

**(Annex 7 to ABP: 2 of 3 – DL8)**

**Proposed Lake Lothing Third Crossing (TRO10023)**

**Associated British Ports (20013261)**

**Statement given to the Examination by Andrew Harston, Regional Director for  
ABP's Short Sea Ports**

1. I am Andrew Harston, the Regional Director for ABP responsible for the Short Sea Ports. In the context of my career, I have 36 years of management experience in the port sector, a degree in maritime studies and have an MBA.
2. In the role that I occupy, I am responsible for 11 of ABP's 21 ports, including Lowestoft. Just to put that role into context, in addition in my spare time I am a Suffolk business ambassador, I'm on the Regional Council for the East of England CBI, I am an elected Director of the Rail Freight Group which is the industry trade body for the rail sector, a Director of the Ipswich Business Improvement District the BID Management Organisation Ipswich Central, and I'm Chair of the Suffolk Chamber of Commerce Transport and Infrastructure Board, a post I have held since January 2017.
3. In the last 25 years of my career I have been no stranger to infrastructure development, in that in my role with Hutchison Ports, I was the Port Development Director responsible for the new container terminal at Felixstowe as well as the largest rail terminal in the UK built for inter-modal freight, obtaining the consents and the Transport Works Act Order for those rail improvements in the Felixstowe branch line and Ipswich Yard.
4. In the last 5 years and 1 week I have been the Regional Director for ABP's Short Sea Ports.
5. In the context of Lowestoft, our concern really comes down to the fact that as the Statutory Port Authority ("SPA") and also the Commercial Port Operator, we have a statutory duty to operate a harbour which is safe, which is open to access for users and that we can offer safe navigation within the Port – and it is Captain Horton, as the Harbour Master, that has the responsibility to ensure safe navigation.
6. We operate all of our ports under the Port Marine Safety Code and within the Port Marine Safety Code, as we are required to have regard to operating in safety standards that are ALARP, 'As Low As Reasonably Practicable', in terms of risk. From

an ABP perspective, the Harbour Authority Board challenges risk and the operation of our ports regularly and is chaired by our Chief Executive, Henrik Pedersen. All of the Regional Directors, the Functional Directors and the Head of Risk sit on the Harbour Authority Board. So, I am a member of that board and in the context of ALARP and what we wanted to show this morning [in the vessel navigation video], in the context of the vessel approach to Lowestoft, the introduction of a crossing across an operational port, is far from desirable.

7. That said, I must recognise that ABP does not object to the Lake Lothing Third Crossing as has been said and we have been very clear this is the case. Our concern is the impact of the bridge as proposed on the safety and operation of the port. From our perspective, berth space from a port operator's perspective is the most valuable commodity that one has. Lowestoft, because of its history, has quite extensive available berthing. As we have seen from the plans and the drawings and the debates about types and nature of berth, these berths are linear in extent, i.e. they are not piers and quays as you would have seen in the old days in New York Harbour or London or Manchester, but a continuous quay with the exception of the odd knuckle, of course. But that continuous quay is not of uniform depth, so matching vessel requirements to quay space is a key requirement when we are looking at functionality of the berths that we operate.
8. In 2012, ABP and the Port of Lowestoft suffered a collapse to Town Quay, particularly Town Quay 2 and 3. That was an engineering collapse, the reason for which has never finally been determined by engineers or insurers, but the ABP Board at that time, and bearing in mind I took up my post in March 2014, decided after some considerable review to actually authorise the expenditure to replace Town Quay. Now, to replace those two berths as identified in the Berth Utilisation Study, cost the best part of £4 million. I can assure you that, from the ABP Board and Shareholders perspective, we would not have spent that money had we considered that there was already sufficient or over-capacity in the existing quays at the Port of Lowestoft. If that were the case, that missing berth would have been made safe and our funds invested elsewhere.
9. Whilst we can agree with Mr Bedford's earlier comment that the length of quayside is a key aspect, in so doing we do also need to agree what that loss of quay space actually is and currently our views seem to differ.
10. As I said, quay space is the primary asset of a port and should not be easily given up. Since the observed vessel traffic movements identified by the Applicant and, by use of

the time lapse photography referred to earlier, you have heard reference on a number of occasions to ABP having secured a major new customer Peterson.

11. Ports are not set in aspic. They lose trade and they win trade and one of the requirements from the Department of Transport in the National Ports Policy is that ports should effectively over-supply the UK and provide that economic engine for growth.
12. Petersons, from the commencement of their operations on 2 January until last Friday, have handled 65 vessels through our facilities at Lowestoft. We anticipate that they will handle in the order of 300 vessels this year. Those 300 vessels are all in the 60-80 metre range, which I think I heard Mr Bedford say was the area of the vessel distribution which was lightest in terms of its representation. Having secured entry into that market, we do expect that situation to change rapidly during 2019 and we are currently working on a number of initiatives with Peterson to grow that business further in future.
13. As I say, the danger with taking a view at a point in time is that it does not necessarily reflect some of the changes that can happen quite quickly, as indeed winning the Peterson business has shown.
14. Equally, we are looking at those vessel movements and placing them in the context of a growth which may be an order of that projected by BVG. As far as we are aware, and BVG are leading wind industry consultants, no one so far from a port perspective other than ABP has tried to take that crystal ball and look into the future, in terms of the maturing requirements for offshore wind hubs as the industry develops.
15. When the Minister Claire Perry was here on March 7th launching the 30 gigawatt by 30 campaign and stating that Lowestoft and Great Yarmouth sat at the epicentre of the roll out of that next stage of the industry, it has to be recognised that, so far, there is only Greater Gabbard which is operated by SSE and has an O&M based in Lowestoft with 504 megawatts, Galloper for which the construction base was operational from Lowestoft with 353 megawatts, 857 in total, and East Anglia One (EA1) currently under construction with 714 megawatts.
16. The numbers that we have seen, and the market that we have been successful in so far, has been winning that O&M business. I accept that competition is good, and to that end we are establishing our place in the market, particularly with secondary and tertiary supporting facilities that sit behind that CTV demand, to ensure that ABP's Port of Lowestoft wins as much of that business going into the future as we practically can.

17. That said, the market at the moment at 1.5 gigawatts, with Gabbard, Galloper and EA1 all operational, still leaves 2.9 gigawatts for Scottish Power, in EA2, EA1 North and EA3 and 3.6 gigawatts for Vattenfall in Norfolk Vanguard and Norfolk Boreas.
18. Just to take the Scottish Power position, EA2 is 31km from Lowestoft and EA1 North is 36km from Lowestoft. The 2.9 gigawatts remaining to them in consented capacity represents 4 fields the size of EA1 and if those are delivered by 2030, which I think is the ambition of both the operators and the Government, then we would expect a substantial increase in the number of CTV's using Lowestoft.
19. The point that has been made about dedicated berths is that a CTV works like a scheduled bus. So, in the morning it leaves very early to take the technicians to the farm and that departure time is between 6:00-8:00 a.m. The CTV stays on site all day and it comes back in the evening and, like buses going to the bus garage, it needs somewhere to park overnight. So between 16:00-18:00 when those vessels return through to when they leave the following morning, the CTV is on berth. The window that is left, therefore, for other users of those berths is effectively between 08:00 in the morning and 16:00-18:00 in the evening. Of course, there will be occasional vessels that may use those berths if they are doing a crew run but the essence of those berths being dedicated is that, as we said earlier, the most expensive asset for the operators are the technicians who need to be moved to and from the field effectively. On those vessels they go to farm, work all day and they come back and the dedicated nature of the facility is to ensure that transition between ship and shore, and vice versa, is handled as efficiently as possible.
20. It follows as a consequence, that the more of that business you win, the more dedicated berths, particularly in the CTV market, you have to provide. To do that, quay length becomes important because we are talking about a relatively small size of vessel but a need for that vessel to have along-side capability when it arrives or in order to depart. You can't leave these vessels at anchor, bring them back to the bus stop, load them in series and send them out, because the last one would be leaving some two hours after the first one and that is not attractive to the operators and construction parties associated with these very, very high cost developments.
21. It is probably fair to note that I see no reason why CTVs in time would also not adapt to a bridge being in place. Taking a view at a point in time, we accept that the Applicant has tried to provide what they felt was a reasonable under bridge clearance at 12 metres – albeit reduced by one metre for safety clearance. I do need, however, to refer to recent discussions that I have had in the last 10 days with Tom Mayhew, who

is the Managing Director of Njord Offshore, and happy to be quoted. Njord Offshore are an operator of 17 CTVs, one of the leading operators. The position is as follows –

- a. Their fleet currently comprises eight 26 metre vessels that are capable of going under the bridge.
  - b. They do, however, have 8 new vessels that are all in-build, that have an air-draft of 13 metres and will not be able to go under the bridge in a closed position.
  - c. In addition, the next 2 vessels that they currently have in-build, recognising that many of the developing offshore wind farms are slightly further afield, the numbers of technicians being carried are higher - the movement being from 12 to 24 technicians per vessel - and the need for greater stability and visibility, are also 13 metres high.
22. As can be seen, they have now made a transition from what was their previous class of vessel to their next generation vessels all of which are 13 metres or greater going forward. From our perspective, that means if an operator such as Njord or any contemporary operator building new class vessels was to be secured for the former Shell Base, the East of England Energy Park, then that would require more bridge openings than have been taken account of.
23. On a related issue, I should point out that from our perspective, both the operation of the bridge and the opening of the bridge, presents a navigational risk. As we saw today on the video of the vessel coming into Silo Quay, vessels are not like cars on top of tyres. There is no ice skate or rails under these ships. Yes they do actually move in the X/Y plain - they do require a high degree of skill and ability to pilot them through and we are as a consequence extremely concerned from a port operator and the Statutory Harbour Authority perspective that we should not be held responsible as the operator of the Port of Lowestoft for the introduction of a hazard that is not of our making.
24. We have already made points about the need for an indemnity and the need to ensure that from a statutory operational perspective, the very fact of the bridge being present, is not something which will place additional risks and liabilities upon ABP.
25. This also has to be looked at in connection with the impact that the bridge will have on the future operability of the Port of Lowestoft. The Applicant has simply worked on the assumption of CTV movements of under 12 metres height reduced by the required safety margin.

26. In fact, however, as we've said, the market is fickle and the market changes. That market tomorrow could be any vessel. Today we are totally unconstrained in terms of the type, size and nature of vessel other than draft that we can actually move through the Port through what will be the alignment of the bridge and place onto North Quay, 6 or 7, on the Shell Berths. There is no restriction that prevents us from doing that other than the size of the ship. That will not be the case with the bridge in place and there will be impacts on our business which we are not able to control or take into account other than the sets of conditionalities that are presented in the construction of the bridge and that we are then left with for a very long time.
27. The existing Bascule Bridge has been in place now for the best part of 50 years. We are talking about a bridge here with a life of 100 years but as we know in the next 60 years, we will see a lessening of the available height in any case because of the potential rise in sea level. In addition, there are constraints that are being introduced into the way that we do business and operate the port for which we have total responsibility in terms of safe operation. The proposed bridge introduces a hazard over which we will not have control, and from our point of view that places some very serious concerns on ABP and on my Board and on the team that operate Port of Lowestoft.
28. As I have said, we are not against a crossing. We recognise the importance of the crossing for the improved utility, for the movement of traffic, north and south through the town.
29. Access into and out of the Port itself, however, is not improved by the bridge. Although traffic flow generally may be improved, access to and from the port bearing in mind all our activities are on the north side will still be via Commercial Road and we will still need to go via Commercial Road, Station Square and Denmark Road to access the bridge.
30. So from our perspective on a day to day basis for the operation of CTVs, for the operation of Petersons, for the operation of the growing volume of aggregates, we will still work largely with the existing infrastructure that we do today – but we will also have to deal with the imposition of a bridge through the middle of the operational Inner Harbour.
31. From my perspective as Regional Director, the bridge will make it far more difficult to market Lowestoft. We will have to do that in a market where our competitors do not have that disadvantage and who may make the most of the potential of our disadvantage.

32. In addition, as at today, we are being asked to address the consequences of the proposed bridge in circumstances where the scheme design itself has not been completed, the Applicant has failed to provide a Navigational Risk Assessment and from some of the discussion that we heard earlier today, the uncertainties that we face regarding windage and some of the environmental effects on vessels as they move through the Port.
33. ABP's concern is that we are not able to address these risks properly and that as a consequence, we are not, and indeed cannot, discharge our duty properly as a Statutory Harbour Authority and I need to reflect that in terms of what I am saying today.

### **MB RESPONSE**

34. **Andrew Harston:** I would just like to assure Mr Bedford that a commercial marketing line that says - "ABP thinks it is going to be terrible, therefore it will be terrible" is not one that we tend to use very frequently! It doesn't in my experience work well with potential customers.
35. But to come back to the Peterson point, Petersons has been very clear that once their operation matures they wish to be on Town Quay 2 and 3. They want to be closest to the existing bascule bridge. They have no interest in being close to or the other side of the new bridge. What they are hoping to do is attract other business which is complementary to theirs which may well look to use North Quay Cargo Terminal and we would hope we could develop some further business which is in the offshore energy, so this is oil and gas with Petersons and renewable and wind in respect of the CTV movements and the supply vessels associated with the CTVs.
36. We suspect that because we are looking at a market coming from two different histories and two different legacies and starting to mature together for costs and logistics, there may well be some Peterson business that moves into the offshore wind area and vice versa. Traditionally, Great Yarmouth have had the oil and gas space and Lowestoft has had wind, in a manner of speaking.
37. Great Yarmouth has also actually positioned itself in the construction part of offshore wind – towers, turbines, blades. As people know, we have sought to specialise in O&M in the support of those sectors which invariably lead to 15-30 year contracts for O&M centres. Anyone looking at the Outer Harbour at the moment can see the Scottish Power facility going up.

38. One of the aspects that goes some way to negating distance is centre of gravity - the more you secure an operator, the more you can secure their teams, the more you can secure their engineers and build critical mass and the more they are prepared to look at some of the marginal operations which may have been a little more distant because they have an operation in place. This also sits with the support activities, who you hope to attract in the second and third tier, to provide those services as well,
39. So we see that many of those areas are attractive to not only potential O&M and developers of the offshore wind fields but in terms of securing the support sector bases that sit behind them.
40. In terms of the actual, we want customers and potential customers to be very clear about what we think the future may offer the Port and how we will want to both deal with it.
41. Our objection to the bridge is because it creates increased difficulties, increased risk and increased challenges for us in marketing and operating the port. From our point of view we have to have regard to the fact we are a port statutory undertaking, created by an Act of Parliament that, as a consequence, has to comply with certain Harbour Authority statutory duties.
42. Looking at ABP, the reputational impact and the professional way in which ABP approaches its marine duties around all of its 21 UK ports - which includes nuclear submarines at Barrow, all the major cruise liners in Southampton and some of the biggest vessels in the world in Immingham - for us, the ABP Board, navigational safety is a primary concern.

*(As amended and abridged)*