

Dear sir,

In response to your letter dated 8 April 2015 and with regard to the question posed to Drax Power Limited (DPL), in its capacity as an interested party, please see attached letter providing an update on the property negotiations between Drax Power Ltd and NGCL.

If you have any further queries please do not hesitate to contact me.

Regards

Marvin Seaman

Project Development Manager

D: 01757 612423

M: 07734 793263

marvin.seaman@drax.com

www.drax.com



Drax Power Station, Selby, North Yorkshire, YO8 8PH, United Kingdom



Drax Power Station
Selby
North Yorkshire
YO8 8PH

+44(0)1757 618381
www.drax.com

FAO: Andrew Mead
The Planning Inspectorate
3/18 Eagle Wing
Temple Quay House
2 The Square
Bristol
BS1 6PN

Your Ref: EN070001

16 April 2015

Dear Sir

Application by National Grid Carbon Ltd for an Order Granting Development Consent for the Yorkshire and Humber CCS Cross Country Pipeline (EN070001) - Request for further information

We write by way of reply to your letter dated 8 April 2015 and in response to the question posed to Drax Power Limited (DPL), in its capacity as an interested party.

DPL has been asked whether it is able to provide evidence confirming that the representation about acquisition relating to the project, that has been made and with regard to s127 (1)(b) of the PA2008, has been withdrawn. We refer to Representation No. 18, received by the Examining Authority from DPL on 20 August 2014.

DPL has been working closely and for a substantial period of time with Capture Power Limited (CPL) and National Grid Carbon Ltd (NGCL) as commercial partners promoting the Yorkshire and Humber CCS Cross Country Pipeline and White Rose CCS Generating Station respectively.

NGCL and DPL are in the process of negotiating the terms of various property agreements affecting DPL's freehold land, which will make provision for the following:

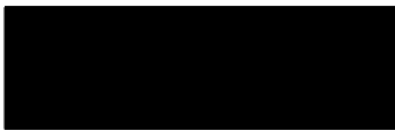
- (a) a lease of land identified in the NGCL DCO Application as the location for a Pig Trap;
- (b) various easements over land identified in the NGCL DCO Application as the route of the NGCL CCS pipeline;
- (c) various leases of land identified in the NGCL DCO Application as being required by NGCL on a temporary basis for laydown and access in connection with construction activities (it is currently anticipated that such leases will be between DPL and CPL in the first instance, with sub-leases from CPL to NGCL supported by an interface agreement between CPL and NGCL); and

- (d) arrangements for asset protection of the existing infrastructure of Drax Power Station¹ (the “DPL Property Agreements”).

Pending finalisation of the DPL Property Agreements (anticipated July 2015), CPL, NGCL and DPL propose to enter into a Memorandum of Understanding (the “MoU”) recording the status of negotiations as at the end of the NGCL DCO Examination Period. In particular, the MoU will address the status of the arrangements for asset protection, described at (d) above. It is anticipated that the MoU will be concluded and signed by all parties by 30 April 2015.

A copy of the MoU, once signed, and further information in relation to the Property Agreements can be provided to the Examining Authority upon request.

Yours faithfully,



Richard Allen
Group Financial Controller

For and on behalf of
Drax Power Limited

¹ DPL and NGCL have acknowledged that the protection afforded to the Drax Power Station infrastructure pursuant to the Protective Provisions contained in the NGCL DCO Application are inadequate and DPL has agreed not to make representations to the Examining Authority regarding such Protective Provisions *provided that* DPL and NGCL can agree protective measures in the DPL Property Agreements which afford an enhanced form of protection for the Drax Power Station infrastructure.