

By email to:

A1BirtleytoCoalHouse@planninginspectorate.gov.uk

25 February 2020

Dear Sirs.

Application by Highways England for an Order Granting Development Consent for the A1 Birtley to Coal House Improvement Scheme (the "Scheme")
Your reference: TR010031

We are providing this letter in response to the Examiner's Written Question 1.3.12 dated 28 January 2020, which we set out below:

NGN has made a representation [RR-004] regarding the temporary acquisition of its land. At present it does not fully support the application. NGN states that further details of its concerns will be set out in its Written Representation including proposed protective provisions.

- a) The Applicant is asked to explain why CA and/or TP is required and whether or not its needs could be met by any alternative provisions, a lease or other legal agreement relating to NGN land?
- b) NGN is requested to provide further details of its proposed Compressed Natural Gas refuelling station including details of the stage it is currently at in the design, planning and consenting process and a timetable for its implementation?
- c) Further details from both parties are also requested providing up to date details of discussions that have taken place regarding the provision for retaining scope for the development of the proposed Compressed Natural Gas refuelling station
- We consider that questions (b) and (c) are pertinent to NGN, and we therefore set out our response, together with supporting documents, below.

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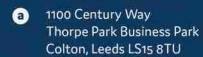






- 3 "NGN is requested to provide further details of its proposed Compressed Natural Gas refuelling station including details of the stage it is currently at in the design, planning and consenting process and a timetable for its implementation?"
- 3.1 NGN has invested significant time into the development of the CNG refuelling station. For the reasons we referred to in our Written Representations submitted at Deadline One, there are only a limited number of sites suitable for such refuelling stations.
- 3.2 We provide a summary of the steps NGN has taken below:
 - (a) June/July 2019 NGN develops the Opportunity Brief including holding an internal workshop to finalise the brief.
 - (b) July 2019 NGN issued the Lamesley Opportunity Brief (the "Brief"). A copy of this is appended at Annex B to our Written Representations as submitted at Deadline One.
 - (c) 16 September 2019 Deadline for submissions in response to the Brief.
 - (d) November 2019 Following the receipt of submissions, NGN selected ENGIE as the successful applicant.
 - (e) ENGIE has taken the steps set out in the letter attached at **ANNEX G**, which has been produced in support of NGN's evidence.
 - (f) NGN has ensured that the proposed Above Ground Installation which is being constructed as a result of the Scheme has the correct valves installed to accommodate the CNG refuelling station.
 - (g) NGN has had various discussions with HE regarding the use of an area of land at Plot 3/6c to facilitate the development of the CNG refuelling station.
- 3.3 It is our understanding that HE has not raised any objection to the construction of the CNG refuelling station and we would not expect it to raise any major issues at Planning Stage. During the various discussions that have taken place to date, HE has indicated on a number of occasions that it would be prepared to accommodate the CNG refuelling station within its plans, provided that it did not require the land for the scheme. We elaborate on this point at paragraph 7 below.
- 4 "Further details from both parties are also requested providing up to date details of discussions that have taken place regarding the provision for retaining scope for the development of the proposed Compressed Natural Gas refuelling station."
- 4.1 We set out a brief chronology of the pertinent discussions which have taken place to date:

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- (a) February 2019 NGN made aware of drawing HE551462-WSP-GEN-BCH-SK-D-00011 NGN Sketch 3 (shows the proposed site construction compound) (ANNEX A)
- (b) CPO published Including Draft CEMP. (ANNEX B)
- (c) 21st August 2019 NGN held a meeting with HE and Costain to inform them that NGN wished to retain 2.2 acres of land for the purpose of the CNG refuelling station. In February 2019 NGN had created proposed sketch drawing (ANNEX C) to show how all the different elements (i.e. the AGI, CNG station and the temporary construction compound) would fit together. This was not shared with HE until August 2019 as NGN didn't know prior to this if the CNG station was feasible. This sketch was shared at the meeting of 21st August.
- (d) 21st October 2019 Meeting held with HE and NGN (Derfel Owen, Ian Whitehead and David Gill in attendance) to discuss NGN retaining land for the CNG station.
- (e) 14th November 2019 NGN formally objects (via National Infrastructure Planning website) to HE retaining all of NGNs land for the temporary construction compound the size of the land required for the CNG refuelling station was reduced from 2.2 acres to 1.35 acres following discussions with ENGIE. This was issued to HE and Costain.
- (f) 10th January 2020 Another meeting (teleconference) was held between HE and NGN to discuss NGN retaining land for the CNG refuelling station. A senior member of NGN (David Gill) gave an update to:
 - i. Further explain the wider benefits of the CNG plant
 - ii. Provide an update on progress of the CNG refuelling station, including that the project was considered to be viable and that there was considerable momentum getting behind the project.
- (g) 21st January 2020 Preliminary Meeting takes place in Gateshead. NGN engaged with HE at this meeting and set out again its desired outcome, and the justification behind it.
- (h) Following the prelim meeting HE presented NGN with a further drawing (**ANNEX D**) which showed NGN retaining the land to accommodate the CNG refuelling station.
- (i) 28th January 2020 Meeting between WSP, HE, Costain and NGN. This was arranged following the Preliminary Meeting.
- NGN has since been provided with a further drawing for the C2 utilities survey (ANNEX E). This drawing omitted the CNG plant, and NGN have subsequently responded with the drawing at (ANNEX F).

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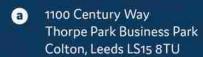


- (k) 12 February 2020 NGN's solicitors requested additional information from HE, including a detailed plan of the precise layout of the Construction Compound at Plot 3/6c in accordance with the Scheme as currently submitted.
- (I) 19 February 2020 Over a week later, a response was received from HE's representatives stating that the additional information would be provided 'shortly'.
- (m) 24 February 2020 No further communication from HE regarding the additional information has been received therefore a further request was submitted to HE's representatives. At the date of submission (25 February 2020) a detailed site layout has still not been provided. NGN have made it clear that a failure to review a detailed site plan will substantially prejudice NGN's ability to provide evidence in accordance with the Examining Authorities timetable.

5 Summary of Current Position

- 5.1 To assist the Examiner we consider it is helpful to understand the negotiations that have taken place under the heading of three broad themes:
- 5.2 NGN and HE have cooperated with each other throughout this process to enable NGN to carry out the infrastructure works required to enable the Scheme to be delivered.
- 5.3 HE has broadly been supportive of NGN's objectives in delivering the CNG refuelling station, and where it considers it to be possible to accommodate the CNG refuelling station within the Scheme, it has indicated a willingness to do so. However, these discussions have been conducted in the context of the amendment which HE has indicated that it intends to make to the DCO redline to include additional land to the south of Plot 3/6c (the "Revised Scheme").
- 5.4 HE does not consider that the CNG refuelling station can be accommodated within the DCO scheme in the form that is currently before the Examiner (i.e. without the additional land to the south of Plot 3/6c.). We refer to this as the "Submitted Scheme".
- 5.5 NGN is aware that currently only the Submitted Scheme is under consideration by the Examiner, and consequently NGN has sought on a number of occasions to clarify HE's land requirements in respect of Plot 3/6c both in terms of the size of construction compound required, and the duration of the temporary occupation.
- NGN has repeatedly requested, but not yet received, drawings and construction programmes to justify HE's acquisition of Plot 3/6c within the Submitted Scheme but neither has been provided to date. The only plan which NGN has received in respect of the Submitted Scheme which purports to show the land use requirements of HE is that within the Draft CEMP. We raised our concerns about this drawing in our Written Representations, and do not repeat them here.

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- 5.7 In failing to provide the information NGN have requested, and in failing to demonstrate why all of the land is required at Plot 3/6c, HE have failed to demonstrate a compelling case in the public interest for acquiring all of the land. HE have not provided any sound reasoning as to why the CNG refuelling station cannot be accommodated and have not been forthcoming in producing an accurate site layout which conclusively states that the station could not be accommodated. Until an accurate representation of the land use at Plot 3/6c is provided, NGNs case remains substantially prejudiced, as a full review is unable to be conducted.
- 5.8 As stated in NGNs Written Representations, HE have been aware of the CNG refuelling station proposal for an extended period of time and have not raised any substantive objections, other than the issue of land take. It is our understanding that HE are fundamentally in agreement with NGN's proposal for a CNG refuelling station and we are aware that the HE would in fact be happy to accommodate the station should additional land become available for use as a construction compound, indicating that the proposal could operate in tandem with the Scheme.
- 5.9 HE's failure to engage and work towards a layout which accommodates both parties is compounded by the fact that CNG refuelling station is of significant public interest. Failure to accommodate NGN's request, or provide any justification for doing so will have major adverse effects moving forward.

Yours Faithfully,

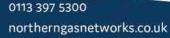
Northern Gas Networks

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Annex A

Drawing Provided by HE to NGN February 2019

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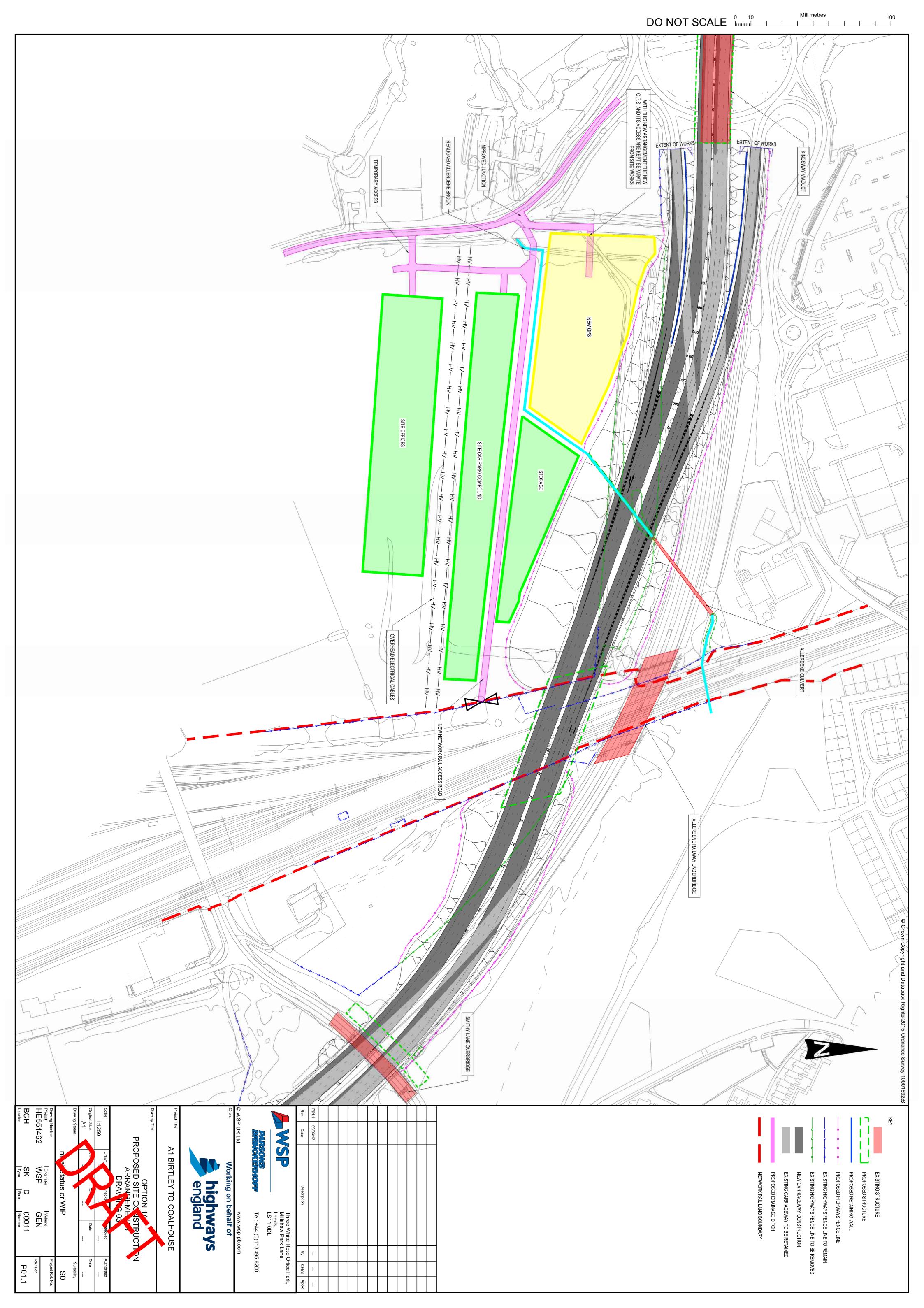
Call the National Gas Emergency Service on 0800 111 999









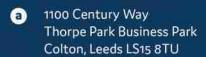


Annex B

Compound layout drawing from Draft CEMP

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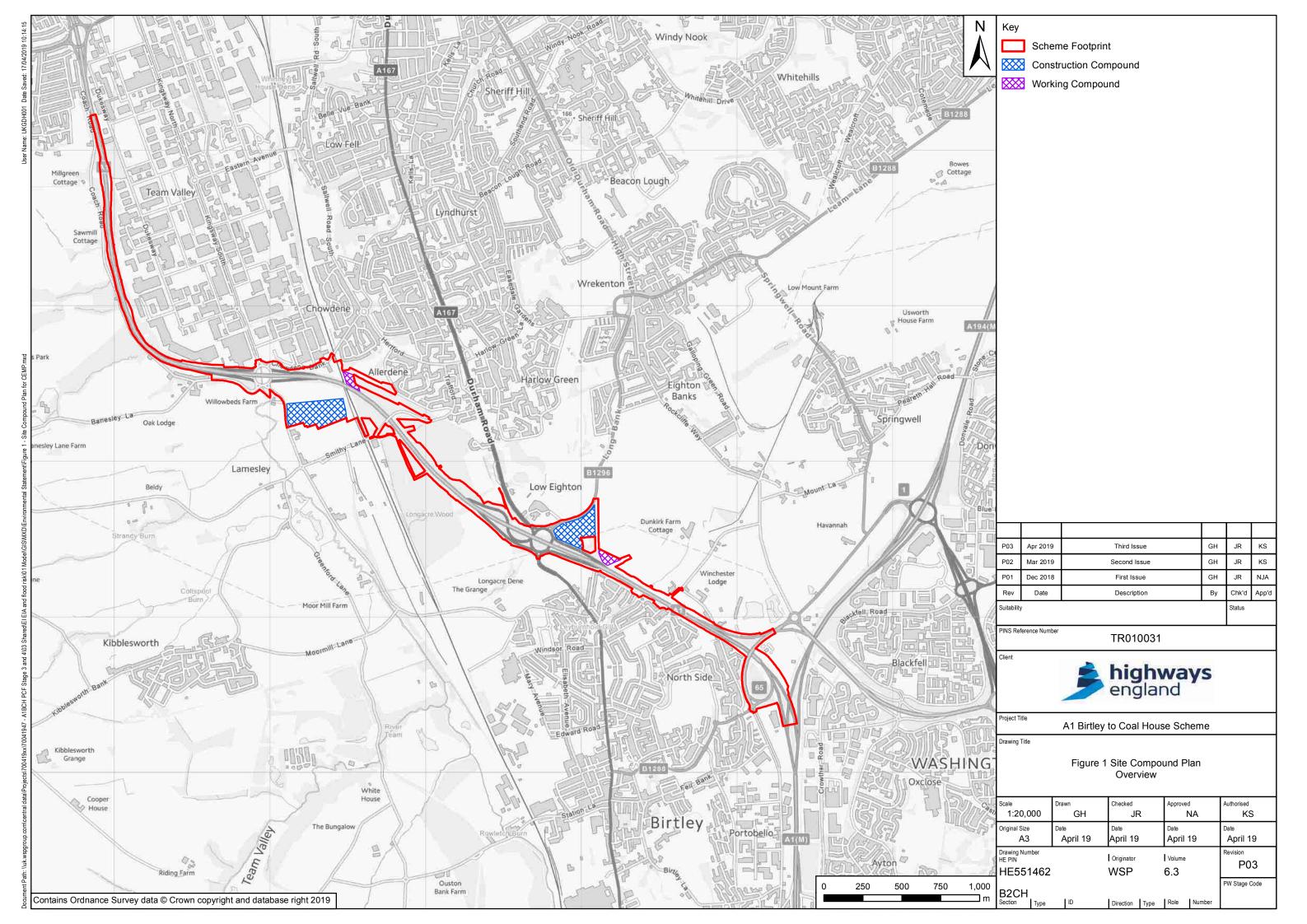
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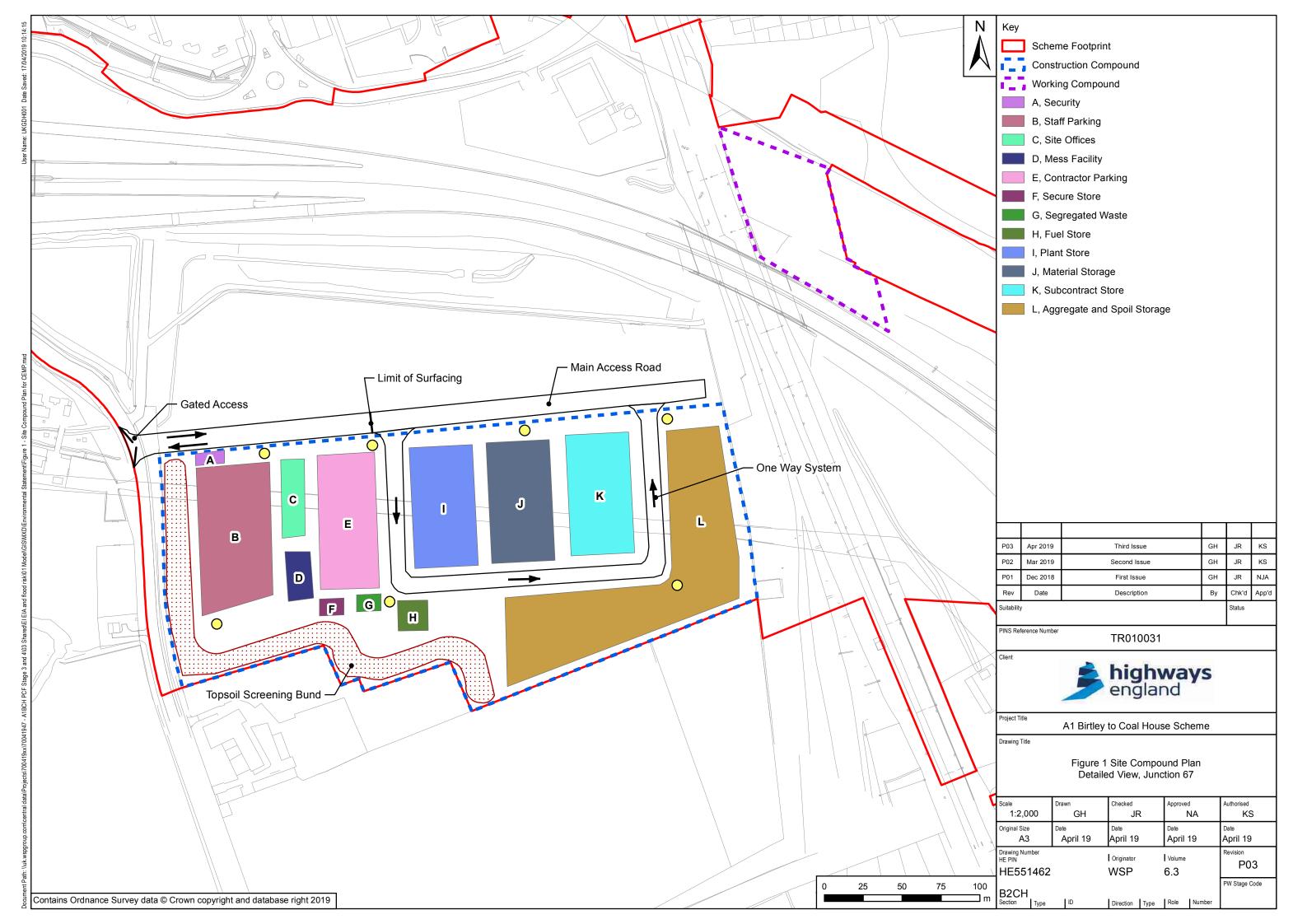


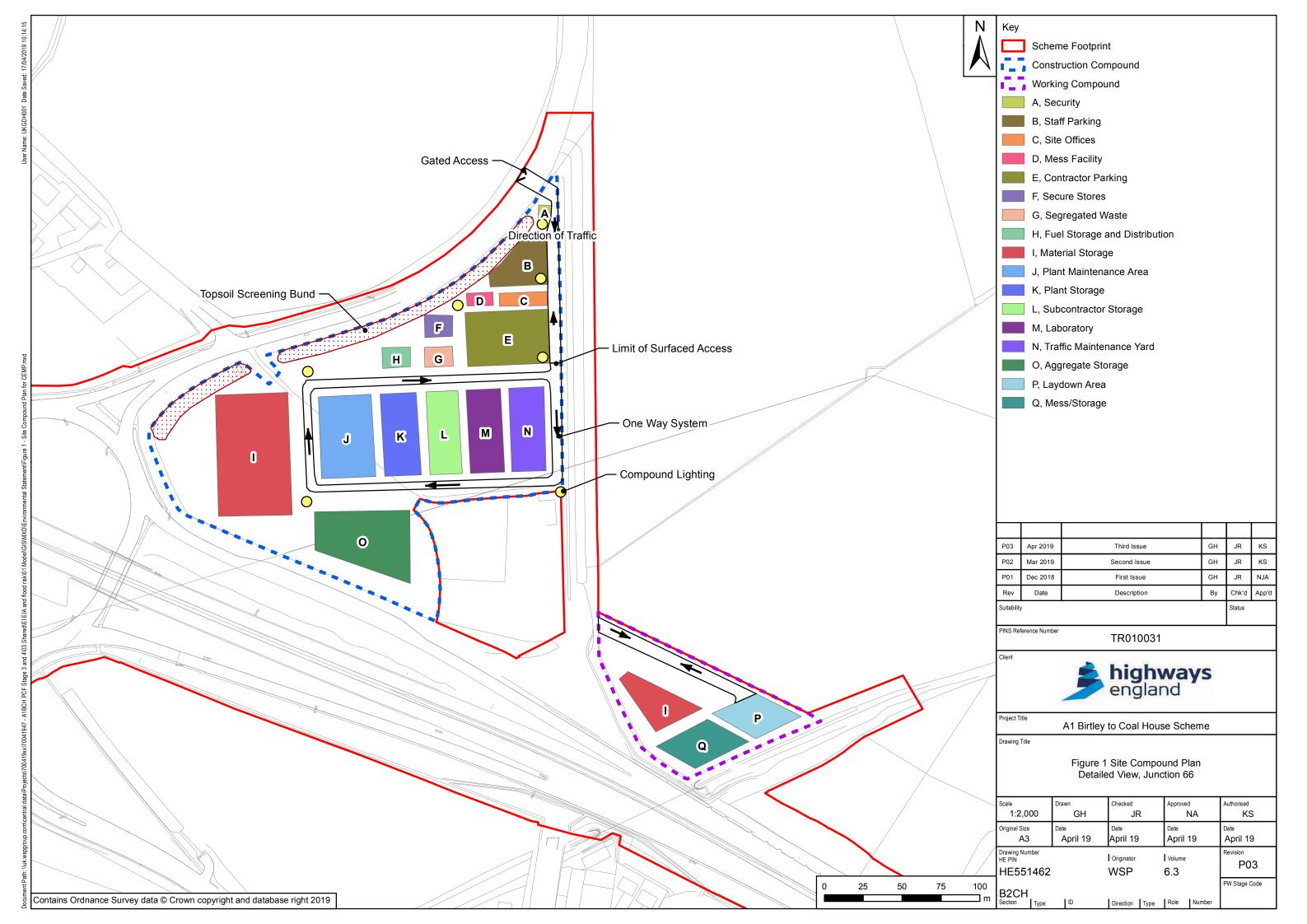












Annex C

Drawing provided by NGN to HE in August 2019

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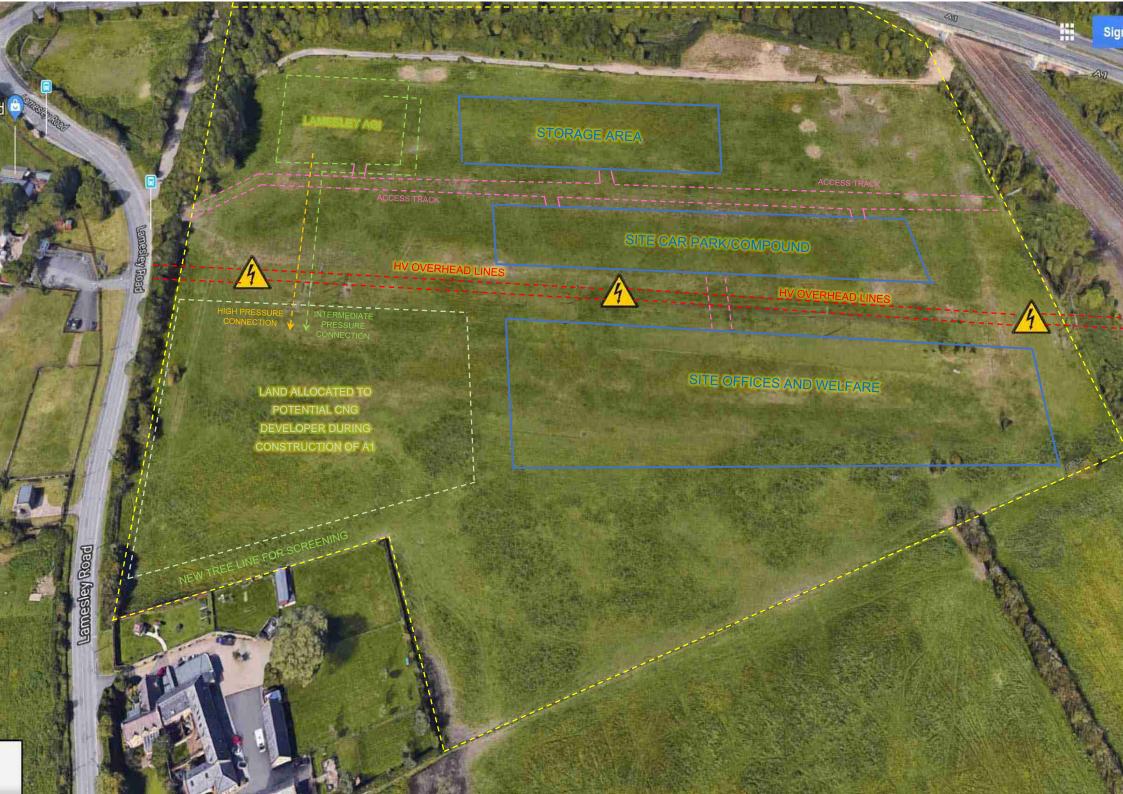












Annex D

Drawing provided by HE to NGN following Preliminary Meeting of 21st January 2020



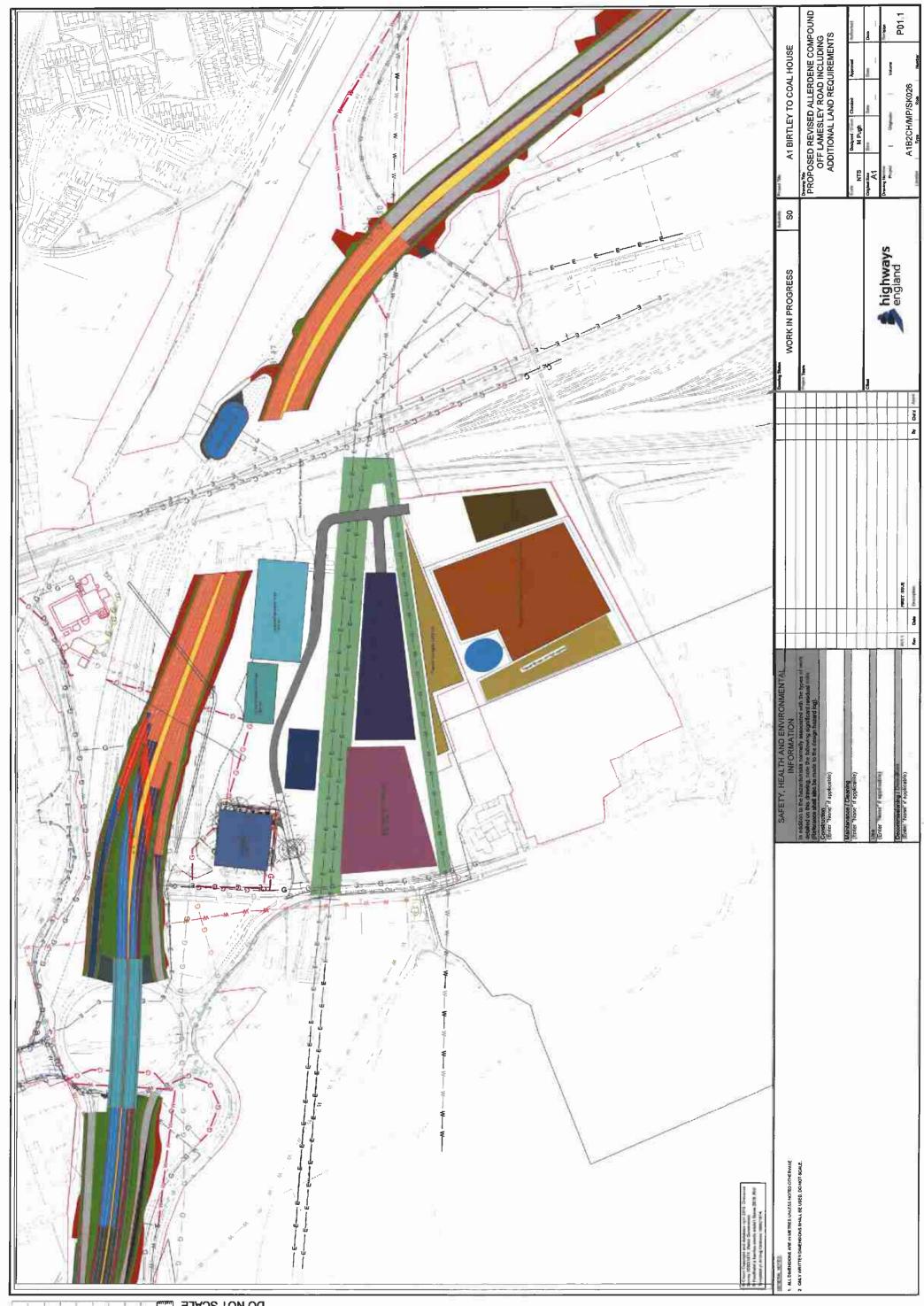
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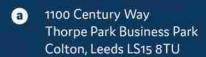


Annex E

Utilities Drawing provided by HE (via WSP) to NGN on 18 February 2020

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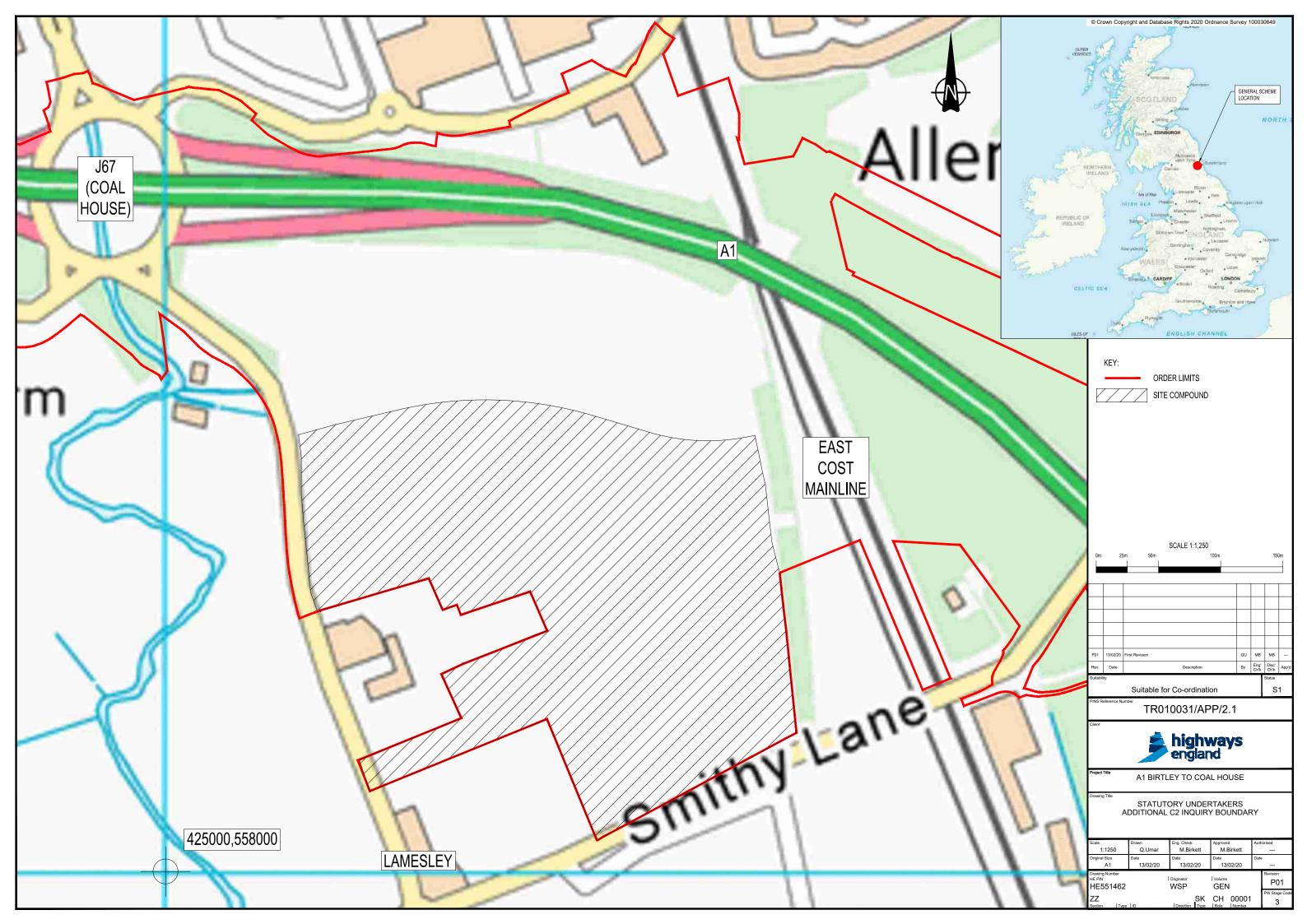
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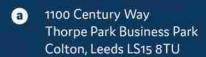


Annex F

Drawing provided by NGN to HE (via WSP) on 19 February 2020

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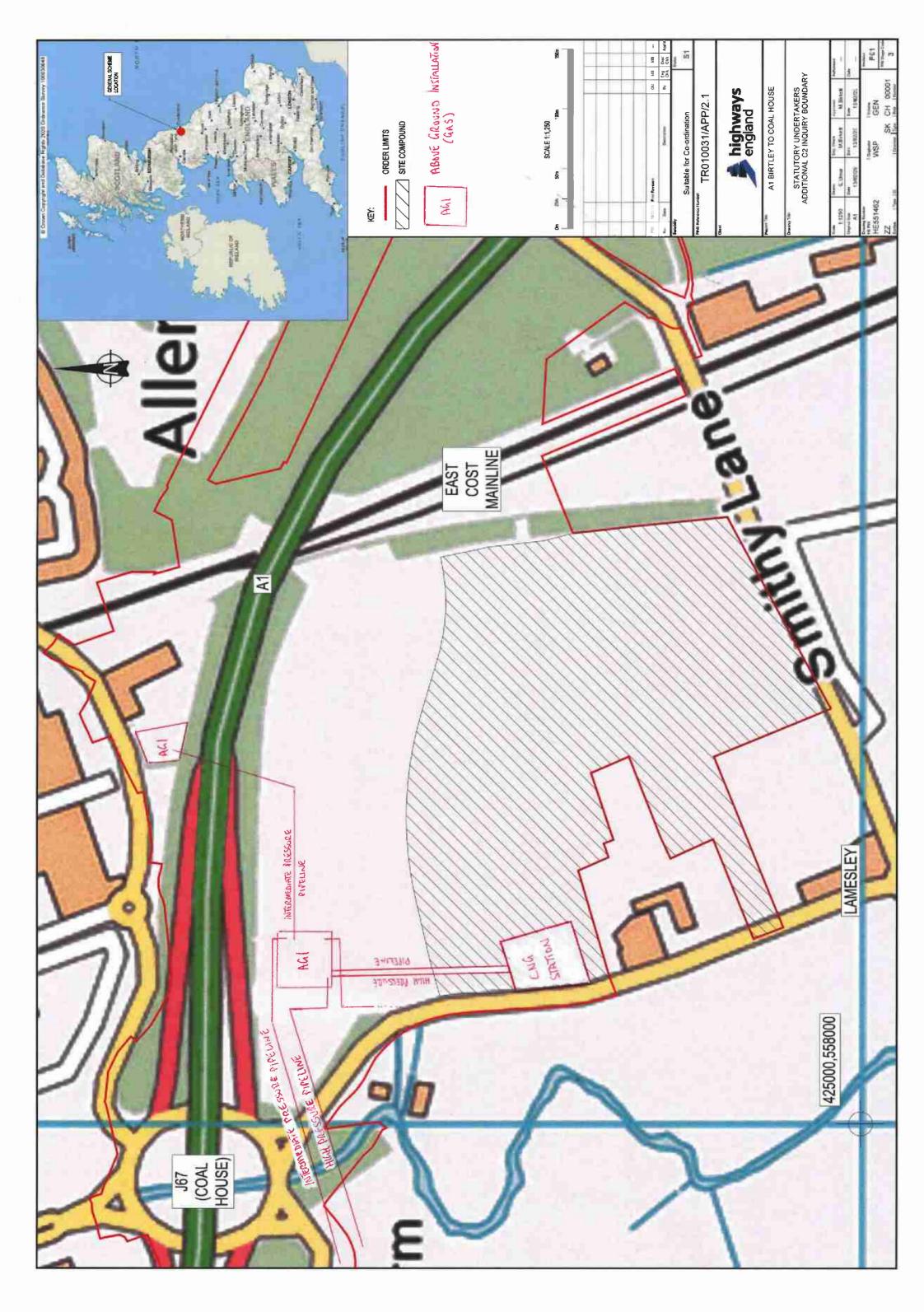
Call the National Gas Emergency Service on 0800 111 999











ANNEX G

Letter provided by ENGIE in support for NGN.

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Call the National Gas Emergency Service on 0800 111 999











Northern Gas Networks

25th February 2020

Dear Sir/Madam.

Lamesley CNG station development

ENGIE examination of low carbon refueling infrastructure needs and user demand started back in 2018 which a comprehensive study of the UK gas refueling sector. The study conducted over a 6-month phase investigated a range of areas including market demand, commercial viability, customer opinion and infrastructure needs.

Specifically, the study highlighted a gap in the existing network in several areas of the country including the North East (this finding was supported by feedback from potential investors in gas vehicles). In April 2018 ENGIE starting to formally investigate the possible deployment of gas refueling infrastructure in the North East region and identified the A1M stretch at Newcastle/Gateshead as a primary location to be developed.

In the course of this development phase ENGIE and our partners have invested over 800-man hours to develop the project into an investable proposition. An overview of what has been involved and achieved within this phase is discussed below.

Assessment of commercial viability

The initial assessment steps included:

- National study of the gas refueling sector carried out which highlighted a required focus on the North East region.
- A study of the local region focusing on the potential market demand, locational analysis of the logistics park in the region, assessment of passing traffic potential and specific discussions with interest groups and bi lateral discussions to determine priority locations.

This work concluded that the Lamesley site was well placed to capture both locally based fleets and to fuel passing traffic. Over 7000 HGV's passed the Lamesley site daily. The site is in an excellent spot to fuel traffic travelling from the Midlands and East Coast to the Newcastle/Gateshead area and beyond into Scotland. It would provide a refueling point for traffic returning south and progressing further north. Equally the site would also act as a refueling hub to service the large number of logistics fleets based in the area.

There are over 50 medium to large logistics fleets based in the area, providing a potential user base of over 1000 vehicles. This together with the large volumes of passing traffic means that a reasonable portion of traffic emissions in the region can be addressed by a deployment of a station at Lamesely. This site provides the best opportunity to capture traffic from the largest range of locations and journey routes.

This view has been further validated through discussion and direct feedback with logistics operators at stakeholder group forums or in bi-lateral discussions with fleet operators, signaling that a deployment at Lamesley would trigger investments in gas fueled vehicles.

This demand view has been incorporated into detailed business case modelling that demonstrates the commercial viability of the station in a range of sensitivity analysis models. ENGIE's discussions with customers also show that gas vehicle investments are viable for fleet operators, who themselves have carried out detailed modelling to make the internal business case.



Station Design

The design of the station and its compound are well developed. Initially the deployment would be for a Compressed Natural Gas (CNG) station and a detailed design phase has been conducted. The station configurations and layout are well understood and can be iterated based on the demand that the station will fuel in its 1st phase deployment and to consider any considerations needed to ensure the area is complimentary to the wider site development.

A modular design has been developed to allow the buildup of the station over time to match demand and maintain commercial viability as the local user market grows. The station design pack and associate supporting information are developed to the stage where they can be used to form the basis of a formal planning application on the site.

Planning and Consents

ENGIE's focus, for obvious reasons, has been on ensuring the viability of the project and ensuring that market research and analysis was conducted in a way which has enabled a strong business case to be put forward. Due to the large amount of vehicular movement at the proposed site, there is a significant demand for the station, not least because of the environmental benefits, which is in accordance with National Planning Policy. Consent for the project is something which we have been actively pursuing and our specialist planning advisors have advised us that they would not expect the construction of the CNG refueling station to face any major issues at the Planning Stage.

Yours Sincerely,

Nick Power Business Manager – Green Mobility

Engie Services Limited Kings Yard 1 Waterden Road Queen Elizabeth Olympic Park London E15 2GP

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