

THE INFRASTRUCTURE PLANNING (EXAMINATIONS PROCEDURE) RULES 2010

CAMBRIDGE WASTE WATER TREATMENT PLANT RELOCATION DEVELOPMENT CONSENT ORDER

PINS REFERENCE WW010003

**RESPONSE ON BEHALF OF CADENT GAS
LIMITED TO THE EXAMINATION AUTHORITY'S
FIRST WRITTEN QUESTIONS**



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ExQ	Question to	Question	Response on behalf of Cadent Gas Limited
6.30	Applicant, National Grid, Cadent Gas Limited	<p>Capacity / ability of the gas network to accept biogas generated by the Proposed Development</p> <p>The Applicant proposes that biogas generated by the Proposed Development would be exported to the UK gas grid. Please confirm whether the gas grid system in the Cambridgeshire catchment area would be capable of accepting biogas of the extent proposed? Is there any risk that transferring biogas to the gas grid would not be possible or cease within the future?</p>	Cadent Gas is considering further and will need to revert at the next Deadline.
8.20	Applicant Cadent Gas Limited, Network Rail Infrastructure Limited, National Highways, CCoC, Conservators	<p>To Statutory Undertakers (and others subject to protective provisions): Where Statutory Undertakers (and others subject to protective provisions) have concerns regarding the current drafting of the Protective Provisions within the dDCO [AS-139], either provide copies of preferred</p>	<p>Cadent does have concerns regarding the current drafting of the Protective Provisions within the dDCO [AS-139] Schedule 15 Part 3. The amendments being sought to these Protective Provisions are appended to Cadent's Written Representation submitted for Deadline 1 and negotiations continue with the Applicant to reach agreement on the differences.</p> <p>In terms of why the current drafting is not appropriate Cadent has set out in general terms the need for specific Protective Provisions in its Written Representation. In terms of the specific amendments requested Cadent respond as follows:</p>

	of the River Cam	wording or if you have provided it, signpost where it can be found and explain why you do not consider the wording as currently drafted to be appropriate.	<p>Inclusion of definitions related to acceptable insurance and security and text to current paragraph 10 (indemnity)</p> <p>Provision needs to be included within the dDCO or a side agreement that the works in the vicinity of Cadent's apparatus are not commenced unless: (1) there is third party liability insurance effected and maintained for the construction period of the relevant works; and (2) the person or body undertaking the works (acknowledging the ability to transfer the benefit of the DCO and the ability of the water companies to find themselves in financial difficulties as demonstrated by announcements by Thames Water earlier this year) has the appropriate net worth at the time of commencing works to enable it to meet any liability arising from damage to Cadent's apparatus or that there is appropriate security in place through a bond or guarantee.</p> <p>Cadent derives no benefit from the Project and needs to ensure that it is not be exposed to any costs or losses as a result of the Project. Money spent and costs incurred by Cadent is ultimately passed on to consumers in their energy bills. This is not appropriate in respect of losses caused by a third party and Cadent requires, therefore, the comfort that works near its apparatus are the subject of appropriate insurance and security.</p> <p>Definition of apparatus and Cadent's undertaking</p> <p>The definition of apparatus and references to gas supply need to capture a broader spectrum of apparatus as Cadent becomes responsible for delivering low carbon hydrogen pipelines.</p> <p>Definition of "Specified Works" and existing paragraph 8(11)</p> <p>Limb (b) needs to reflect Cadent guidance CD/SP/SSW/22 "Cadent's policies for safe working in the vicinity of Cadent's apparatus" rather than the guidance referenced.</p>
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			<p>The reason that Cadent is seeking amendments to this sub-paragraph is that Cadent (and its personnel) has in the past been placed under significant pressure to obtain rights and facilities in land where an absolute obligation has been placed on it. Cadent will of course assist the Applicant. However it is key that Cadent and the Applicant work in partnership to obtain rights and facilities and that it is not left to Cadent in isolation to secure. This goes back to the point that we make above that Cadent derives no benefit from the Project. As such, an absolute obligation on it to assist in securing rights and facilities is not appropriate.</p> <p>Current Paragraph 8 (Retained Apparatus)</p> <p>Sub-paragraph (4) seeks to impose deemed approval on Cadent. Cadent cannot agree to such provisions due to Cadent's statutory functions and the legislation governing pipelines.</p> <ol style="list-style-type: none"> 1. Major Accident Hazard pipelines are regulated by the Pipeline Safety Regulations 1996. Under Regulation 15, it is an offence to cause damage to a pipeline as may give rise to a danger to persons and could result in enforcement action by the HSE. 2. The Pipeline Safety Regulations 1996 requires that pipelines are operated so that the risks are as low as is reasonably practicable. In judging compliance with the Regulations, the HSE expects duty holders to apply relevant good practice as a minimum. 3. Well established national standards and protocols for major accident hazard pipelines assist the HSE in ascertaining whether the risks incurred in working with such pipelines have been mitigated as much as reasonably practicable. 4. These industry standards have the intention of protecting: a. integrity of the pipelines, Cadent's network and distribution of gas; b. safety of the local area surrounding gas pipelines; and c. safety of personnel involved in working near to gas pipelines. <p>Cadent therefore requires an appropriate level of control and assurance that the industry regulatory standards will be complied with in connection with works in the vicinity of its apparatus. Failure to comply with industry safety standards, legal requirements or Health and Safety standards create a health and safety risk and could have potentially serious consequences for individuals or property located in proximity to the pipeline/s.</p>
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			<p>Applicant could be liable to Cadent for a third parties' costs under the indemnity, three things would need to occur:</p> <ol style="list-style-type: none"> 1. First, the Applicant must have caused damage or in any interruption in any service provided, or in the supply of any goods, that have caused loss to the third party; 2. Second, that third parties' costs must have been properly incurred by or recovered from Cadent; and 3. Third, Cadent must have either settled that claim having consulted and considered the Applicant's representations or have been obliged to make the payment in under a statutory compensation scheme. This procedure ensures that the indemnity only applies to properly incurred or recovered costs, and provides the Applicant with the opportunity to make representations on any such claim. This is sufficient protection for the Applicant. <p>Notwithstanding the above and the framework of the indemnity, there is a more important principle at stake: Cadent derives no benefit from the Project. Therefore, Cadent should not be exposed to any costs or losses as a result of the Project, whether foreseeable or not. There is no objectively justifiable reason to allocate responsibility for damage or interruption caused by the Applicant such that the Applicant is responsible for foreseeable costs and losses and Cadent is responsible for unforeseeable costs and losses. In both instances, the losses are caused solely by the Applicant and regulated by the terms of the indemnity as identified above. On this point, money spent and costs incurred by Cadent is ultimately passed on to consumers in their energy bills. This is not appropriate in respect of losses caused by a third party.</p> <p>Current paragraph 14 (Arbitration)</p> <p>Paragraph 14 of the Protective Provisions needs to regulate the matters that are subject to arbitration, and those that are not subject to arbitration. As drafted all disputes are referable to arbitration. Cadent seek to carve out of the scope of arbitration certain paragraphs from arbitration for the same reasons noted above in terms of deemed approval.</p>
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