hours, the proximity of the Morgan Generation Assets would result in a loss of 10% (annual average) or up to 16% (in winter months) of currently available daylight opportunities to fly to an NPI stationed at Millom East. By contrast, the Applicant states that 94.4% of daylight flights would be unaffected (Appendix A within Volume 4, Annex 11.1 Aviation and radar technical report-Helicopter Access Report (APP-045)) which, when expressed in comparable terms (i.e. as the percentage of currently available flying opportunities that would be lost as a result of the construction of the Morgan Generation Assets) corresponds to a loss of 4%¹ of

 $^{^{1}}$ Loss of flights = 1 – post-wind farm availability / current availability. Assuming that Harbour Energy schedule all flights during decommissioning in daylight hours, loss of flights = 1 – 94.4% / 98.7%.

currently available opportunities to fly to an NPI at Millom East The Applicant has not presented the corresponding winter impact.

In item REP1-044.10 of Table 2.3 of the Applicant's Response to Written Representations (REP2-005) the Applicant appears to believe that Harbour Energy's assessment of the loss of flying opportunities to an NPI at Millom East should be reduced as Harbour Energy has indicated that flights will not be required to any NPI in support of remaining Millom West decommissioning activities. The loss of flights quoted by Harbour Energy (an annual average of 10% of daylight flying opportunities currently available rising to 16% of daylight flying opportunities currently available in winter) was already calculated in the context of helicopter support for Millom East decommissioning activities only, so no further reduction is appropriate.

The main reason for the difference between the Applicant's and Harbour Energy's assessment of flight losses arises from the Applicant considering each 10-minute data point within the met-ocean dataset and assuming that, if conditions are suitable for flying, a flight would go ahead. In practice, an aircraft would not leave Blackpool Airport without a reasonable expectation, based on a weather forecast, of being able to land. Harbour Energy has assumed (refer to Section A1.2.4 of Harbour Energy's Written Representation) that unless at least 2 of the next 3 data points are suitable for flying, a flight would not go ahead.

2.1.2. Disruption and economic impact

Of greater significance than the difference in assessment of flights that would be lost is the difference in view between the Applicant and Harbour Energy concerning the resulting disruption and consequent economic loss. Harbour Energy has carried out detailed modelling based on several possible scenarios for aviation support during Millom East decommissioning. As set out in Section 2.2.1 of Harbour Energy's Written Representation (REP1-045), the most likely scenario is that a helicopter would be procured to support Millom East decommissioning for 3 days each week for the duration of the programme. During that time 2-3 flights would need to be executed each day. As a result, there would be quite a lot of flexibility in the scheduling of flights within a day which is why Harbour Energy believes that it could restrict itself to flying in daylight leading to a very significant reduction in flights that would be lost (from an annual average of 20% to 10% and from 42% in winter to 16%). A consequence of only having a helicopter available for 3 days per week would be that if flights were not possible on a day, it could be 1, 2 or 4 days before the next flight could be scheduled. This leads to Harbour Energy's assessment that a 120day decommissioning programme would be extended by between 23 and 39 days. Under item REP1-044.11 of Table 2.3 in the Applicant's Response to Written Representations (REP2-005), the Applicant questions this assessment, citing only: "Based on data from similar decommissioning projects, including some in close proximity to current wind farms in Morecambe Bay, the figure of a 23 day delay is excessive and not a reasonable worst case." Every decommissioning programme is different. There is no reason to believe that the data referred to by the Applicant comes from projects that are comparable in terms of duration, complexity, or logistical constraints. Harbour Energy recognises that there are many uncertainties in seeking to predict the potential disruption that the Morgan

Figures taken from Tables A.2 and A.3 of Helicopter Access Study in Environmental Statement - Volume 4, Annex 11.1 Aviation and radar technical report (<u>APP-045</u>).

Generation Assets may cause to the Millom East decommissioning programme. Harbour Energy has nevertheless sought to take a realistic approach.

In item REP1-044.13 of Table 2.3 in the Applicant's Response to Written Representations (REP2-005), the Applicant suggests that the impact of the Morgan Generation Assets amounts to "a minor logistical impact". This shows a lack of understanding of the external logistical constraints that result in a modest loss of flights (up to 16% depending on timing of the decommissioning) leading to significant disruption and economic loss. The Applicant notes that they are unable to comment upon the economic loss assessed by Harbour Energy (likely to be in excess of £10 million - see Section 2.2.2 of Harbour Energy's Written Representation (REP1-044)). This is understood as calculation of economic loss in each potential scenario requires a knowledge of costs and other factors which must remain confidential.

2.2. Marine

As indicated in the Joint Statement between Morgan Offshore Wind Limited (The Applicant) and Harbour Energy, submitted by email on 22 November 2024 (AS-011), the Applicant and Harbour Energy have been discussing the best mechanism to address Harbour Energy's concerns regarding mutually exclusive simultaneous operations and marine access (refer to sections 4 and 3 respectively of Harbour Energy's Written Representation (REP1-045)). The need for appropriate safeguards in the coordination of mutually exclusive simultaneous operations and the spatial requirements for marine access during decommissioning are not fundamentally disputed by the Applicant. Discussion has focussed on the mechanism by which Harbour Energy could gain adequate assurance on these matters. No mutually agreeable mechanism has been reached. Accordingly, Harbour Energy remains of a view that the DCO should contain protective provisions for the protection of Harbour Energy that require a mutually agreeable mechanism relating to mutually exclusive simultaneous operations and marine access to have been reached prior to the commencement of construction.

3. Potential Mitigations

3.1. 3nm exclusion zone

A potential mitigation to the disruption and economic loss arising from the impact of the Morgan Generation Assets was proposed in Section 2.2.2.1 of Harbour Energy's Written Representation (REP1-045) – namely that no wind turbine generators be placed with any part thereof (including rotor tips) within 3nm of the Millom East pipeline end manifold (PLEM). It should be noted that this would still result in a loss of 4% of currently available opportunities to fly to an NPI at Millom East as instrument take-off would still be affected.

3.2. Compensation

As described in Section 2.2.2.1 of Harbour Energy's Written Representation (REP1-045), compensation payments may provide an alternative or (in conjunction with another mitigation) partial mitigation. It was however noted that such payments would be inefficient when considered on a post-tax basis.

3.3. Phased Installation

As noted by the Applicant under item REP1-044.14 of Table 2.3 of the Applicant's Response to Written Representations (REP2-005), the period required for Millom East decommissioning activity is relatively short in the context of the life of Morgan Generation Assets. Harbour Energy accepts that the proposed mitigation of not constructing wind turbine generators within 3nm of the Millom East PLEM (see Section 3.1 above) is disproportionate in the context of this short period, and therefore need only apply until decommissioning of the Millom East wells is complete.

An alternative mitigation would be a phased installation of the Morgan Generation Assets, leaving installation of the towers and rotors of those wind turbine generators to be placed within 3nm of the Millom East PLEM until the end of the installation programme (installation of foundations and transition pieces need not be delayed). This would increase the probability that Harbour Energy could complete the Millom East decommissioning without material impact from the Morgan Generation Assets.

Harbour Energy proposes that this mitigation could be implemented by inclusion within the DCO of a protective provision for the benefit of Harbour Energy based on the following principles:

- A "3nm buffer" shall be defined as the overlap of a circle of radius 3nm centred upon the Millom East PLEM and the Order Limits.
- Until the earlier of
 - o completion by Harbour Energy of Millom Field decommissioning; or
 - o completion by the Applicant of construction activities outwith the 3nm buffer, no construction of wind turbine towers and/or rotors shall be undertaken by the Applicant within the 3nm buffer.

Even with the implementation of the above mitigation, there is a significant risk that construction of the wind turbine generators within 3nm of the Millom East PLEM will nevertheless take place prior to completion of decommissioning due to the uncertain nature of the scheduling of the resources and services to complete the Millom East decommissioning. However, in the interests of reaching a pragmatic solution, if this proposal were acceptable to the Applicant, Harbour Energy would be willing to bear this risk and seek no further protections from the Applicant with respect to aviation or mutually exclusive simultaneous operations and marine access, other than normal custom and practice for marine and industry co-ordination.

4. Conclusions

As set out in the foregoing, Harbour Energy considers that the loss of flights as a result of the Morgan Generation Assets would cause considerable disruption and extension of decommissioning operations, resulting in significant economic loss. Such a loss is unacceptable and would require to be mitigated. Furthermore, in order to secure safeguards in respect of coordination of mutually exclusive simultaneous operations and the spatial requirements for marine access during decommissioning, Harbour Energy would require an agreement to have been entered into with the Applicant.

Substantial effort would be required to resolve the differences between the Applicant and Harbour Energy and implement any of the mitigations set out in Sections 3.1 to 3.2 above.

The mitigation proposed by Harbour Energy in Section 3.3 above, would in contrast be easy to implement through an appropriate protective provision and would leave each party with an equitable share of logistical inconvenience. This proposal represents a significant concession by Harbour Energy in the interests of reaching a pragmatic solution.