

Dear Examining Authority,

I write on behalf of Stena Line BV because as Stena Line we would like to take the opportunity to provide you with a statement that summarises the position which we have sought to explain in light of the questions you have asked. It may help, however, if I first summarise the context in which Stena Line's need for the Proposed Development has arisen, in that Stena Line has very long-standing experience in relation to the type of port facility that it requires.

1. Stena Group

The foundations for today's Stena Group were laid on 18 November 1939 when the Sten A Olsson Metallprodukter trading company was founded in Gothenburg, Sweden. In the following years the company expanded both inside and outside the country's borders.

Over the years, freight services using the company's own Ferry and RoRo vessels became a significant part of the business. In 1972 the business was divided into two branches: Stena Line AB and Stena Metall AB. In the same year the Masthugget ferry terminal in Gothenburg was completed.

The business continued to expand and at the end of the 1970s major investments were made in offshore and vessels. Stena Fastigheter (Property) was founded in 1980. The tanker shipping company Stena Bulk was founded in 1982. Northern Marine Management, a management company for vessels, was founded in 1983. Concordia Maritime, also operating within the tanker shipping sector, was founded and listed on the stock market in 1984.

The Stena Sphere consists of the three parent companies, Stena AB, Stena Metall AB and Stena Sessan AB – the details of which are provided in the table below. A total of 21,000 people are employed in the Stena Sphere. Total income for 2022 was SEK 93 billion.

BUSINESS AREAS	STENA AB	STENA METALL AB	STENA SESSAN AB
FERRY OPERATIONS	Stena Line		
OFFSHORE DRILLING	Stena Drilling		
SHIPPING	Stena Bulk, Stena RoRo, Stena Teknik, NMG		Concordia Maritime (52%)
PROPERTY	Stena Property		Stena Sessan Fastighets AB
NEW BUSINESS	Stena Adactum		Scandic Hotels Group (20%) Portfolio of venture investments
FINANCE/OTHER	Stena Finance	Stena Metall Finance	
RECYCLING, ENVIRONMENTAL SERVICES AND TRADING		Stena Metall	

Today, Stena Line operates ports and terminals in 10 countries across Europe with 37 RoPax vessels and 11 Ro-Ro vessels. About 50% of our organisation is located in the UK and Republic of Ireland. We develop and contract port operations for the Stena Line Group to ensure safe, efficient and customer centric operations. In order to meet ever evolving customer demands, and to support delivery on our overall Group



strategy, we continue to strengthen our organisation, managers and employees. Our employees make sure that we are a trusted link between people, places and societies, every day 24/7.

Stena Line BV are operating from two own terminals in The Netherlands with eight vessels a day to three terminals in the UK. A total of 700+ people are employed in Stena Line BV.

From Hoek of Holland we have a daily service to Harwich International Port with the 'Stena Hollandica' and 'Stena Britannica'. Both ships operate across the North Sea between Harwich and Hoek of Holland providing a twice daily service from each side. The ships were specifically designed for this route and operate a mix of unaccompanied, accompanied freight units, passenger vehicles and foot passengers.

From Hoek of Holland we have daily service to the port of Killingholme with the 'Stena Transit' and 'Stena Transporter'. Both ships operate across the North Sea between Killingholme and Hoek of Holland providing a daily service from each side carrying a mix of unaccompanied and accompanied freight units..

From Europoort we have a daily service to Harwich International Port with two Ro-Ro Vessels the 'Stena Forerunner' and 'Stena Foreteller'. Both ships operate across the North Sea between Harwich and Europoort and providing a twice daily service from each side carrying a mix of unaccompanied and accompanied freight vehicles. On the RoRo vessels running out of Europoort the number of accompanied units are restricted to a maximum of 12 accompanied units.

From Europoort we have a daily service to the Port of Immingham with two Ro-Ro Vessels the 'Jutlandia Sea' and 'Fiona Sea'. Both ships operate across the North Sea between Immingham and Europoort providing a daily service from each side carrying a mix of unaccompanied and accompanied freight vehicles. Similar to the RoRo vessels running to Harwich the number of accompanied units is restricted to a maximum of 12 accompanied units.

The proposed IERRT development, will provide three new unconstrained in river berths, able to accommodate larger Ro-Ro vessels supported by sufficient and suitable landside storage and operational infrastructure in a location benefiting from suitable transport connections and able to satisfactorily accommodate the levels of traffic predicted and from where Stena Line wish to be operating. The facility will be operated by Stena Line and will significantly improve our ability to grow our business and compete with the other Ro-Ro operators on the Humber and elsewhere in the UK. This proposed development, in our view, clearly accords with key aims and objectives of the UK port policy through providing competition, creating much needed capacity and improving the resilience of port infrastructure and operations for the UK

2. Reason for Stena Line BV to leave Killingholme and move to Immingham.

Wherever possible it is Stena Line's ambition and objective to be in charge of its operations on its own terminal and not be dependent on an external operator, especially when the operator is a direct competitor. In this regard we do not consider that the position of Stena Line is any different to that of any other Ro-Ro operator.

Nevertheless, such a situation developed at the port of Killingholme through a change in the ownership of the port about 15 years ago. Despite this, although we had previously had a generally satisfactory relationship with the owner and operator of the port of Killingholme, CldN, this did not stop them giving us notice on 12 March 2021 in respect of our Europoort contract which saw the termination of that service from Killingholme on 31 December 2021 at 24.00h. As consequence, Stena Line had very quickly to find some way of ensuring that service could somehow continue to operate from the Humber Estuary – which was only achieved through a series of compromises including the use of smaller vessels and by the creation of a temporary facility within the in-dock area at the Port of Immingham. Without that temporary facility – the Stena Line Europoort service would have ceased to operate.



This alone clearly demonstrates why it's essential for Stena Line to be in control of its own facility. It is simply not possible to operate a facility when it is under the control of a commercial competitor.

Without the availability of the new IERRT facility at the Port of Immingham, Stena Line's long term future of the Humber ferry service will be uncertain and we address this further in point 6 below.

3. The Design Vessel

A great deal has been said about the so-called "Design Vessel" and a great deal of what has been said is wrong. The Design Vessel is simply a parameters envelope – beam, draft and length. It does not exist and will almost certainly never exist in the exact form of all three dimensions. The parameters have simply been used to enable the IERRT facility to be properly assessed taking it to its outer limits etc. Nothing more and nothing less.

That being said, Stena Line recognise the trend of Ro-Ro vessels increasing in size and will take account of this trend as necessary in the future development of its vessel fleet. The vessels which Stena Line currently operate, like all vessels, have a service life and will clearly not be the vessels that operate from the facility over its entire operational life.

4. Navigational simulations

In keeping with the Design Vessel parameters (240m LOA) as mentioned in item 3 above, the wind and current coefficients for the ships were based on the 240 Jingling Ro-Ro class vessel as was modelled in the navigation simulations. These were the most appropriate coefficients which were available and representative of the design vessel.

The navigation simulations have considered the Stena Line T class vessels and the Jingling and G9 class vessels. All of the simulations were carried out safely.

The CLdN G9 model is a single – engine, single rudder RoRo vessel. It was included due to it being a 47,000 T displacement vessel, and is only used as a "dead ship" ie a ship that has experienced a total failure of engines, generators and anchors which as has been explained, have never occurred with a Stena T Class vessel - to consider the level of tug support required to arrest such a large vessel (design vessel) in the event of a total control failure.

The manoeuvrability and characteristics (see specification below) of the Stena T class vessels that have been used in a series of simulations at HR Wallingford can be seen as a minimum standard for future new build IERRT specific Ro-Ro vessels

Specification Stena Line T Class vessel

Main engines	2 x 10800 kW STX-MAN 9L 48/60 B		
Aux. Engines	2 x 1450 kW STX-MAN 7L 21/31		
Shaft Generators	2 x 2050 kW Hyundai HFC7 638-44K		
Bow thrusters	2 x 1900 kW, Kawasaki KT-187B5		
Propellers	2 controllable pitch propellers, Rolls-Royce		
Rudders	2 x flap type, Becker Marine Systems TLFSR-1-3550		
Fin stabilizers	2 x 13.52 m ² , Sperry Marine		



As Stena Line we have two masters who have participated in the simulations. One of the masters was present during all simulation runs which have been done so far for the IERRT with the Jingling class, G9 class and Stena Line T vessel class.

Reverting back to the simulation runs with T-class vessels, those runs were conducted under extreme conditions and our masters were still able to dock the T vessels safely with or without tug assistance. As a master they must consider all conditions including the weather, state of the tide, berth appointed etc in order to decide if they can dock with or without tug(s), or in fact if it can be done at all. This was clearly evidenced on one of the simulation runs when the weather conditions were so excessive that the Stena Master indicated that he would never have attempted to berth the vessel in such conditions but would moored outside and waited for the conditions to calm. This is hardly a point against the IERRT infrastructure but simply a point of common sense that applies across the world.

As can be seen on the specification of the T-Class vessels the likelihood of a complete engine failure is nihil.

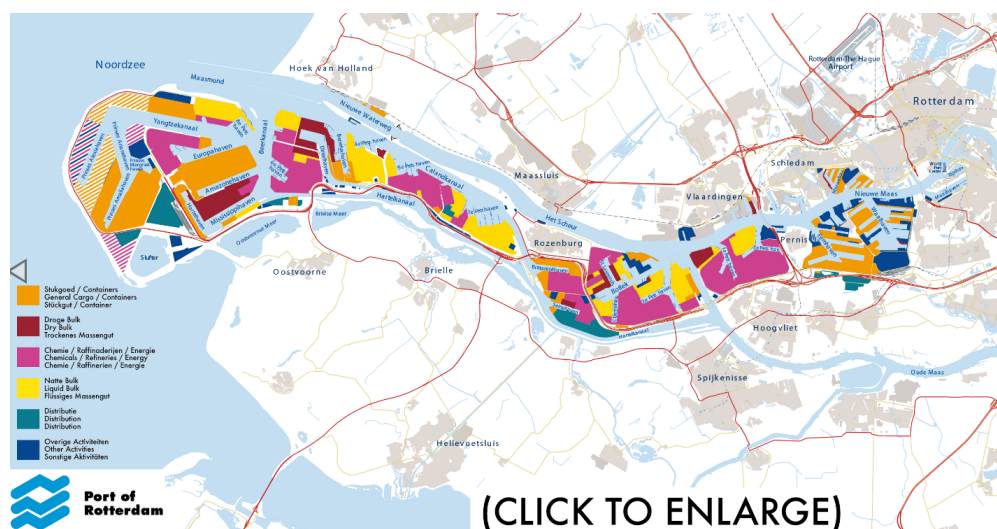
We can confirm that we never had a full black out or complete control power failure with the T-class vessels. The worst thing ever happened on the Stena Transporter. At Sunk Spit a UPS failed and lost both engines and auxiliary engines. Within 30 seconds the emergency generator started and emergency power was restored. After that the master dropped anchor and after everything was restored sailing was commenced again.

5. Location of IERRT

A great deal has been made of the proximity of IOT and the Eastern Jetty to the IERRT facility which bearing in mind the success of the extensive navigational simulations does seem rather strange. Putting aside the proximity of the Western Jetty to the IOH which has been passed daily by DFDS vessels without incident – the existence of sensitive marine infrastructure close to harbour facilities is simply an inevitable fact of port infrastructure, which is seen on many other ports and terminals worldwide.

See for example the Port of Rotterdam:

Orange	Containers / General cargo / Ferry
Red	Dry Bulk
Purple	Chemicals / refineries / energy
Yellow	Liquid Bulk
Green	Distribution
Blue	Other activities





6. Stena Line and the Humber estuary

Stena Line, recognising the importance of the Humber estuary, commenced Ro-Ro operations there in year 2000 with a single route and today this has been expanded with a 2nd route. Both of these had sat reasonably comfortably at Killingholme until the issue of capacity, apparently due to Brexit was raised. That particular time was extremely challenging for both Stena Line and CLdN and precipitated a step change in the relationship between the two companies as identified above.

Almost twenty five its years after commencing service on the Humber, Stena Line is now in the invidious position of operating two routes to the Humber, which to a large extent have the same customer base at two different terminals – one from a temporary facility at Immingham and one where the owner and operator is a key competitor of Stena Line on the Humber. Logistically this is not acceptable for neither Stena Line nor its customers. Dropping cargo in Immingham and collecting cargo from Killingholme has time and cost implications and thereby competitive disadvantages on the occasions when our customers have no alternative but to do so.

Stena Line, naturally, given its recent history on the Humber, not only has a long-term ambition to continue to serve that route to market for its long established and future customers but we are duty bound to do so. We simply cannot do this from either the temporary constrained facility at the Port of Immingham or at Killingholme, where we are not masters of our own destiny but have to rely upon a terminal owner and operator who is one of our main competitors. It is therefore paramount that we have a sustainable foundation on which we will be able to develop our services and grow our portfolio of routes accordingly. It must be recognised that the Humber estuary routes we operate, in turn, support other routes such as those on the Irish Sea and beyond.

If the Proposed development does not receive approval, Stena Line will have serious concerns over its future presence on the Humber estuary and how it can possibly operate at the level our customers require.

CLdN proposed in a letter dated the 12th of January 2021 to Stena Line to extend the Hoek van Holland contract until 1 July 2031 with a shorter extension until 1 July 2024 proposed for the Europoort Service. Attached to this proposal CLdN suggested new and amended contract terms. Based on the available terminal capacity the maximum volume throughput per year was suggested for the Hoek van Holland service as a maximum of 65,000 unaccompanied units and 1000 containers. For the Rotterdam service an offer for a maximum of 70,000 unaccompanied units and a maximum of 1000 containers was proposed. Furthermore CLdN suggested that it was not possible to exceed the current vessel (Hoek van Holland and Europoort) total lane meters capacity.

In another offer dated 23 March 2022 CLdN referred to the Hoek van Holland service at Killingholme which was based on a twenty year extension until May 2045. This was not an offer for both the Hoek van Holland Service and Europoort but only applicable for the Hoek van Holland service.

CLdN then made an offer dated 30 January 2023 in relation to the Hoek van Holland service and sought to renew the current Hoek van Holland contract until May 2050 (including a break option).

CLdN's proposal dated 12 January 2021 as described above would clearly not have given Stena Line what it requires and the conditions imposed speak for themselves.

The two offers made on 23 March 2022 and 30 January 2023 were proposed to Stena Line after the letter sent on 12 March 2021 whereby CLdN served notice on the Europoort agreement to terminate as from 31 December 2021 at 24.00hr.

Each of the offers made by CLdN contained restrictions, limitations and conditions which simply could not be accepted by Stena Line – and of themselves underline the need for Stena to be its own master, operating from its own facility.



If Stena Line is unable to continue its services on the Humber that will result in a negative impact on Humber RoRo market conditions including a reduction in competition, resilience and capacity which again are the main pillars of the UK port policy, and an even worse an acute lack of choices for shippers. There are other impacts which could also be a concern.

Furthermore, the predicted future growth, as outlined in the various reports compiled by experts, will then, by default, be restricted to DFDS and CLdN. This will doubtless place enormous pressure on infrastructure at their facilities and the surrounding round network, whereas the Proposed Development (IERRT) would mitigate exactly that scenario by providing additional port infrastructure and an alternative to the Immingham Westgate (DFDS) and Killingholme interchange used to a large extent by DFDS and CLdN respectively.

To quote UK ports policy, Stena Line is of the view that to exclude the possibility of providing additional port capacity through the IERRT facility would be to accept limits on economic growth and on the price, choice and availability of goods imported into the UK and available to consumers. It would also limit the local and regional economic benefits that the development would bring. In addition to being an outcome detrimental to Stena Line, such an outcome would be strongly against the public interest.

We have noted the concerns of the interested parties but we consider that these concerns have been fully addressed in the responses that have been provided and in the detailed assessment work that has been undertaken. It needs to be said, however, that wherever Stena Line operates, through its highly skilled, experienced and dedicated staff, we must be able to demonstrate excellent operational practices which embrace the safety and wellbeing of all concerned. We are also very much aware and totally respect our responsibilities to any environmental impact which could arise from our activities in both the marine and landside areas of our global operations.

Stena Line is of the view that there is a very clear need for the IERRT facility, that the development is appropriately designed, that the minimal adverse environmental effects the development will generate are acceptable and that it, as the future operator of the terminal, has the ability and expertise to operate it in a safe and professional manner.

Yours sincerely,

Stena Line BV

S.M. van der Vlugt.
Senior Manager Port Development & Deputy Trade Director,
Business region North Sea

M +31(0)651299761