

# Energy Projects Update

Strategic Planning Committee

04 October 2021

# Status of Current and Forthcoming Projects

East Anglia ONE	Constructed
East Anglia THREE	Consented, pre-construction
East Anglia ONE NORTH	Post-Examination, pre-decision
East Anglia TWO	Post-Examination, pre-decision
Sizewell C	In Examination
Nautilus	Pre-Application
Eurolink	Pre-Application
SCD1/South East Anglia Link	Pre-Application
Five Estuaries	Pre-Application
North Falls	Pre-Application

# Sizewell C DCO

- Last few weeks of Examination – closes on 14 October 2021.
  - ISH15 – Proposed Desalination Plant – 5 October
  - Deadline 10 – 12 October
- Deed of Obligation to be signed by the final project Deadline 10 (6 October 2021). ESC has agreed substantive content of the Deed as have SCC for their primary areas of responsibility.
- Next steps
  - then 3 months for Examining Authority report and recommendation to the Secretary of State (January 2022);
  - then 3 months for Secretary of State to make decision (April 2022)?
- Construction potentially to commence Summer 2022.

# SZC Co. draft Deed of Obligation – summary of ESC related funds.

- Resourcing: 2 x Energy Projects Planning posts, 1 x Environmental Health Officer post, £150k annually towards other staffing costs. During Construction.
- Housing Fund: £13,144,788 total including 4 x posts, elements to boost private housing market supply, tourist accommodation market supply and support housing and homelessness services resilience measures. First 6 years of construction.
- Public Services Resilience Fund (Communities): £1,601,960 total – staffing resources included. During Construction.
- Tourism Fund: £12,000,000. During Construction + 3 years.
- Tourism Fund Programme Manager and Marketing Manager: capped at £3,000,000. During Construction + 3 years.
- Economic Development: £4,160,000 to cover staff resource and support the business communities in East Suffolk. During Construction.
- Leiston Sports Facilities (provision of 3G pitch and 2 x MUGAs): £55,000 annually for maintenance and sinking fund. £1,092,000 to design and build. During Construction.
- Natural Environment Improvement Fund (held by SZC Co. ): £12,000,000. During Construction.
- RAMS payment: £150,000. One off payment into RAMS.
- Natural Environment Implementation Officer: 1 post at ESC. During Construction + 3 years.
- Farmland Bird Mitigation Fund: £300,000. During Construction first 3 years only.

In addition, ESC will receive fees for discharge of requirement submissions during the early years of the construction period.

There will also be a Sizewell C Community Fund administered through Suffolk Community Foundation of £23m total.

EDF Energy are committing separately to providing an Environment Trust into which they will pay £1.5m a year for the initial stages of construction, then £0.75m a year for the remainder of the operational period.

# Summary of SCC funds and funds to be passed to third parties by ESC

## SCC FUNDS:

- Resourcing of 3294K for 2 posts and £150k per annum during construction.
- 7.5% transport scheme costs to SCC Highways.
- £1.44m Suffolk Fire & Rescue.
- Public Services and Community Safety:
  - Community safety: A£1.86m
  - Children and Young People: £1.92m
  - Adult Care Services: £2.1m plus £1.2m contingency.
  - Schools and Early Years: £1.8m plus £2.1m contingency.
  - Schools Support: £0.74m plus £0.32m contingency.
  - Public Health: £0 (internalised).
- Employment, skills, education and supply chain: £14.5m plus £400k contingency and £>5m in kind during construction.
- Heritage: £0.3m for archaeology.
- Transport MRN: £2.3m
- Transport Public Rights of Way: £2.5m.
- Leiston Walking and Cycling Fund: £0.65m TBC

## FUNDS TO ESC TO PASS TO OTHERS:

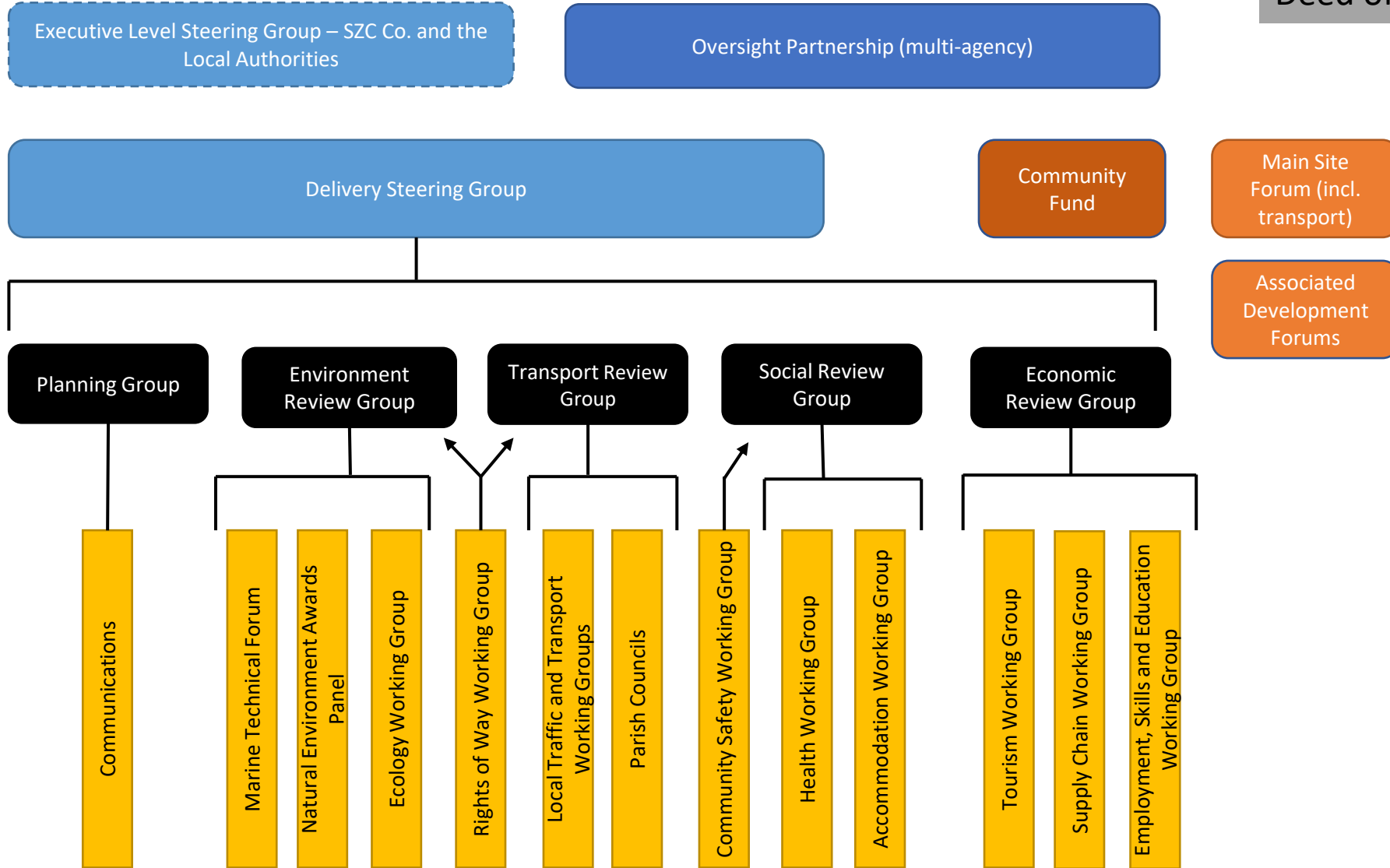
- East of England Ambulance Trust £750,000
- RSPB £100,000 First Leiston Abbey Site
- Historic Buildings and Monuments for England £750,000 + £150,000 Second Leiston Abbey Site
- RSPB, National Trust, Natural England, Forestry England or Suffolk Wildlife Trust: £1.5m Monitoring and Mitigation Plans for Minsmere-Walberswick and Sandlings, and Sandlings (Central) and Alde-Ore Estuary.
- Environment Agency: £500,000 Eel and Migratory Fish Mitigation Measures
- National Trust Dunwich Heath and Coastguard Cottages Resilience Fund: £500,000
- Pro Corda Resilience Fund: £500,000
- RSPB Resilience Fund: £500,000
- Suffolk Design Review Panel: TBC

## FUNDS TO SCC TO PASS TO OTHERS:

- Suffolk Constabulary: £8m + £165,000 for office in Leiston + AIL transport fees up to £10m.
- Ipswich and East Suffolk CCG: TBC but incl. up to £447,697 for a Health and Wellbeing Officer.

FIGURE 1: VISUAL REPRESENTATION OF GOVERNANCE STRUCTURE (58)

Taken from SZC Co. draft Deed of Obligation



58 Note: the Executive Level Steering Group is already in existence and is not constituted in this Deed. It is shown in Figure 1 for informational purposes only.

## Next Steps

ESC will be attending all of the groups on the previous slide, the majority of posts are included in the Deed, the remainder will be covered by the miscellaneous staffing costs and the Energy Projects team.

Funding resulting from discharge of requirements will be distributed as appropriate dependent on input as and when payments are made to ESC.

# EA1N and EA2 DCOs

- Examinations closed on 6 July 2021.
  - Examining Authorities have 3 months to issue their reports and recommendations to the Secretary of State (6 October 2021);
  - Secretary of State has 3 months to make the decisions (6 January 2022);
  - Post decisions there is a 6 week period for legal challenge.
- Construction anticipated to commence 2023.



# Nautilus and Eurolink

## Nautilus Multi-Purpose Interconnector

- 1.4 GW HVDC electricity link between GB and Belgium;
- Briefing with ESC held on 2 September 2021;
- Informal consultation 14 Sept - 26 Oct 2021;
- DCO submission expected Q2 2023;
- Anticipated construction 2025, operational 2028.

## Eurolink Multi-Purpose Interconnector

- 1.4GW HVDC electricity link between GB and Netherlands;
- Less mature project.

**Indicative 5-hectare plot.**  
(Illustrative location for scaling purposes only)

**Converter station search areas**

We have identified five shortlisted converter station search site covers an area of five hectares (12 acres). This includes space for construction lay down areas as well as the converter station building. The converter station will have a height of up to 24 metres. The exact size and height will depend upon the specific proposals for mitigation and construction.

**Landfall options**

The landfall location is the point where our cables come ashore and typically requires a working area of two hectares during construction. The cables will be buried underground at the landfall site. We have identified five landfall location options within the search area.

**Cable route options**

We have undertaken an initial screening of constraints to identify possible cable corridors between the emerging landfall options and converter station search areas, and between the converter station search areas to the proposed National Grid substation in Friston.

More detailed OS Maps will be available online and at our events.



**Initial siting and routing options – non-statutory consultation September - October 2021**

Figure 3: Initial siting and routing options

- Key**
- Landfall location options
  - Landfall E - least preferred onshore\*
  - Northern cable route corridor
  - Southern cable route corridor
  - Shared route for Northern and Southern corridor
  - Central cable route corridor
  - Landfall E cable route corridor
  - Converter station search areas
  - Friston substation
  - Cable corridors for grid connection

\*While Landfall E has not been discounted, it is heavily constrained from an onshore perspective. Landfall E is located within an Important Bird Area (IBA), RSPB reserve and Site of Special Scientific Interest (SSSI). It is also located close to a Special Protection Area (SPA) and County Wildlife Site. These ecological features present substantial siting and routing challenges. As such, Landfall E is not preferred from an onshore perspective. However, due to environmental features and technical constraints in the marine environment we need to consider this Landfall options from an offshore perspective in order to confirm that one or more of the landfall options that have been identified are achievable. We will also consider any engineering measures which could reduce potential effects if it emerges that there is a need for Landfall E to be progressed.

# Other Energy Projects

## Pre-application Stage

### **Five Estuaries (Gallop Extension)**

- Revised connection offer granted but location unknown, to be identified in 2022, not expected to be in Friston;
- Submission of EIA Scoping Report expected soon;
- DCO submission Q3 2023.

### **North Falls (Greater Gabbard Extension)**

- Connection offer granted but location unknown, to be identified 2022, not expected to be in Friston;
- Scoping Report issued July 2021, Scoping Opinion provided by Planning Inspectorate August 2021;
- DCO submission summer 2023.

### **SCD1/South East Anglia Link (SEAL)**

- HVDC subsea link between Suffolk and Kent;
- Connection location not yet known;
- Anticipated operational 2029.

# Offshore Transmission Network Review (OTNR)

- OTNR seeks to increase the levels of coordination in the design and delivery of offshore transmission network infrastructure.
- Recent consultation on workstreams outlined below - July 2021 to 8 September 2021.
- **Early opportunities** - seeks to facilitate greater coordination in the connection of offshore wind projects which are at an advanced stage of their development.
  - Anticipatory investment identified as a key barrier to coordination - Ofgem suggest risk should be shared between developers and consumers.
- **Pathway to 2030** - aims to develop regulatory framework to allow the optimum engineering solution to connect 40GW of offshore wind by 2030.
  - considers a more holistic approach to how offshore infrastructure is designed and delivered under a number of different models.
  - Development of a generation map showing where offshore wind projects are expected to be sited and connected.
  - Production of a design for network infrastructure.
- **Multi-Purpose Interconnectors** – aims to consider changes to frameworks to facilitate the connection of MPIs.
  - Consideration of classification, licensing and ownership of MPIs within the current legal framework and possible future options.
- A response to the consultation was provided by ESC.
- Consultation on a ‘future enduring regime’ for projects connecting beyond 2030 expected later this year.
- Ofgem’s ‘minded to’ proposals expected to be published early 2022.

# Draft National Policy Statements (NPS)

- Energy NPSs set out the government's policy for the delivery of energy infrastructure and provide framework for NSIP planning decisions.
- Revisions to NPSs aim to support the infrastructure required for the transition to net zero.
- Revised draft energy NPSs published 6 September 2021.
  - EN-1 – Overarching National Policy Statement for Energy
  - EN-2 – Natural Gas Electricity Generating Infrastructure
  - EN-3 – Renewable Energy Infrastructure
  - EN-4 – Gas Supply Infrastructure and Gas Oil Pipelines
  - EN-5 – Electricity Networks Infrastructure
- No revised EN-6 (nuclear electricity generation) published, although a new NPS is expected in the future.
- Consultation runs until 29 November 2021 – ESC will be responding.
- Officers currently reviewing the documents.
- Revised NPSs will only have effect in relation to NSIP applications accepted for examination after their designation – although they will be a material consideration.

# Revised NPS EN-1

## Some Initial Observations

- Emphasis on the importance of wind and solar technologies complemented by other technologies which supply energy to meet Government targets (except new coal or large-scale oil fired electricity generation). Urgent need for low carbon hydrogen infrastructure.
- Confirmation that Secretary of State is not required to consider separately the specific contribution of any individual project to satisfying the need established by the NPS.
- Additional nuclear generation beyond HPC is needed to meet energy objectives.
- Interconnectors – ambition for 18GW by 2030 reiterated.
- Confirmed need for substantial onshore network reinforcements in East Anglia to handle increased power flows.
- Recognition that a more coordinated approach to connecting offshore wind will be adopted where possible to reduce infrastructure costs, cumulative environmental impacts and impacts on coastal communities.
- Preference for coordination of onshore transmissions, offshore transmission and offshore generation and interconnector developments.
- Importance of early engagement with stakeholders emphasised.
- Requirement to include a carbon assessment as part of Environment Statement to reduce climate change impacts.
- Encouragement for developers to seek enhancements i.e. environmental and biodiversity net gain.

# Revised NPS EN-2-EN-5

## Some Initial Observations

- EN-2
  - Changed name from 'Fossil Fuel Generating Infrastructure' to 'Natural Gas Electricity Generating Infrastructure'.
  - Removal of specific references to coal fired power stations.
- EN-3
  - New strategic environment assessment will be published to consider 40GW commitment.
  - Acknowledgement that as more wind farms come forward, more mitigation and compensation may be needed.
  - Consideration of need of 'as built' assessments.
  - New sections on pumped hydro, solar and tidal stream energy.
- EN-4
  - Considers briefly hydrogen and CO2 pipelines.
  - Consideration given to impact of emissions from gas storage.
- EN-5
  - New sections introduced:
    - Land rights
    - Onshore offshore assessment
    - Sulphur hexafluoride
  - Declaration that overhead lines may be unacceptable in National Parks and Areas of Outstanding Natural Beauty.

# Ongoing consultations

## **National Infrastructure Planning Reform Programme**

- Opened 12 August 2021, closing 17 December.
- Government seeking views on the Nationally Significant Infrastructure Planning (NSIP) process
- Officers drafting a response.

## **Proposals for a Future Systems Operator Role**

- Consultation seeking views on proposals for the future role, organisational design, and phased implementation of a Future System Operator with responsibilities across both the electricity and gas systems.
- Replacement for National Grid Electricity Systems Operator
- Consultation opened 20 July, closing 28 September 2021.



# Next Steps

ESC will be responding to the consultation on Nautilus MPI by the appropriate deadline.

ESC will continue to engage with the OTNR and provide formal comments as required, in addition to responding to associated consultations.

ESC will review the draft NPSs and provide a response to the consultation.