

## The Government Response to Parliamentary Scrutiny of the Revised Draft National Policy Statements for Energy Infrastructure

Planning for new energy infrastructure

June 2011

## Department of Energy and Climate Change

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# Introduction

## Background

- 1.1 The Planning Act 2008 made provision for applications for development consent in respect of nationally significant infrastructure projects (NSIPs) to be examined and decided by the Infrastructure Planning Commission (IPC) and for the Government to set out policy on the consenting of such projects in National Policy Statements (NPSs).
- 1.2 However, following the election in May 2010, the Government announced that it intended to abolish the IPC and replace it with a Major Infrastructure Planning Unit (MIPU) based in the Planning Inspectorate.
- 1.3 Legislation to enact the abolition of the IPC is proposed in the Localism Bill currently in Parliament.
- 1.4 Should the Bill receive Royal Assent, examination of applications would be carried out by the new MIPU, which would make recommendations to Ministers, who would take final decisions on applications. Both MIPU and Ministers would need to follow the policy framework provided in NPSs, subject to limited exceptions set out in the Planning Act 2008.

## Consultation and Parliamentary scrutiny of the draft energy National Policy Statements 2009-2010

- 1.5 In November 2009 the previous Government published six draft energy NPSs and associated documents for public consultation and Parliamentary scrutiny.
- 1.6 In the House of Commons, the previous Energy and Climate Change (ECC) Select Committee scrutinised the draft energy NPSs (through calling for written evidence and holding oral hearings) and published a report of its findings on 23<sup>rd</sup> March 2010. This included a recommendation that the draft NPSs should be subject to a debate in the main chamber of the House of Commons. This debate took place on 1<sup>st</sup> December 2010 on the basis of revised draft NPSs (see below).
- 1.7 The House of Lords scrutinised the draft energy NPSs in Grand Committee. Five motions were then laid for a debate in the full House of Lords. The debate was held on 29<sup>th</sup> March 2010, but all five motions were withdrawn.
- The public consultation of the draft energy NPSs was held between 9<sup>th</sup> November 2009 and 22<sup>nd</sup> February 2010. The Government received over 3,000 responses to the public consultation.
- 1.9 Following a consideration of consultation responses and the outputs of the Parliamentary scrutiny process, the Government decided to revisit the draft energy NPSs and the Appraisals of Sustainability (AoSs) that underpin them.

## Consultation and Parliamentary Scrutiny of the revised draft energy NPSs

- 1.10 The revised draft NPSs were laid before Parliament for scrutiny on 18<sup>th</sup> October 2010. At the same time the Government published its response to Parliament and to the November 2009 consultation on the draft energy NPSs. Both documents are available at www.energynpsconsultation.decc.gov.uk.
- 1.11 As with the energy NPSs published in November 2009, Parliament decided to designate:
  - the Energy and Climate Change (ECC) Select Committee to undertake the scrutiny in the House of Commons; and
  - the Grand Committee to undertake the scrutiny in the House of Lords.
- 1.12 The documents scrutinised by Parliament and consulted on publicly were:
  - Revised Draft Overarching National Policy Statement for Energy (EN-1);
  - Revised Draft National Policy Statement for Fossil Fuel Electricity Generating Infrastructure (EN-2);
  - Revised Draft National Policy Statement for Renewable Energy Infrastructure (EN-3);
  - Revised Draft National Policy Statement for Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4);
  - Revised Draft National Policy Statement for Electricity Networks Infrastructure (EN-5); and
  - Revised Draft National Policy Statement for Nuclear Generation (EN-6).
- 1.13 The Government also published the following supporting documents:
  - Appraisal of Sustainability (AoS) of the revised draft NPS EN-1 to 6 (separate documents for each);
  - Habitats Regulations Assessment of the revised draft NPS EN-1 to 5;
  - Habitats Regulations Assessment Reports of the revised draft Nuclear NPS EN-6; and
  - Revised Draft Impact Assessment for EN-1 to 6.
- 1.14 This document sets out the Government response to the recommendations in the ECC Select Committee's report on the revised draft energy NPSs<sup>1</sup>. It also answers some of the key issues raised during the scrutiny in the House of Lords Grand Committee and House of Commons debate.

<sup>1</sup> The ECC Committee Report is available at: <u>http://www.publications.parliament.uk/pa/cm201011/cmselect/cmenergy/648/64802.htm</u>

- 1.15 A separate Government Response to Consultation has been issued alongside this document, to respond to the public consultation that the revised draft energy NPSs underwent. Both this document and the response to consultation will be available electronically at www.energynpsconsultation.decc.gov.uk.
- 1.16 Given the level of interest, both the Government Response to Consultation and this document reflect consideration of the Nuclear NPS in the light of the report of the Chief Nuclear Inspector (Dr Mike Weightman) on the Japanese earthquake and tsunami of March 2011 (see paragraph 4.23 onwards).

## **Designation of National Policy Statements**

- 1.17 A National Policy Statement must be "designated" by the Secretary of State, published and laid before Parliament before becoming the primary decision-making document for considering applications for development consent. The Planning Act 2008 requires NPSs to undergo both Parliamentary scrutiny and public consultation before they can be designated.
- 1.18 However, to ensure increased democratic accountability the Government intends that NPSs should be approved by Parliament before they are designated. Subject to its passage through Parliament, the Localism Bill will put the approval of NPSs by Parliament on a statutory footing.
- 1.19 Provisions in the Localism Bill are that approval of an NPS can occur either by "deemed consent" after a "consideration period" of 21 sitting days passing without a vote, or if the House of Commons votes to approve the NPS within the 21 day period.
- 1.20 As the Localism Bill has not yet completed its passage through Parliament, we are proposing an informal process which is as similar as possible to the arrangements that are being proposed in the Localism Bill.

## **Parliamentary Scrutiny**

## **Energy and Climate Change Select Committee Proceedings**

- 2.1 As part of its scrutiny of the revised draft energy NPSs published in October 2010 the ECC Select Committee took oral evidence from:
  - Charles Hendry MP, Minister of State for the Department of Energy and Climate Change;
  - Friends of the Earth;
  - Royal Society for the Protection of Birds;
  - Campaign to Protect Rural England;
  - Renewable Energy Association;
  - UK Business Council for Sustainable Energy;
  - Royal Town Planning Institute;
  - Nuclear Industry Association; and
  - Peter Atherton, Head of European Utility Sector Research for Citigroup Global Markets.

Written evidence was also received from Stop Hinkley and RenewableUK.

- 2.2 The Committee published its report on the proposals for the revised draft energy NPSs along with the minutes of oral hearings and written evidence on 26<sup>th</sup> January 2011. These are available at: <u>http://www.publications.</u> <u>parliament.uk/pa/cm201011/cmselect/cmenergy/648/64802.htm</u>
- 2.3 The Committee's report made 18 recommendations and conclusions. This report contains the Government's response to those recommendations and conclusions.

#### House of Commons Debate

- 2.4 The previous ECC Select Committee recommended that the draft energy NPSs should be subject to a debate in the full House of Commons. Following the Government's decision to revise the draft energy NPSs, it was agreed that the debate should form part of Parliamentary Scrutiny for the revised NPSs.
- 2.5 Members of the House of Commons raised a number of issues during the debate on the draft energy NPSs which were similar to recommendations made by the House of Commons ECC Select Committee. We note in our response to the ECC Committee recommendation where this is the case.
- 2.6 There were also a number of other important points raised by Members of the House of Commons during the debate on the draft energy NPSs. We have summarised these and provided responses to them along with points raised by the House of Lords Grand Committee in this response document.

2.7 The House of Commons debate on the revised draft energy NPSs was held on 1<sup>st</sup> December 2010. A full transcript of the debate is available at: <u>http://www.publications.parliament.uk/pa/cm201011/cmhansrd/cm101201/</u> debtext/101201-0003.htm#10120145000003

#### Proceedings in the House of Lords

- 2.8 As part of the scrutiny of the revised draft energy NPSs published in October 2010, the House of Lords Grand Committee held debates on:
  - the Overarching Energy NPS (EN-1) and the non-nuclear technology specific NPSs (EN-2 to EN-5) on 11<sup>th</sup> January 2011; and
  - the Nuclear Energy NPS (EN-6) on 13th January 2011.
- 2.9 Members of the House of Lords raised a number of issues during the two Grand Committee debates on the draft energy NPSs which were similar to recommendations made by the House of Commons ECC Select Committee. We note in our response to the ECC Committee recommendation where this is the case.
- 2.10 There were also a number of other important points raised by Members of the House of Lords during the debate in Grand Committee on the draft energy NPSs. We have summarised these and provided responses to them along with points raised by the House of Commons in this response document.
- 2.11 Full transcripts of the Grand Committee Debates are available from Hansard for:
  - the debate on 11<sup>th</sup> January 2011 at <u>http://www.publications.parliament.uk/</u> pa/ld201011/ldhansrd/text/110111-gc0001.htm#11011159000086; and
  - the debate on 13<sup>th</sup> January 2011 at <u>http://www.publications.parliament.uk/</u> pa/ld201011/ldhansrd/text/110113-gc0001.htm#11011374000025.

## Energy and Climate Change Committee recommendations and Government response

3.1 The ECC Committee's report made 18 recommendations and conclusions. Some of the recommendations are interlinked. Where this is the case we have answered these together rather than in numerical order.

### **Recommendation 1:**

We welcome the improvements that have been made to the Appraisals of Sustainability since the publication of the first draft NPSs, but we note the continuing dissatisfaction in some quarters. We recommend that to avoid charges of noncompliance in the future, the Government publish guidelines on how, in carrying out Appraisals of Sustainability for future NPSs, it intends to ensure fulfilment of the requirements of the Strategic Environmental Assessment Directive. It should then consult separately on this statement of principles and practice. For the present, we consider that the Appraisals of Sustainability will pass muster. (Paragraph 28)

#### The Government's response

- 3.2 We are pleased the Committee considers that the Appraisals of Sustainability are improved. As we stated in our response to the previous ECC Committee's report, the Government and others have already published extensive guidance on Strategic Environmental Assessment and Sustainability Appraisal. In particular, there is Government guidance in 'A Practical Guide to the Strategic Environmental Assessment Directive' which was consulted on in 2004 and published in August 2006<sup>2</sup>.
- 3.3 We are already sharing and will, of course, continue to share lessons learnt and best practice with other Government departments who are currently preparing and who intend to prepare future National Policy Statements.

### **Recommendation 2:**

We recognise that on this occasion a foreshortened period for scrutiny was acceptable, given that the draft Statements had been subject to full scrutiny by our predecessor Committee. However, we reassert the general expectation that the period of parliamentary scrutiny follows the public consultation period. (Paragraph 33)

<sup>2</sup> A Practical Guide to the Strategic Environmental Assessment Directive is available at: <u>http://www.communities.gov.uk/publications/planningandbuilding/practicalguidesea</u>

#### The Government's response

- 3.4 We are grateful for the Committee's willingness to work to a shorter timescale when considering the revised draft energy NPSs, and recognise that this does not set a precedent for the time that will be needed for scrutiny of future NPSs.
- 3.5 As envisaged during the passage of the Planning Act 2008, we would expect that there would normally be a sufficient period (of the order of 10-12 weeks) for the completion of Parliamentary scrutiny after the end of public consultation. We will therefore continue to support a process where parliamentary scrutiny begins at the same time as public consultation, and proceeds in parallel, but concludes at a later date.

### **Recommendations 3 and 5:**

We welcome the ratification procedure set out in the Localism Bill for adding a formal stage of parliamentary ratification before a Statement can be finally designated. We note, however, that the proposal is for a form of modified negative resolution procedure. Consequently, there is no guarantee that the House will vote on each individual National Policy Statement, although it is always open to the government to ensure a vote, and, under the new procedures for backbench business a committee or an individual Member could request one. We are not persuaded that this entirely fulfils the Minister's assurances to us, though we can also see the possibility of cases where a full vote on a relatively minor revision seems excessive. We would expect the Backbench Business Committee to give a sympathetic hearing to any request for a debate and vote on an NPS in circumstances where the government of the day appeared to be trying to avoid one. (Paragraph 36)

We recommend that the Government makes sufficient time for a full day's debate on the revised draft NPSs, centred on EN–1 (with perhaps a four to six hour debate), but with a business motion providing time for an individual debate or at least an individual decision on each of the technology-specific NPSs. We urge the Chair to consider, where practicable, the scope for consideration of reasoned amendments on each Statement where these constitute a detailed rather than principled ground for rejection. We further recommend strongly that there is provision in a business motion for a separate vote on each of the six energy NPSs. (Paragraph 45)

- 3.6 These issues were also raised in the House of Commons debate.
- 3.7 We are keen for the energy NPSs to be approved by Parliament, which we believe would be best delivered by a debate and vote on the energy NPSs.
- 3.8 The National Policy Statements that we are now laying before Parliament for approval have been through Parliamentary scrutiny and public consultation. Parliament has had the opportunity during their scrutiny to propose changes to the NPSs and we would expect any debates on proposed changes to have taken place at that stage.

3.9 If the House of Commons is not content with the National Policy Statements in this form, the Government will take the statements away and consider whether to make any changes before re-laying them. The Government therefore does not believe that a further process to enable amendments by the House is necessary, and considers that a vote on a non-amendable motion would be most appropriate at this point.

### Recommendations 4, 7, 8 and 17:

We believe that although early ratification of the energy NPSs has some advantages completing the process in advance of the decisions on electricity market reform, the passage of the Localism Bill and the determination of the new planning framework could fail to provide the coherence and certainty that are part of the fundamental rationale for NPSs in the first place. (Paragraph 39)

We conclude that the potential hiatus between the designation of any NPSs and the transfer of decision-making powers away from the IPC provides a further reason why the ratification process should be timed to follow royal assent to the Localism Bill so that all future planning applications are decided by the same statutory authority. (Paragraph 51)

The Government has set out an important, but potentially disruptive or even conflicting, reforms of the planning system in relative isolation from one another. We conclude that the National Planning Framework could provide strategic spatial direction to the National Policy Statements. The various changes to the planning system must be complementary. We therefore recommend that the development of the National Planning Framework and the National Infrastructure Plan, and the enactment of the Localism Bill, should be coordinated. The Localism Bill should not be enacted until the national planning framework and the national infrastructure plan are completed and active. (Paragraph 60)

We recommend that the timing of the NPSs and other significant planning policy developments should be coordinated. In particular, the NPSs must be in harmony with the changes introduced in the National Planning Framework and in the Electricity Market Reform process. Ill-timing could create uncertainty rather than certainty for new energy infrastructure investment. To this end delaying ratification of the NPSs for a few months would allow them to be coordinated with the other significant planning reforms underway Furthermore, the ratification procedure needs to ensure that consent for the NPSs is real and detailed, not just a symbolic vote on a take it or leave it basis. (Paragraph 110)

- 3.10 These issues were also raised in the House of Lords Grand Committee.
- 3.11 As explained in Charles Hendry's letter of 1<sup>st</sup> February 2011 to the Chair of the Committee, the Government is pursuing a major programme of planning reform. We can assure Parliament that these reforms are coordinated. The Government therefore believes that we should not wait for the different elements of our reforms to conclude before we present the National Policy Statements to Parliament for approval.

- 3.12 Subject to the Localism Bill receiving Royal Assent, we intend to abolish the IPC in April 2012 delaying approval until then would cause significant uncertainty to developers and investors, as well as the local communities which may be affected by new infrastructure.
- 3.13 Arrangements are in place which enable designated NPSs to apply and applications to be considered before the Localism Bill receives Royal Assent.
- 3.14 We also do not believe that it is necessary to delay the NPSs until after publication of the Electricity Market Reform (EMR) White Paper, which will set our detailed proposals for reform of the electricity market. While EMR does interact with planning policy, these process have been developed in parallel and the interactions considered within Government to ensure they are consistent. The EMR White Paper is scheduled to be published before the summer recess.
- 3.15 There is an urgent need for new energy infrastructure and we believe that approval and designation of the NPSs are vital steps on the path to meeting our 2050 targets. This is why we have proceeded to lay the NPSs before Parliament at this stage.

## **Recommendations 6 and 18:**

We recommend that the Localism Bill should set out explicit criteria against which the Secretary of State may choose to exercise his or her discretion in deciding a planning application against the advice of the IPC or MIPU. This decision should rest with the Secretary of State for Energy and Climate Change. In addition, the Secretary of State should be required to publish his or her reasons for going against the advice of the IPC or MIPU. (Paragraph 50)

Under new arrangements, the Minister will be able to decide against the advice of the MIPU or the IPC. We recommend that the Government publishes criteria against which the Secretary of State may choose to exercise his or her discretion and the reasons for going against the advice of the IPC or MIPU in individual cases. This matters not just for this Parliament but for decades and even centuries to come, as there are very long-term consequences of decisions on energy policy taken now. It is vital that this issue is addressed or much of the anticipated gain of the NPS system may be squandered by the reintroduction of political uncertainty in a field where investment planning horizons are twenty or more years ahead. (Paragraph 111)

- 3.16 These issues were also raised in the House of Lords Grand Committee.
- 3.17 The amendments that the Localism Bill proposes to make to the Planning Act 2008 transfer the IPC's functions to the Secretary of State. The role of the MIPU would be to carry out some of these functions (and specifically to examine an application) on the Secretary of State's behalf. The amendments which the Localism Bill (Schedule 13) proposes to make to sections 104 and 105 of the Planning Act will clearly set out the basis on which decisions must be made. Both MIPU and Secretary of State will need to follow the policy framework provided in NPSs, subject to limited exceptions set out in the Planning Act 2008.

3.18 There is also already a requirement (section 116 of the Planning Act 2008) for the decision maker (including the Secretary of State) to publish a statement of reasons for its decision either to grant or to refuse development consent. Where the Secretary of State's decision was different from the IPC/ MIPU recommendation, this statement would clearly set out the reasons.

### **Recommendation 9:**

We recommend that the NPS on transmission networks should revert to the formula that the Holford Rules are the "basis of the approach" toward cables. We further recommend that in some areas the situating of cables underground is necessary to reduce the visual impacts of energy networks infrastructure. These areas should include, but not be limited to, National Parks and Areas of Outstanding Natural Beauty. This should be qualified by recognition that particular economic or environmental circumstances could make the placing of cables underground impractical in certain areas. (Paragraph 66)

- 3.19 This issue was also raised in the House of Commons debate and the House of Lords Grand Committee.
- 3.20 We have reinstated the words "basis of the approach" with regard to the Holford Rules. The Holford Rules are designed to help developers in the early stages of formulating possible routes for overhead electricity lines that are likely to have less rather than more adverse visual impact. However, they are neither a substitute for consideration of the full range of relevant environmental considerations in each case by a developer, nor a basis on which a final decision should be reached as to whether a particular proposal is acceptable or not on landscape and visual grounds.
- EN-5 addresses how the IPC should consider applications for overhead 3.21 lines, as this is the infrastructure that is listed in section 16 of the Planning Act 2008. However it is recognised that in particularly sensitive locations there may be a case for some element of undergrounding. We believe the decision on whether or not to underground electricity lines should be assessed at project level on a case by case basis, in order to ensure that the best decision is reached. Our intention has always been that designated landscapes such as National Parks would carry more weight than nondesignated landscapes when balancing against other factors, such as cost, in making a decision. Our stated policy of assessing applications on a case by case basis, which is reflected in the NPS, does in practice lead to more undergrounding in such areas. The Appraisal of Sustainability for EN-5 assessed a presumption that electricity lines should be put underground (generally, or in particular locations, such as AONBs) as a reasonable alternative to the plan. The reasons for not preferring this alternative are set out in Section 2.3.1 of the AoS for EN-5.

## **Recommendation 10:**

We conclude that there is a worrying lack of contingency arrangements should key technologies, such as carbon capture and storage, not prove viable. Without carbon capture and storage, the effort required to meet our energy security and climate change targets would be almost insurmountable. We recommend that section 4.7 of EN–1 should include clearer recognition that carbon capture and storage is economically and technically unproven and that it should lay out a contingency plan for decarbonising the economy without carbon capture and storage.

#### The Government's response

- 3.22 This issue was also raised in the House of Commons debate and the House of Lords Grand Committee.
- 3.23 Section 3.6 of EN-1 acknowledges that there is uncertainty about the future deployment of Carbon Capture and Storage technologies (CCS); this is why we are funding the CCS demonstration programme.
- 3.24 Under the Energy Act 2010, the Government is required to report on progress in decarbonising Great Britain's electricity system, on the development and use of CCS, and to review whether any policies should be revised. This will provide an ongoing opportunity to consider any action that needs to be taken should our current expectations about the likely pace of CCS development and deployment prove unduly optimistic.
- 3.25 Section 4.7 sets out the policy on CCS and Carbon Capture Readiness (CCR) that the IPC should consider when determining applications for relevant types of electricity generation infrastructure. If the policies for consenting such electricity generation infrastructure are revised, the NPS would be revised accordingly.

### Recommendations 11, 12 and 13:

There is significant concern that decision-making by the IPC could give rise to an energy infrastructure that risks breaching the UK's carbon budgets, making it more difficult to decarbonise the electricity sector in the longer term. In the first instance, the Government must look again at the policy levers that give rise to this concern – particularly its reliance on the EU Emissions Trading Scheme as the main means of delivering low-carbon infrastructure. The Government's policy must ensure that projects would not come forward that threatened the achievability of its carbon reduction targets – otherwise this undermines the credibility of these targets. (Paragraph 36)

We are concerned by the risk that the NPS need case may have a perverse impact on the development of new capacity, by encouraging too much new gas plant. We recognise the continuing importance of gas-fired generation in the UK but are worried that, as drafted, the NPSs could lead to a second "dash for gas". This would make it very difficult for the UK to meet its renewable energy and greenhouse gas emissions reduction targets, especially if carbon capture and storage does not prove viable in the short term. To avoid this contingency, in deciding individual applications, the Secretary of State must take into account the volume and kind of capacity already consented or under construction. (Paragraph 84) We remain adamant that the recommendation of the Committee on Climate Change that the electricity sector should be substantially decarbonised by 2030 should be set out in EN–1 as an explicit goal for consideration in planning applications. (Paragraph 85)

- 3.26 These issues were also raised in the House of Commons debate and the House of Lords Grand Committee debate on the overarching energy NPS.
- 3.27 To drive the transition to a low carbon economy, the Government has put in place a system of five year carbon budgets to cut emissions by at least 80% by 2050 and by at least 34% by 2020, and has announced the fourth carbon budget which will require emissions to be reduced by 50% by 2025 against the 1990 baseline. We are committed to meeting both these targets and the 15% renewable energy target in 2020. The Government recognises the renewables target is challenging, but it is committed to investing in renewables and we are on target to meet our first interim target.
- 3.28 We recognise that the electricity sector needs to be largely decarbonised by the 2030s, as indicated by the 2050 Pathways Analysis. Decarbonisation of the whole economy can be achieved most effectively if electricity is largely decarbonised so that electrification of heat and transport can follow. The Government published (in July 2010 with an update in March 2011) its 2050 pathways analysis project which sets out various low-carbon scenarios for achieving our long term 2050 target. The Overarching Energy NPS (EN-1) sets out the various elements of a diverse electricity generation mix, including renewables, nuclear and fossil fuel plant with Carbon Capture and Storage (CCS) which the UK will need to make this possible.
- 3.29 Fossil fuels including gas will continue to play an important role in our energy mix as the UK makes the transition to a low carbon economy. Gas in particular will be needed to provide vital flexibility to support an increasing amount of low-carbon generation and to maintain security of supply. Indeed, significant amounts of gas-fired generating capacity may not be incompatible with our overall 2050 targets and the 2050 Pathways Analysis shows it is possible to hit the 80% emissions reduction target using a large number of gas power stations<sup>3</sup>.
- 3.30 However, we recognise that over the longer term, it is likely that gas plant will need to reduce their emissions if we are to largely decarbonise the electricity sector and meet our climate change targets. There is therefore likely to be a role for gas plant equipped with CCS, which is why new gas plants are required to be built carbon capture ready and the carbon capture and storage demonstration competition is open to gas plant as well as coal plant.
- 3.31 Although the EU ETS is the cornerstone of UK action to reduce emissions from the power sector, the Government agrees that market mechanisms, such as the EU ETS, are not sufficient to deliver our low carbon objectives.

<sup>3</sup> This is only possible with heroic efforts in both reducing our demand for energy and producing bioenergy, and with some renewables. See Pathway 15 of 2050 Pathways Analysis. <u>http://www.decc.gov.uk/assets/decc/Consultations/2050/1343-2050-pathways-analysis-response-pt1.pdf</u>

Therefore, to help incentivise investment in low carbon technologies and bolster the EU-wide carbon price, the Government is supporting a move across the EU from a 20% to a 30% emissions reduction target by 2020. To provide even greater certainty and support to the carbon price in the UK, the Government has announced the introduction of a carbon price floor from 1 April 2013. The floor will start at around £16 per tonne of carbon dioxide (tCO2) and follow a linear path to target £30/tCO2 in 2020 (both in 2009 prices). The primary legislative powers to implement the price floor have been presented to Parliament for approval in the 2011 Finance Bill.

- 3.32 In addition, the Government is proposing significant reform of the electricity market – Electricity Market Reform (EMR) – aimed at ensuring the UK can attract the investment in electricity generation needed to meet its renewable and carbon emission reductions targets in the most cost-effective way, and ensure we continue to have a secure, affordable supply of electricity towards the end of this decade and in the longer-term. Whilst gas will continue to play an important role in the electricity sector (since it is a useful way of providing back-up to intermittent sources such as wind), achieving the UK's decarbonisation objectives will require investors, in the long term, to rely on gas plants with CCS or other low-carbon technologies such as renewables, coal with CCS and nuclear power. To incentivise investment in new lowcarbon generation the Government has consulted on a system of low-carbon generation revenue support (a feed-in tariff or FIT) aimed at giving existing players and new entrants in the energy sector the certainty to raise the level of investment they need to build new low carbon generation.
- 3.33 As part of the same work, the Government also consulted on proposals for a Capacity Mechanism, to ensure an appropriate level of reliability of the electricity system; and an Emissions Performance Standard to provide a regulatory backstop limit for emissions from new coal-fired power stations. A parallel consultation was also held on a Carbon Price Floor to reduce revenue uncertainty and improve the economics for investment in lowcarbon generation. The Government is planning to publish an EMR White Paper before summer recess.
- 3.34 The Government believes that its existing policies will ensure the market brings forward the right mix of low carbon infrastructure projects for development consent. However, the Secretary of State will monitor both the flow of applications into the planning system and the amount of infrastructure that consequently starts to be constructed and comes into operation, to determine whether the types of projects which come forward are in line with the expectations about future infrastructure development, on which the policies in the NPS are based. If, over time, there is compelling evidence that existing policies are failing to achieve their objective, Government will revise them as appropriate.

### **Recommendation 14:**

Whilst we acknowledge the changes that the Government has made to the nuclear NPS, it must make clear that interim storage facilities for up to 110 years of radioactive waste will be necessary for new build nuclear plant. (Paragraph 94)

- 3.35 This issue was also raised in the House of Lords Grand Committee.
- 3.36 The duration of interim waste storage on site is set out in Volume II of the Nuclear NPS and is also emphasised in the site summaries. However, we agree with the Committee that clarity on this point is important so have revised Section 2.11 of the Nuclear NPS Volume I.
- 3.37 On the basis of the Nuclear Decommissioning Authority's (NDA) current indicative timetable, a Geological Disposal Facility (GDF) is expected to be available to take spent fuel from new nuclear power stations from around 2130, which is approximately 50 years after the likely end of electricity generation for the first new nuclear power station (on the basis that it begins operation in around 2018 and has an operational lifetime of 60 years).
- 3.38 The planning assumptions made by the NDA indicate that the GDF is expected to be available for first waste disposal from around 2040. This timescale is consistent with international comparators but we remain keen to improve upon this timescale if possible. The assumption is that legacy wastes will be disposed of first with new nuclear spent fuel being disposed of from around 2130. This is a conservative assumption and does not take into account the future optimisation of waste management systems that could bring forward the date for when a geological disposal facility would be available to receive new build spent fuel.
- 3.39 A robust programme of interim storage must play an integral part in longterm management. Waste will be stored in safe and secure interim storage facilities until a geological facility becomes available.
- 3.40 We have clarified Volume II of the Nuclear NPS to set out that there may be potential for the period of on-site interim storage to be reduced, for example, by opportunities which would enable a GDF to receive wastes earlier. In addition, it is not necessarily the case that the whole interim storage period for waste and spent fuel produced by a new nuclear power station need be on-site. Recognising that alternative approaches may have some benefit, the Government does not wish to preclude operators or others proposing alternative arrangements for the management of waste and spent fuel, for example, in a centralised or shared interim storage facility which could reduce the on-site storage period, if a site or a number of sites can be identified and the necessary regulatory and planning permissions obtained.
- 3.41 However, in the absence of such facilities, the Government expects operators to proceed on the basis that waste and spent fuel produced by a new nuclear power station will be stored on-site pending final transport and disposal in a GDF and this is therefore now reflected in the guidance to the IPC in Volume I of the NPS.

## **Recommendation 15:**

We welcome the arrangements to set milestones for the work to identify a Geological Disposal Facility for the long-term storage of radioactive waste. We conclude that the Government should continue to report progress made by the Nuclear Decommissioning Authority towards identifying a facility, including providing us with copies of the annual report to be published on milestones reached. (Paragraph 95).

#### The Government's response

- 3.42 We agree with this recommendation.
- 3.43 The Government has established a Ministerial Geological Disposal Implementation Board and published a high level timeline which describes the key steps achieved since the programme was launched. It has also set out indicative timescales and milestones in the programme of work leading to the possible first consignment of waste to a facility in 2040.
- 3.44 The Government is committed to producing an annual progress report on geological disposal that will be published, with copies made specifically available to Parliament and the Committee on Radioactive Waste Management (CoRWM), as well as to other key stakeholders.

## **Recommendation 16:**

We conclude that whilst the NPSs could encourage long-term investment in essential energy infrastructure, investors may find the commercial risks of new technologies in particular too high. Consequently the level of investment in new energy infrastructure will not be sufficient to meet our energy security and environmental targets. Mechanisms within electricity market reform such as capacity payments and "contracts for difference" will be vital in ensuring there is adequate private sector investment in the UK's energy market. As part of our inquiry into electricity market reform we will call on the Government to set out how it will encourage the investment of at least £200 billion over the next decade. (Paragraph 105)

- 3.45 The issue of financing of new energy infrastructure was also raised in the House of Commons debate and the House of Lords Grand Committee.
- 3.46 We welcome the Committee's recognition of the importance of EMR. The consultation closed on 10<sup>th</sup> March 2011 and was an important opportunity for people to feed in their thinking and analysis. The Government will publish an EMR White Paper before the summer recess.

## Government response to additional points raised in the House of Commons Debate and House of Lords Grand Committee

- 4.1 During the debate in the House of Commons on 1<sup>st</sup> December 2010 and during the scrutiny in the House of Lords Grand Committee on the revised draft energy NPSs, a number of issues were raised that were also raised by the House of Commons Energy and Climate Change (ECC) Select Committee in their recommendations.
- 4.2 In our response to the ECC Select Committee recommendations above we note where the issue was raised during the House of Commons debate or by Members of the House of Lords and so have not provided a separate response here.
- 4.3 This section contains additional points that were raised during the House of Commons debate and/or during scrutiny by the House of Lords Grand Committee, together with the Government's response to these. Although this section does not answer every additional point raised, it covers some of the main themes raised. The points have therefore been organised by theme rather than the order in which they were raised.

## **Carbon Footprint**

#### Point 1:

The IPC should take account of the carbon impact of all the projects it had consented before taking decisions on other applications (Bishop of Liverpool in Lords Grand Committee)

- 4.4 The Government agrees that it is important to track carbon emissions to ensure that we are meeting our carbon budgets. However, this is a matter for Government and not for the IPC.
- 4.5 The legal framework introduced by the Climate Change Act 2008, requires that Government tracks carbon emissions and ensures levels emitted do not exceed the carbon budgets set. Under central scenario projections we are on track to reduce emissions to below our first three carbon budgets by 85 MtCO2e (2008-12), 114 MtCO2e (2013-17) and 96 MtCO2e (2018-22) respectively.

- 4.6 Government is also required, under the Energy Act 2010, to report regularly on progress towards reducing carbon emissions from the electricity sector, and on progress made in the development and use of CCS technology. The reports must also include a review of whether, in the light of its other findings, Government policies should be revised and in preparing the reports the Government will need to take into account any relevant points raised by the Committee on Climate Change's progress reports towards the reduction targets set out under the Climate Change Act 2008.
- 4.7 The IPC assesses planning applications that are submitted to it against the planning criteria set out in the National Policy Statements. These criteria, along with other interventions in the electricity market (such as EUETS), are already intended to ensure that electricity infrastructure which comes forward for development consent will not risk the UK breaching its carbon targets.
- 4.8 There are also practical reasons why the IPC should not have the task of assessing the carbon impact of the projects it consents; in particular, even when consented, not all projects may be built. Setting a limit on consents purely on the potential contribution to carbon budgets if all projects were completed and came into operation could well lead to later applicants' chances of being granted consent being unfairly prejudiced by earlier applicants who choose not to build after receiving consent. Further, although the IPC could collect information on the major projects it consents, it will not have detailed information on any smaller projects that will continue to be consented by local authorities or on those carbon emitting sectors outside of electricity generation such as transport and manufacturing. The IPC would not therefore necessarily be in a position know how a particular project might affect the achievement of the carbon budget.
- 4.9 As mentioned in response to recommendations 11,12 and 13 above, the Secretary of State will monitor both the flow of applications into the planning system and the amount of infrastructure that consequently starts to be constructed and comes into operation, to determine whether the types of projects which come forward are in line with the expectations about future infrastructure development, on which the policies in the NPS are based.

#### Key Point 2:

IPC should have to take into account the life cycle carbon impact of a proposal when considering whether to grant development consent (Lord Berkeley in Lords Grand Committee)

#### The Government's response

4.10 The Environmental Impact Assessment Directive will apply to any proposal for development consent which is likely to have a significant life cycle carbon impact and it requires applicants to provide an environmental statement with their applications, setting out the likely significant effects of the proposed project. These effects include impacts on climate and the direct, indirect, secondary, cumulative, short, medium and long-term, permanent and temporary, positive and negative effects of the project. It also requires applicants to assess the effects during the construction, operation and decommissioning phases of the project.

## Points raised in relation to the non-nuclear NPSs: EN-1 to EN-5

#### Key Point 3:

The Government intend to have a test of sustainability against biomass ... I would be interested to understand the timescales involved. (Lord Teverson in Lords Grand Committee)

#### The Government's response

4.11 The revised Renewables Obligation Order (ROO) 2011 came into force on 1<sup>st</sup> April 2011. The ROO 2011 sets reporting criteria for sustainability of solid biomass. It also sets out mandatory requirements for bioliquids to comply with sustainability criteria. It is intended that these criteria will become mandatory in April 2013. Paragraphs 2.5.6 and 2.5.7 of EN-3 have been revised to include information on these criteria.

#### Key Point 4:

There should be an explicit obligation on the IPC or its successor to consider prior established rights for, for example, offshore applications when they have to determine applications under the policy statements (Lord Jenkin of Roding in Lords Grand Committee)

#### The Government's response

- 4.12 The Government agrees that this is a very important issue and is keen to balance the interests of all parties where new infrastructure is proposed in an area where prior rights exist, for example where a wind farm may be proposed for an area where oil and gas exploration rights exist. The Overarching NPS (EN-1) expresses these existing arrangements for balancing rights. For example paragraph 4.2.5 of EN-1 directs the applicant to provide information on how the effects of the proposal would combine and interact with other development "including projects for which consent has been sought or granted, as well as those already in existence". This includes all projects, not just renewable energy projects.
- 4.13 The Renewables NPS (EN-3) also has a section (from paragraph 2.6.179 onwards) on interactions between offshore wind farms and oil and gas infrastructure. Applicants are required to assess how a proposed wind farm would affect such infrastructure and engage with any affected parties during the development of plans so that issues can be resolved before any application to the IPC is made.

#### Key Point 5:

Paragraphs in section 5.8 of EN-1, on the historic environment, almost exactly repeat existing protections in PPS5, except that they remove references to non-designated areas. In particular, paragraphs 5.8.12 and 5.8.17 add the word "designated" to existing language in PPS5, thereby weakening protection for non-designated heritage assets.

Paragraph 5.9.9 of EN-1, on visual and landscape impacts, repeats the new contribution-to-the-regional-economy criterion which first appeared in the previous draft EN-1. This is a major departure from existing protections for nationally designated areas and significantly reduces their protection.

Paragraph 5.10.12 of EN-1 advises applicants on ways in which to circumvent green belt protection. That is deplorable. (Lord Judd in Lords Grand Committee)

#### The Government's response

- 4.14 The Government is concerned to ensure that protection for heritage assets is maintained in the NPSs. This is why it repeats the policies and criteria set out in PPS5. Paragraphs 5.8.4 and 5.8.5 set out PPS5 policy HE9.6 on how undesignated heritage assets should be treated, paragraphs 5.8.12 follow PPS5 Policy HE10. However, in the NPS it was necessary to include "designated" as, unlike in PPS5, there is no title "consideration of applications for development affecting the setting of a designated heritage asset". Without such clarification in the NPS, the IPC would effectively be required to apply the special protections for designated heritage assets to all heritage assets.
- 4.15 We have taken account of the comment on "regional" economy. The same point was made by a number of respondents to the public consultation. We have therefore deleted this reference.
- 4.16 The Government agrees that it would not be appropriate for an NPS to instruct developers how to circumvent Green Belt protections. There is, however, guidance in the Annex to PPG2 on Green Belts (Section 3 and Annex C) on the circumstances in which development in a Green Belt may, in certain circumstances, be acceptable. Paragraph 5.10.14 provides further detail on how the PPG2 policies may apply to some of the types of infrastructure which are covered by the energy NPSs but not mentioned in PPG2. It does not, however, alter the general presumptions set out in PPG2 or in paragraph 5.10.17 of the NPS, nor does it advise applicants on how to circumvent Green Belt policies as set out in PPG2.

#### Key Point 6:

I have flicked through the plans, and I cannot see any reference to hydro-power in the context of micro-schemes. Do the Government intend to support hydro-power and particularly small-scale projects? (Neil Carmichael, MP for Stroud in House of Commons Debate)

- 4.17 Micro-schemes and small-scale hydro schemes will not be covered by the NPSs, as those projects smaller than those defined under the Planning Act as NSIPs (projects above 50MW on land and above 100MW off shore) are a matter for planning consent by Local Authorities under the TCPA system, or when off-shore by the Marine Management Organisation (MMO).
- 4.18 However, we accept that the NPSs should set out how tidal and wave technologies will be dealt with when they become commercially viable at 50MW and above in onshore waters (e.g. the Severn or Mersey estuaries) and 100 MW and above offshore. We intend to include wave and tidal technologies in the suite of NPSs at a later date.

#### Key Point 7:

I come to the more difficult, and more problematical, question of CCR, where a plant can be produced but it has to be established that it is carbon capture ready, and how the IPC is to handle those applications. This will be a very difficult problem. (Lord Jenkin of Roding in Lords Grand Committee)

On carbon capture and storage, will new applications for gas-fired power stations be treated the same as applications for new coal-fired power stations in that they will have to be carbon capture ready before they can be accepted at the planning stage? (Ian Lavery, MP for Wansbeck in House of Commons debate)

#### The Government's response

- 4.19 The Fossil Fuel NPS (EN-2) provides explicit information on how applicants should assess technical and economic feasibility. There is also detailed advice in the guidance note "Carbon Capture Readiness (CCR): A guidance note for Section 36 Electricity Act 1989 consent applications" published by the Department in November 2009<sup>4</sup>. Following the 2009 NPS consultation, we amended section 4.7 of EN-1 and section 2.3 of EN-2 to include more information from the guidance, although we expect that applicants and the IPC will refer to the guidance in full when preparing or considering a development consent application for a combustion generating station of 300 MW or more.
- 4.20 All combustion plants that are 300MW or more need to be Carbon Capture Ready (excluding energy from waste plants). This includes gas-fired power stations. Since the introduction of the guidance, full CCR provisions have been a condition in five decisions for CCGT generating stations and further applications under S.36 are being considered by the Secretary of State. We believe this shows that there are no significant problems for developers demonstrating that proposals for new generating stations are CCR.

#### Key Point 8:

If CCS is going to require anything, it will be pipelines to disperse the carbon dioxide that we take out of energy production. However, the pipeline part of the energy draft statement relates only to oil and gas pipelines (Lord Teverson in Lords Grand Committee)

#### The Government's response

4.21 As we mentioned in our previous response to Parliament, we are currently considering how we build the right infrastructure for CCS, including onshore CO<sub>2</sub> pipelines. Once we have a better understanding of the technical requirements of CO<sub>2</sub> pipelines we will include this either in a new NPS, or as a revision to EN-4 at a later date.

<sup>4</sup> Available on the Department's web site at: <u>http://www.decc.gov.uk/publications/basket.aspx</u> <u>?FilePath=What+we+do%5cUK+energy+supply%5cDevelopment+consents+and+planning</u> <u>+reform%5celectricity%5c1\_20091106164611\_e\_%40%40\_ccrguidance.pdf&filetype=4</u>

4.22 In the meantime, decisions relating to  $CO_2$  pipeline projects can be taken on the basis of the generic energy infrastructure policies in the Overarching NPS (EN-1) and supplemented by the Gas Supply Infrastructure and Oil and Gas Pipelines NPS (EN-4). Pipeline developers will therefore benefit from measures in the Planning Act 2008, such as the timescale for evaluating an application for development consent, but with decision-makers having – appropriately – a slightly greater degree of flexibility in the sense that (because of the lack of experience in the construction and consenting of  $CO_2$  pipelines) there will not be specific NPS policies for them to follow on all matters.

### Points raised in relation to the Nuclear NPS: EN-6

#### Japanese earthquake and tsunami

- 4.23 Following events at Japan's Fukushima Dai-chi nuclear plant in March, on 12th March 2011 the Secretary of State asked Dr Mike Weightman, the UK's Chief Nuclear Inspector, to produce an independent report on lessons to be learned from the incident and implications for the UK's nuclear industry. The interim report was published on 18th May 2011. A full report is due in September 2011. Whilst these developments occurred after the Select Committee made its recommendations, the Weightman report and its relevance to the NPS is discussed in the section below, before turning to the points made in Parliament on the nuclear NPS.
- 4.24 Dr Weightman was responsible for determining the scope of his report, and explained that his report would not address nuclear or energy policy issues as these are outside the role and responsibilities of the nuclear regulator. Therefore, submissions made to Office for Nuclear Regulation (ONR) which questioned whether nuclear power should be part of the UK energy mix were outside the scope of Dr Weightman's reports.
- 4.25 The Government has drawn on the advice of the regulators in developing EN-6 and the Strategic Siting Assessment, including in the assessment of sites against the SSA criteria. DECC therefore made a submission setting out potential relevancies for EN-6 for Dr Weightman's consideration, so as to ensure that the National Policy Statements reflect the regulator's current expert advice before proceeding with the ratification process.
- 4.26 Dr Weightman has written to DECC confirming that there is no change to the strategic level advice on EN-6 that has already been provided, including advice on the suitability of sites. He writes that whilst the ONR will retain open minds as to what may emerge from their further considerations, he has a high degree of confidence that their current conclusions in relation to the SSA and NPS would not need to be significantly revised.
- 4.27 The Environment Agency (EA), who also provided advice to DECC, have confirmed that the strategic advice they have provided to DECC during the SSA process, that the nominated sites for new nuclear build could potentially be protected from flooding, remains valid . The Government has since confirmed that nuclear power can be part of the future energy mix, as it is today providing that there is no public subsidy.

- 4.28 Amongst other findings, Dr Weightman has recommended that the UK nuclear industry should initiate a review of flooding studies, including from tsunamis, to confirm the design basis and margins for flooding at UK nuclear sites. Outcomes from this review will be reflected within the flooding design basis which the interim report sets out will be subject to detailed regulatory scrutiny by ONR and the EA as part of consideration of the safety case for a site . This does not change the guidance within EN-6, which already reflects at paragraph 3.7.15. that the IPC should consult the advice of the nuclear regulators as part of its consideration of flood risk.
- 4.29 Following consideration of information provided to the Weightman Report by the EA the Government has amended paragraph 3.7.6. of EN-6 to set out that, in addition to identifying the effects of the credible maximum scenario in the most recent projections of marine and coastal flooding, developers should demonstrate that in principle adaptation to such a scenario would be possible.
- 4.30 Aside from that, the Government does not consider that the interim report results in changes to the planning guidance contained within the NPS. Given this, and that EN-6 aims to avoid duplication of points which are more properly considered in the regulatory regime, the Government has amended EN-6 to set out that the IPC should not concern itself with matters arising from Dr Weightman's reports.

#### **Key Point 9:**

I am conscious that, certainly at the Oldbury site, people are extremely concerned about the level of the tide that will be coming up the River Severn in the future and about how high they have to build. The document is silent on the design time for which they should calculate the level above the flood. It says that the design should be for the life of the power station, but it is possible to give these things extra life by upgrading them in 30 years' time or so. Even if they are decommissioned, there is a question of whether it will matter if they flood? (Lord Berkeley in Lords Grand Committee)

- 4.31 On the basis of the Nuclear Decommissioning Authority's (NDA) current indicative timetable, and on the assumption that disposal of new build wastes will begin once disposal of legacy wastes is completed, a Geological Disposal Facility (GDF) is expected to be available to take spent fuel from new nuclear power stations from around 2130. The Government response to Recommendation 14 sets out that this has been added to the guidance section on waste in volume I of the Nuclear NPS (it was previously in Volume II of the NPS and emphasised in the site summaries).
- 4.32 The Nuclear NPS also sets out that, in addition to the requirements within EN-1, applicants should take account of the potential effects of the credible maximum scenario in the most recent marine and coastal flood projections. Applicants should demonstrate that future adaptation/flood mitigation would be achievable at the site, after any power station is built, to allow for any future credible predictions that might arise during the life of the station and the interim spent fuel stores.

- 4.33 The Government was advised by the Environment Agency (EA) on flood risk at the nominated sites. This advice was based on a consideration of the capacity of nominated sites to withstand flood risk and coastal erosion including the potential effects of climate change looking ahead to 2100. The Strategic Siting Assessment has not considered beyond 2100 because predictions of potential climate change effects become increasingly less certain the further into the future that they extend. However, climate change projections will continue to be refined and, as time passes, will project further into the future.
- 4.34 Should sites achieve development consent, their capacity to withstand potential climate change will remain under consideration throughout the life of the nuclear power station. Once licensed, as part of the site licensing conditions, the licensee must review their safety case at regular intervals (typically on a ten year basis). This review will take the most recent climate change projections into account and allow the necessary modifications to flood defences and/or operating arrangements to be undertaken. Failure to comply with any of the site licensing conditions (including participation in the periodic review) could ultimately result in a direction to undertake activities that would bring the plant into a compliant position.
- 4.35 While a site is in the decommissioning phase, it is subject to the same regulations on flood protection as it is while it is operating and the EA and Health and Safety Executive (HSE) must be satisfied that it is adequately defended. Once a site is completely decommissioned it will be de-licensed. At this point all nuclear materials will have been removed from the site and there will be no further necessity for the same degree of flood protection.

#### Key Point 10:

Given that there is effectively outline planning permission, I still find it difficult to understand how a refusal could ever occur. (Lord Berkeley in Lords Grand Committee)

- 4.36 The Strategic Site Assessment (SSA) has evaluated whether a particular site is potentially suitable for a new nuclear power station; it has not involved an assessment of an application for development consent, and the Nuclear NPS does not grant and form of outline planning permission. For instance, as part of the SSA, the Government has considered without project level information whether a site could potentially be protected from flood risk. It is down to the applicant subsequently to bring forward proposals which demonstrate that a specific development can be protected from flood risk and meet the requirements of the guidance within the NPS and the requirements of the regulators.
- 4.37 Detailed plans will emerge when individual planning applications are brought forward. A conclusion that a site is potentially suitable does not mean that an individual application for development consent at that site will necessarily be granted by the IPC. The IPC will have to consider carefully what is proposed in the application, at a level of site specific detail which is beyond what was achievable in a national level assessment.

4.38 As set out in EN-1 and provided for by section 104 of the Planning Act, the IPC may refuse development consent if the adverse impacts of the proposal (taking into account measures proposed to avoid, reduce or compensate for those adverse impacts) are considered by the IPC to outweigh the benefits of the new infrastructure.

#### Key Point 11:

## *I remain very disappointed about the exclusion of Dungeness (Lord Jenkin of Roding in Lords Grand Committee)*

One objection is that building on the vegetated shingle at Dungeness would damage the site, and that that damage could not be mitigated. The counter-argument is that there would be a relatively small amount of development, and that a new nuclear power station would take up less than 1% of the entire protected area and thus could not be said to damage the integrity of the whole site. Natural England, however, believes that the damage will be greater, and that it will be impossible to mitigate.

We would like to know what further study could be conducted (Damian Collins, MP for Folkestone and Hythe in House of Commons debate)

- 4.39 The Government has carefully considered the evidence that has been presented on Dungeness. This includes responses from the public, local authorities and EDF (the nominator), points made at public meetings organised by Lydd Town Council and attended by officials from DECC on 13 February 2010, and 22 January 2011, meetings between DECC officials, Natural England, local authorities and Damian Collins MP, and the revised Appraisal of Sustainability (AoS) and Habitat Regulations Assessment (HRA) for the site.
- 4.40 Having reviewed the evidence and the responses to both consultations the Government remains of the view that Dungeness is not potentially suitable for the deployment of a new nuclear power station by 2025 because the site does not meet discretionary criterion D6: "Internationally designated sites of ecological importance".
- 4.41 The Government is of the view that a new nuclear power station cannot be built at Dungeness without causing an adverse effect on the integrity of the Dungeness Special Area of Conservation (SAC) (i.e. that any impacts could not be avoided or mitigated). Given the particular adverse effects that would occur at Dungeness, and the availability of the other eight alternative sites to contribute to meeting the need for nuclear generating stations (at each of which there is potential for avoidance or full mitigation of adverse impacts on internationally protected nature sites), the Government does not consider that listing Dungeness in the revised draft Nuclear NPS at this stage is justified.

- 4.42 On the size of the site, the Government has assessed the proposal that has been made to it. The Dungeness SAC measures 3,223 hectares. Not all of the nominated site is within the Special Area of Conservation but about 52 hectares is. The nomination said that a land area between 30 and 50 hectares is likely to be required. In addition, an unknown additional area may be required for ancillary developments such as temporary construction sites or access roads. It is noted that a smaller land take from the SAC would still result in habitat loss. The direct impacts of loss and fragmentation of habitat are specifically relevant to the Dungeness SAC, with habitats designated within this site being particularly vulnerable to any further loss given its restricted extent in the UK (Dungeness supports 44% of this habitat in the UK).
- 4.43 It is for third parties to come forward with proposals to develop nuclear power stations, and the Government is pleased that Natural England has indicated that it is willing to continue to work with developers on proposals for the site. this stage.
- 4.44 Given the nature of the issues at Dungeness, it may be easier to ascertain that there will not be adverse effects on the integrity of the SAC at the detailed project level of an application for development consent. Such an assessment could be made at a point when detailed proposals and more specific information about the adverse impacts and the likely success of particular mitigation were available.
- 4.45 A developer is not precluded from bringing an application forward for a site which is not listed as potentially suitable in the NPS but they would need to satisfy the IPC and the Secretary of State that they have satisfactorily addressed the requirements of the Habitats Directive. The Nuclear NPS sets out that should the IPC receive a development consent application for a new nuclear power station on a site that is not listed in this NPS it will not decide the application, but will make a recommendation to the Secretary of State. The Secretary of State would be the decision maker for any such application.
- 4.46 The Dungeness site passed all other criteria except D6 (although there were concerns regarding coastal erosion the site did not fail on these grounds). The Government is therefore aware that in other respects, based on the evidence considered so far, the site is potentially suitable. Given this, the Government would be happy to consider the recommendations of IPC/MIPU on such an application if one was made at a later stage.
- 4.47 Alternatively, should evidence come forward that satisfies the Government that there is potential for development to take place at Dungeness without adversely affecting the integrity of the SAC, the Government will reconsider whether Dungeness should be included in the Nuclear NPS.

#### Key Point 12:

I hope that the Minister in presenting this document today is not saying that this is the last word and that, at an appropriate time, he will be prepared to look afresh at additional sites, or perhaps the two that have been suggested in Cumbria – if some of the concerns there can be met. Indeed, I hope that he will look at whether sites of other power stations can be used. (Lord O'Neil of Clackmannan in Lords Grand Committee)

#### The Government's response

- 4.48 This assessment is about identifying sites that are potentially suitable for the deployment of new nuclear power stations by 2025 given the pressing need for new secure low carbon energy. It would be short-sighted to assume that the energy needs that the UK has today will remain the same forever. The Government would consider conducting a further SSA should the need arise.
- 4.49 This Government, however, considers that the eight sites found to be potentially suitable provide sufficient flexibility for developers to meet the urgent need for new nuclear power stations whilst enabling the IPC to refuse consent should it consider it appropriate to do so.

#### Key Point 13:

[Lord Marland] made a response ... that nuclear was not getting any subsidy because it was a proven technology. That seemed a very arbitrary and irrelevant criterion. It may well be that we do not need to give a subsidy to nuclear because nuclear investment will happen without it. If so, I would be the last to suggest that taxpayers' money should be added to it. However, the criterion should be whether it is necessary to give a subsidy to achieve a desired purpose for the future strategic interests of the country? (Lord Davies in Lords Grand Committee)

#### The Government's response

- 4.50 The Secretary of State for Energy and Climate Change set out the Government's policy on public subsidy in a written statement to Parliament on 18<sup>th</sup> October 2010.<sup>5</sup> The Government's policy is that there will be no public subsidy for new nuclear power. This means that there will be no levy, direct payment or market support for electricity supplied or capacity provided by a private sector new nuclear operator, unless similar support is also made available more widely to other types of generation.
- 4.51 The Government will also continue to provide funding to the Nuclear Decommissioning Authority (NDA) to ensure the efficient and effective cleanup of the UK's civil, public sector legacy nuclear facilities.

#### Key Point 14:

How many new nuclear power stations do they [the Government] expect to be operational by 2018? When will those power stations start to contribute electricity to the grid? (Lord Davies in Lords Grand Committee)

<sup>5 &</sup>lt;u>http://www.decc.gov.uk/en/content/cms/news/en\_statement/en\_statement.aspx</u>

#### The Government's response

4.52 It is for energy companies to bring forward proposals for new nuclear power stations. The Government believes that nuclear power is economically competitive with other forms of generating technology (including the lowest cost renewable technologies). It is therefore anticipated that industry will want to bring forward applications for new nuclear power stations and to date energy companies have announced that they intend to put forward proposals to develop 16 GW of new nuclear power generation capacity by the end of 2025<sup>6</sup>.

#### Key Point 15:

I understand why the documents effectively say, "By the way, you can't take this [waste] into consideration because it is sorted and the Government's told us that they've sorted it". I am not comfortable with the policy statement just writing the whole area off. That is not taking the responsibility fully. The Government are undertaking various roles; we have discussed that with the Minister informally. The timescales – they may be good in terms of technical feasibility and consultation – involved in making the decisions and finding solutions are still wildly long, and we should be concerned about that in the context of planning. (Lord Teverson in Lords Grand Committee)

#### The Government's response

- 4.53 With regard to the role of IPC in scrutinising proposals for the management of waste on site, the Government draws a distinction between two separate issues. First on whether, in principle, waste can be managed and disposed of in a satisfactory manner. The Government's view on this question is made clear in EN-6 and therefore this is not a point that the IPC should consider.
- 4.54 The second issue is the nature of the onsite facilities proposed for the management of radioactive waste produced on that site and the associated operational activities. The Government agrees that there are planning issues relating to this which it is appropriate for the IPC to consider. The Government has revised EN-6 to try to bring this out more clearly.
- 4.55 Please see our response to recommendation 14 for more information on the timescales involved and planning issues.

#### Key Point 16:

Paragraph 2.11.3 of EN-6 states "the Government has ... satisfied itself that ... geological disposal of higher activity radioactive waste, including waste from new nuclear power stations, is technically achievable ... a suitable site can be identified for the geological disposal of higher activity radioactive waste". What it does not say that the Government are satisfied about is how such a facility is going to be paid for? (Baroness Parminter in Lords Grand Committee)

<sup>6</sup> http://www.centrica.co.uk/index.asp?pageid=217&newsid=1783; http://www.edfenergy. com/media-centre/press news/EDF Energy welcomes Government announcement on nuclear sites.shtml; http://www.rwe.com/web/cms/en/216362/rwe-npower/more-/ our-business/nuclear-power/; http://pressreleases.eon-uk.com/blogs/eonukpressreleases/ archive/2009/04/29/1382.aspx; http://www.scottishpower.com/PressReleases\_1948.htm;

#### The Government's response

- 4.56 The management of higher activity radioactive waste in the long-term through geological disposal will apply to all wastes owned by:
  - (i) the Nuclear Decommissioning Authority (NDA);
  - (ii) private companies which produce higher activity waste, including both the nuclear and non-nuclear sectors; and
  - (iii) Ministry of Defence (MoD).
- 4.57 The waste owned by NDA in category (i) results from the UK's public sector nuclear programme over the last sixty years or will arise in future from the operations and decommissioning of NDA Sites. Government has long recognised that delivering and paying for a long-term waste management solution for this legacy waste is a responsibility that falls to the public sector.
- 4.58 It will generally be for operators in categories (ii) and (iii) above to negotiate appropriate commercial contracts with the NDA for emplacement of their waste in the geological disposal facility.
- 4.59 However, the Government will expect to enter into a contract with the prospective operator of a new nuclear power station regarding the terms on which the Government will take title to and liability for the operator's higher activity waste. In particular, this agreement will need to set out how the price that will be charged for this waste transfer will be determined. This price will be set at a level consistent with the Government's policy that operators of new nuclear power stations should meet their full share of waste management costs. [The Government recently consulted on its proposals for how this "Waste Transfer Price" should be determined<sup>7</sup>].

#### Key Point 17:

There is also the potential for reprocessing. If the Minister could give us some indication of what the Government's timetable is for thinking about decisions on this issue, it would be very helpful to the local community? (Lord Davies in Lords Grand Committee)

#### The Government's response

4.60 Any new nuclear power stations that might be built in the UK will proceed on the basis that spent fuel will not be reprocessed. For that reason there is currently no timetable to consider decisions on the potential for reprocessing from new nuclear build. However, while we are not expecting any proposals to reprocess spent fuel from new build, should any such proposals come forward in the future, they would need to be considered on their merits at the time.

<sup>7</sup> http://www.decc.gov.uk/en/content/cms/consultations/waste\_trans/waste\_trans.aspx\_

#### Key Point 18:

I am interested in whether the department has made an assessment of the impact that the withdrawal of loan funding will have on the timetable for the delivery of the new nuclear plants. The parts for the reactor shell which Sheffield Forgemasters planned to build are an important part of the supply chain. Are the Government working with the industry to seek alternative suppliers, and where are those likely to be? Alternatively, will the Government seek other ways of supporting the UK industry to deliver these parts? (Baroness Smith in Lords Grand Committee)

What will the Government do to support the [nuclear] supply chain? (Angela Smith MP for Penistone and Stocksbridge in House of Commons debate)

#### The Government's response

- 4.61 It is the role of the Government to remove the barriers to investment in new nuclear power stations but for energy companies to make the investments and to build new nuclear power stations. It is these project developers who are best placed to ensure the availability of the items required to support their plans.
- 4.62 The Government is in regular contact with the energy companies and the reactor vendors who do not believe the availability of reactor pressure vessels will cause a delay to new nuclear plant. Ultra heavy forgings for pressure vessels need to be ordered a long time in advance and vendors already have slots booked with existing suppliers to ensure that when they are building reactors around the world the necessary elements are available.
- 4.63 As the Secretary of State for Business, Innovation and Skills made clear in his oral evidence to the BIS Select Committee<sup>8</sup>, Sheffield Forgemasters would be welcome to put in an application for support under the Regional Growth Fund.

### **Planning Issues**

#### Key Point 19:

When does he think the NPSs will next be updated? (Baroness Smith in Lords Grand Committee)

What is the expected lifespan of the NPSs? (Huw Irranca-Davies, MP for Ogmore in House of Commons debate)

#### The Government's response

4.64 The Secretary of State has a duty to review NPSs whenever he thinks appropriate. In deciding when to review an NPS, the Secretary of State must consider whether there has been a significant, unanticipated, change in any circumstances on the basis of which any of the policy set out in the NPS was decided, and if the NPS would have been materially different if the change had been anticipated. The Secretary of State can suspend all or part of an NPS pending a review. Following a review, the Secretary of State can amend

<sup>8</sup> http://www.publications.parliament.uk/pa/cm201011/cmselect/cmbis/843/84302.htm

the NPS or withdraw its designation. Any amendment must have undergone consultation and parliamentary scrutiny before it can be made and, if the designation of the NPS is withdrawn, it must then undergo consultation and parliamentary scrutiny before it can be re-designated for use.

4.65 In practice we expect the NPSs to be reviewed around every 5 years.

#### Key Point 20:

Under the new system proposed by the Government, the new body, the MIPU, will make recommendations to the Secretary of State, who will make decisions in accordance with these national policy statements. The Government will have to ensure that these plans do not add delays to the system or remove the clarity and certainty that the industry needs if it is to invest in energy infrastructure, particularly renewables and, as we will be discussing later in the week, nuclear. (Baroness Smith in Lords Grand Committee)

There are concerns that...by making the IPC part of the Planning Inspectorate the Government might be subjecting the certainty that investors need to further delays. (Tom Greatrex, MP for Rutherglen and Hamilton West in House of Commons debate)

#### The Government's response

- 4.66 The timetable for the IPC (and in future the MIPU) to consider applications is set out in the Planning Act. Applications should take no more than six months for the examination stage, three months for the submission of a recommendation, and three months for the Secretary of State to make a decision.
- 4.67 The commitment to ensure decisions are reached within 12 months of commencement of an application's examination and the timetable remains unchanged and was set out in the Major Infrastructure Planning Reform Work Plan published in December 2010<sup>9</sup>. However, the Government will consider whether it would be possible to speed up the timetable while ensuring that decisions are robust and the regime remains as predictable and efficient as possible.

#### Key Point 21:

Will the Minister tell us what he knows about the cost of abolishing the IPC? What are the costs of the transition to the new Major Infrastructure [Planning] Unit within the Planning Inspectorate? Will there be savings for the taxpayer, and if so, will he or the Government publish those figures after the debate? (Huw Irranca-Davies, MP for Ogmore in House of Commons debate)

#### The Government's response

4.68 The costs of abolishing the IPC (such as redundancy and compensation payments) are expected to be small as IPC employees have been in post for only a short time. In addition, a number of ongoing posts will transfer into the Planning Inspectorate which will minimise shut-down costs further. The impact assessment for the Localism Bill estimated the cost of abolishing the IPC and setting up the MIPU at less than £1 million.

<sup>9</sup> The work plan is available at: <u>http://www.communities.gov.uk/documents/</u> planningandbuilding/pdf/1803122.pdf\_

4.69 Abolishing the IPC will not remove all associated costs, but creating a new Unit within the Planning Inspectorate will generate efficiencies in both organisations. The Planning Inspectorate and the IPC are working with us to maximise these in order to create savings for the taxpayer.

#### Key Point 22:

Could we have a clearer statement that the NPSs will not impact on local planning decisions and should not be used as an excuse? (Andrew Percy, MP for Brigg and Goole in House of Commons debate)

#### The Government's response

- 4.70 As we mentioned in our previous response to Parliament, the energy NPSs are aimed primarily at providing a framework for the IPC (and in future the MIPU and the Secretary of State) to consider applications on nationally significant infrastructure projects. Decisions by the IPC have to be taken in accordance with the energy NPSs it is therefore clear that the energy NPSs take precedence over any other guidance or statements of planning policy for decisions by the IPC.
- 4.71 A close interaction is envisaged between the energy NPSs and the Town and Country planning regime. Under existing Town and Country Planning Act legislation, decisions on local development applications must be taken in accordance with the development plan unless material considerations indicate otherwise. There is a statutory requirement for local planning authorities to have regard to national policies and guidance when preparing development plans.
- 4.72 Local planning authorities should treat the NPSs in the same way as other statements of Government policy. Where local planning authorities take decisions on applications for smaller-scale infrastructure they will continue to have to make their decisions in accordance with the development plan unless there are material considerations which indicate otherwise. Government policy, (including policy issued in draft for consultation) may, where relevant, be such a material consideration. However, the degree to which Government policy, including the policy in the energy NPSs, is relevant to any particular planning application and the weight to be attached to it is a matter for the decision maker according to the circumstances of the particular case. It is not for Government to prescribe. This is a principle with which local authorities are already familiar.

#### Key Point 23:

I should like to be sure that there is some way in which local authorities can negotiate a realistic contribution from developers, especially, for example, for residents in my area, which will be providing a storage facility for nuclear waste on a temporary basis that I understand to be somewhere in excess of 100 years. (Tessa Munt, MP for Wells in House of Commons debate)

#### The Government's response

- 4.73 The Planning Act 2008 regime provides that development consent obligations (section 106 agreements) can be used to make acceptable developments that would otherwise be unacceptable in planning terms. Such obligations can be used, for example, to secure a contribution from a developer to compensate for loss or damage created by a development, or to mitigate a development's impact. A fundamental principle of the use of planning obligations is that planning consent may not be bought or sold.
- 4.74 There is also the possibility for Community Infrastructure Levy (CIL) to be charged on certain types of development to provide infrastructure to support the development of an area in line with local authorities' development plans. Examples of where the money can be used includes transport schemes, flood defences, schools, hospitals and other health and social care facilities, parks, green spaces and leisure centres.
- 4.75 CIL and development consent obligations are intended to operate in a complementary way, CIL providing for general infrastructure contributions and development consent obligations providing for site specific mitigation. Further information on both planning obligations and CIL can be found on the Department of Communities and Local Government website<sup>10,11</sup>.
- 4.76 Developers are free to work with communities outside these mechanisms to review benefits for the local area. For example, RenewableUK has published a Protocol to formalise the basis on which its members will provide local community benefit in respect of onshore wind projects in England<sup>12</sup>. The Government is supportive of such approaches. However, any such agreements made would not be material to planning decisions.

<sup>10</sup> Guidance on Planning Obligations is available at: http://www.communities.gov.uk/publications/planningandbuilding/circularplanningobligations

<sup>11</sup> An overview of the Community Infrastructure Levy is available at: <u>http://www.communities.gov.uk/publications/planningandbuilding/</u> <u>communityinfrastructurelevy1</u>

<sup>12</sup> Renewable UK, A Community Commitment: The Benefits of Onshore Wind, February 2011 http://www.bwea.com/pdf/publications/CommunityBenefits.pdf

# Annex: How have the NPSs changed?

- 5.1 This section summarises the key changes made to the NPSs since the end of the consultation. It aims focus on the main elements that are materially different, but does not seek to discuss them in detail.
- 5.2 Please see the Government Response to Consultation<sup>13</sup> for a further discussion of the key themes raised, the Government's response and the resulting key changes to the NPSs.

## **Overarching National Policy Statement for Energy (EN-1)**

5.3 The Overarching NPS (EN-1) sets out the Government's energy policy, explains the need for new energy infrastructure, sets out policies which are relevant to more than one type of energy infrastructure and instructs the IPC on how to assess the impacts which are common to more than one type of energy infrastructure. The other energy NPSs contain supplementary information for specific types of infrastructure. These 'technology-specific' energy NPSs (EN-2 to 6) must be read in conjunction with the draft EN-1.

What are the key changes?	Where is the change in the revised draft?
Policy	
Section 2 has been updated to take account of the Electricity Market Reform consultation.	Section 2.2.17
Text on the EU Emissions Trading Scheme (EU ETS) has also been revised for clarity.	Section 2.2.12
Need	
This section sets out the need for new energy infrastructure. Clarity has been provided on the urgency of the need for electricity technologies throughout the chapter.	Section 3.4; Section 3.6 to Section 3.9
On nuclear power plants the Government has added a footnote to highlight that nuclear power stations sometimes achieve lifetime extensions but that the Government does not believe that the potential to achieve relatively short-term lifetime extensions for existing aging plant removes the need for large-scale investment in new modern nuclear generating plants that will have working lives of 60 years or more.	

<sup>13</sup> This is available at: <u>http://www.energynpsconsultation.decc.gov.uk</u>

What are the key changes?	Where is the change in the revised draft?
Carbon Capture and Storage (CCS)	
This section has been revised to clarify that the CCS demonstration is now open to gas-fired generating stations to apply for funding. It also clarifies that operators would need to comply with any emissions performance standards (EPS), but this is not a planning issue.	Section 3.6.5 to 3.6.7 Section 4.7
Assessment Principles	
This section has been revised for clarity on policy for consideration of applications.	Section 4.1
Environmental Statement and information requirements	
This section has been revised to explain why it may be helpful to include information not specifically described in the EIA Directive in an application for energy infrastructure.	Section 4.2
Alternatives	
This section has been revised to clarify legislative requirements for alternatives and how IPC should address alternatives proposed by 3rd parties after an application has been submitted.	Section 4.4
Historic environment	
This section has been further updated to ensure that it accurately reflects the revised Planning Policy Statement PPS5 <sup>15</sup> .	Section 5.8
Landscape and visual impact	
This section on how the IPC should consider cooling towers and systems has been revised to take account of comments relating to efficiency losses and to clarify the amount of visible plumes from hybrid systems.	Section 5.9
Waste Management	
Specific considerations with regard to radioactive waste are set out in section 2.11 and Annex B of EN-6. This section of EN-1 will apply to <i>non</i> -radioactive waste for nuclear infrastructure as for other energy infrastructure.	Section 5.14

<sup>14</sup> Planning Policy Statement PPS5 is available at: http://www.communities.gov.uk/publications/planningandbuilding/pps5

# National Policy Statement for Fossil Fuel Electricity Generating Infrastructure (EN-2)

5.4 This NPS, taken together with EN-1, provides the primary basis for decisions by IPC on applications it receives for fossil fuel generating stations with over 50 MW (megawatts) generating capacity.

What are the key changes?	Where is the change in the revised draft?
CCS	
Amendment to note that the CCS demonstration programme has been extended to gas-fired generating stations.	Paragraph 1.1.2
Landscape and visual impact	
A small revision has been made to clarify why the IPC should be assessing mitigation proposals.	Paragraph 2.6.8 Paragraph 2.6.10
Additional text has been inserted to separate acceptable design for impacts other than on landscape and visual grounds from acceptable landscape and visual impacts.	
Residue Management	
Added text to indicate what the applicant and IPC should do after exploring options for ash mitigation.	Paragraph 2.9.5
Noise and Vibration	
Amended to make clear that "good design" for noise and vibration reduction is not limited to buildings.	Paragraph 2.7.5
Water Quality and Resources	
Amended to avoid any perception that pre-judging outcome of IPC considerations.	Page 2.10.3

# National Policy Statement for Renewable Energy Infrastructure (EN-3)

5.5 This NPS, taken together with EN-1, provides the primary basis for decisions by IPC on applications it receives for renewable energy infrastructure. This covers any energy infrastructure for biomass and/or waste generating above 50 MW, any offshore wind farm generating above 100MW, and any onshore wind farm generating more than 50MW. This NPS does not cover other types of renewable energy generation, such as schemes that generate electricity from tidal or wave power.

What are the key changes?	Where is the change in the revised draft?
Clarification	
Revision of sections on CHP and CCS for biomass/ EfW to make clear that CHP applies to both biomass and EfW and that biomass generating stations >300 MW should be CCR, in response to public consultation comment.	Paragraph 2.5.4
Amendment to clarify scope of waste management plans in England and Wales	Paragraph 2.5.63
Revision to clarify that "appropriate distances" applies to all sensitive receptors, not only residential properties, to reflect comments from Defra and Environmental Protection UK and be consistent with other references	Paragraph 2.7.7
Biomass sustainability	
The text has been substantially revised to take account of the latest position on Renewables Obligation Certificates (ROCs), comments from consultation responses and recent developments of Government policy on whether sustainability of biomass should be a material consideration in development consent decisions.	Section 2.5
Odour, insect and vermin infestation impacts for Biomass/Waste	
New section included to reflect comments from Defra.	Section 2.5

# National Policy Statement for Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4)

5.6 This NPS, taken together with EN-1, provides the primary basis for decisions by the IPC on applications it receives for gas supply infrastructure and gas and oil pipelines, and including infrastructure that is being assessed as associated development with another Nationally Significant Infrastructure Project.

What are the key changes?	Where is the change?
EU rules for the Internal Market in Natural Gas	
A new section has been included to ensure we meet the requirements in EU Directive 2009/73/EC.	Section 2.7
Gas and Oil Pipelines Impacts: Biodiversity, Landscape and Visual	
This section has been revised to include impacts on Biodiversity alongside landscape and visual impacts.	Section 2.21

# National Policy Statement for Electricity Networks Infrastructure (EN-5)

5.7 This NPS, taken together with EN-1, provides the primary basis for decisions by IPC on applications it receives for electricity networks infrastructure, covering above ground electricity lines of 132 kilovolts (kV) and above, and other infrastructure for electricity networks that is associated with a Nationally Significant Infrastructure Project, such as substations and converter stations.

What are the key changes?	Where is the change?
Undergrounding	
Further clarification of policy in this area.	Section 2.8

# National Policy Statement for Nuclear Power Generation (EN-6)

- 5.8 This NPS, taken together with EN-1, provides the primary basis for decisions by IPC on applications it receives for nuclear generating stations with over 50MW generating capacity.
- 5.9 This NPS lists the sites that the Government has judged to be potentially suitable for the deployment of new nuclear power stations by the end of 2025 and the reasons why those sites are considered potentially suitable.

- 5.10 This NPS also sets out the Government's conclusion that it is satisfied that effective arrangements will exist to manage and dispose of the waste that will be produced by new nuclear power stations in the UK; and that there are Imperative Reasons of Overriding Interest (IROPI) for why it should proceed despite it not being possible at this stage to rule out any adverse effects on European Sites.
- 5.11 The Nuclear NPS (EN-6) looks different because as a result of the consultation the NPS has been streamlined to clarify the policy that the IPC should consider when determining an application for new nuclear development and reduce repetition of material from EN-1.

What are the key changes?	Where is the change?
Reasons for policy	
Throughout the NPS, clarification has been given for the reasons for the policy that appears in the NPS (when it does not already appear inEN-1).	Throughout
Future planning reform	
Text has been added to highlight the forthcoming change from the IPC to MIPU.	Section 1.4
Need for nuclear power stations	
The NPS now states that the fact that a site is identified as potentially suitable does not prevent the impacts being considered greater than the benefits in the consideration of an application for development consent.	Paragraph 2.2.5
Combined Heat and Power	
The presumption against CHP for new nuclear power stations has been removed, although 2.9.32.9.4 However, the economic viability of CHP opportunities (see Section 4.6.5 of EN-1 for further details) opportunities may will be more limited for new nuclear power stations.	Section 2.9
Relationship between the planning regime and the regulators	
This section has been clarified, in particular to emphasise that applicants should have involved the Nuclear Regulators early enough during the pre- application stage so that they have had the opportunity to incorporate the relevant regulators' requirements in proposals where appropriate.	Section 2.7.
It also reflects that the IPC does not need to consider the Weightman reports into the Japanese earthquake and tsunami when considering applications for development consent.	

What are the key changes?	Where is the change?
The management and disposal of radioactive waste	
There are two points on which the wording in EN-6 has been revised:	
On on-site interim storage of waste, the NPS has been revised to provide further clarification on what the IPC considers.	Section 2.11
On central storage of waste, the Government has clarified the NPS to clarify that whilst the planning assumption is that interim storage of waste will be onsite, there are some factors which might cause interim storage period to be significantly shorter, for example it is not necessarily the case that the whole interim storage period for the spent fuel produced by a new nuclear power station will be on-site. The Government does not wish to preclude alternative arrangements, for example a central storage facility, if a site can be identified and the necessary regulatory and planning permissions obtained.	B.44, Volume II annex B
Policy on the siting of new nuclear power stations	
Section 3.3. on listed boundaries and the location of facilities has been deleted and incorporated into this section, which now also reflects what the IPC should do if it receives an application for a site which is partly within the boundary (it should treat it as a non-listed site, but in making any recommendation should consider the conclusions reached in the SSA in relation to the land within the boundary).	Section 3.3. (deleted) Section 2.3.
Flood risk	
The "Applicant's assessment" is now clarified to show that the applicant should identify the impacts of the credible maximum scenario and demonstrate that in principle adaptation to that scenario would be possible.	3.7.6.
Site assessments	
Site assessments have been updated since the consultation for the sites listed within the NPS and are now set out in Annex C of the revised draft NPS. Details regarding Braystones, Kirksanton and Dungeness (which are not on the list in the Revised Draft) are set out within the Government Response. Please see below for details on the changes to individual site assessments.	Annex C, Volume II of the NPS

#### BRADWELL

What are the key changes?	Where is the change in the NPS?
Effects of climate change	
Updated to clarify the position of the regulators and the Government on protection of power stations against flooding and the effects of climate change.	D1: Flooding, storm surge and tsunami
Interim waste storage	
Updated to clarify the position on Geological Disposal and interim storage. A link to an indicative timeline has been added.	D1: Flooding, storm surge and tsunami
Areas of amenity, cultural heritage and landscape value	
More detail added in response to consultation comments.	D8: Areas of amenity, cultural heritage and
Clarification that Othona Roman Fort and St. Peter's Chapel are not nationally designated sites.	landscape value
Access to suitable sources of cooling	
Further detail added on direct and indirect cooling in response to consultation comments.	D10: Access to suitable sources of cooling
Text added on the Shellfish Waters Directive and temperature limits.	
Health	
Updated to reflect the latest Committee on Medical Aspects of Radiation in the Environment (COMARE) report (14 <sup>th</sup> ).	Health
Updated to reflect the latest Radioactivity in Food and the Environment (RIFE) data (19 <sup>th</sup> ).	

#### HARTLEPOOL

What are the key changes?	Where is the change in the NPS?
Lifetime extension	
Text added to reflect that the lifetime of the existing power station has been extended to 2019.	Description of the site
Effects of climate change	
Updated to clarify the position of the regulators and the Government on protection of power stations against flooding and the effects of climate change.	D1: Flooding, storm surge and tsunami
Interim waste storage	
Updated to clarify the position on Geological Disposal and interim storage. A link to an indicative timeline has been added.	D1: Flooding, storm surge and tsunami
Teesside Environmental Recycling and Reclamation Centre (TERRC)	
Detail added in response to consultation comments describing potential cumulative effects identified in the site AoS and HRA, and suggested mitigation.	D3: Proximity to hazardous industrial facilities and operations
Functional land used by SPA species	
Text added in response to consultation comments regarding the preservation of land used by SPA species.	D6: Proximity to internationally designated sites of ecological importance
Health	
Updated to reflect the latest Committee on Medical Aspects of Radiation in the Environment (COMARE) report (14 <sup>th</sup> ).	Health
Updated to reflect the latest Radioactivity in Food and the Environment (RIFE) data (19 <sup>th</sup> ).	

#### **HEYSHAM**

What are the key changes?	Where is the change in the NPS?
Lifetime extension	
Updated to reflect that Heysham 1 has received a lifetime extension to 2019.	Description of the site
Effects of climate change	
Updated to clarify the position of the regulators and the Government on protection of power stations against flooding and the effects of climate change.	D1: Flooding, storm surge and tsunami
Interim waste storage	
Updated to clarify the position on Geological Disposal and interim storage. A link to an indicative timeline has been added.	D1: Flooding, storm surge and tsunami
Effects on Morecambe Bay and Leighton Moss SPA and RAMSAR sites	
Detail added in response to consultation comments regarding assessment of and possible mitigation against impacts on the Morecambe bay and Leighton Moss sites.	D6: Proximity to internationally designated sites of ecological importance
Health	
Updated to reflect the latest Committee on Medical Aspects of Radiation in the Environment (COMARE) report (14 <sup>th</sup> ).	Health
Updated to reflect the latest Radioactivity in Food and the Environment (RIFE) data (19 <sup>th</sup> ).	
Existing land use	
Text added regarding the importance of engagement between developers and communities throughout the planning and construction process.	Existing land use

#### **HINKLEY POINT**

What are the key changes?	Where is the change in the revised draft?
Detailed developer proposals	
Text added to reflect that responses to the consultation were received regarding detailed developer proposals outside the scope of the NPS. These are summarized but not responded to specifically.	Description of the site Detailed proposals and local effects
Effects of climate change	
Updated to clarify the position of the regulators and the Government on protection of power stations against flooding and the effects of climate change.	D1: Flooding, storm surge and tsunami
Interim waste storage	
Updated to clarify the position on Geological Disposal and interim storage. A link to an indicative timeline has been added.	D1: Flooding, storm surge and tsunami
Severn Tidal Project	
References to potential cumulative effects with a Severn Tidal project have been removed as the project has been discontinued at present.	D6: Proximity to internationally designated sites of ecological importance
Cultural Heritage Assets	
Text added in response to consultation comments regarding the treatment of cultural heritage assets in the pre application stage.	D8: Areas of amenity, cultural heritage and landscape value
Health	
Updated to reflect the latest Committee on Medical Aspects of Radiation in the Environment (COMARE) report (14 <sup>th</sup> ).	Health
Updated to reflect the latest Radioactivity in Food and the Environment (RIFE) data (19 <sup>th</sup> ).	
Text added regarding the studies undertaken by the Environment Agency in response to claims that enriched uranium is present in the soil at the site.	

## OLDBURY

What are the key changes?	Where is the change in the NPS?
Lifetime extension	
Updated to reflect that the existing power station at Oldbury has received a lifetime extension to 2011	Description of the site

What are the key changes?	Where is the change in the NPS?
Effects of climate change	
Updated to clarify the position of the regulators and the Government on protection of power stations against flooding and the effects of climate change.	D1: Flooding, storm surge and tsunami
Interim waste storage	
Updated to clarify the position on Geological Disposal and interim storage. A link to an indicative timeline has been added.	D1: Flooding, storm surge and tsunami
Shoreline Management Plans	
Text added in response to consultation comments detailing that Shoreline Management Plans will be considered at the application stage.	D2: Coastal processes
Silt lagoons	
Text added on the retention or removal of silt lagoons on the nominated site, detailing that effects of both actions would be assessed should a development proposal be received.	D6: Proximity to internationally designated sites of ecological importance
Cooling towers	
Updated to reflect the nominator's stated preference for hybrid cooling towers.	D8: Areas of amenity, cultural heritage and
Text added regarding the nomination of a site requiring cooling towers.	landscape value
Cooling water discharge	
Text added in response to consultation comments regarding cooling water discharge where cooling towers are used.	D10: Access to suitable sources of cooling
Severn Tidal Project	
References to potential cumulative effects with a Severn Tidal project have been removed as the project has been discontinued at present.	Cumulative effects
Health	
Updated to reflect the latest Committee on Medical Aspects of Radiation in the Environment (COMARE) report (14 <sup>th</sup> ).	Health
Updated to reflect the latest Radioactivity in Food and the Environment (RIFE) data (19 <sup>th</sup> ).	
Tritium	
Text added in response to consultation comments regarding the discharge of tritium at the site.	Tritium discharge

#### SELLAFIELD

What are the key changes?	Where is the change in the NPS?
Grid connection	
Text added to reflect the potential challenges of grid connection at Sellafield.	Deployability by 2025
Effects of climate change	
Updated to clarify the position of the regulators and the Government on protection of power stations against flooding and the effects of climate change.	D1: Flooding, storm surge and tsunami
Interim waste storage	
Updated to clarify the position on Geological Disposal and interim storage. A link to an indicative timeline has been added.	D1: Flooding, storm surge and tsunami
Coastal Processes	
Text added in response to consultation comments regarding potential indirect impacts on the River Ehen SSSI and SAC from changes in coastal processes.	D2: Coastal processes
Size of site	
Text added in response to consultation comments that the site is large enough to accommodate more reactors than were suggested in the site nomination.	D9: Size of site to accommodate operation
Health	
Updated to reflect the latest Committee on Medical Aspects of Radiation in the Environment (COMARE) report (14 <sup>th</sup> ).	Health
Updated to reflect the latest Radioactivity in Food and the Environment (RIFE) data (19 <sup>th</sup> ).	

#### SIZEWELL

What are the key changes?	Where is the change in the NPS?
Effects of climate change	
Updated to clarify the position of the regulators and the Government on protection of power stations against flooding and the effects of climate change.	D1: Flooding, storm surge and tsunami
Interim waste storage	
Updated to clarify the position on Geological Disposal and interim storage. A link to an indicative timeline has been added.	D1: Flooding, storm surge and tsunami

What are the key changes?	Where is the change in the NPS?
Coastal Processes	
Text added and updated to reflect the latest advice from the Environment Agency on coastal erosion at the site.	D2: Coastal processes
Text added in response to consultation comments regarding the importance of the Minsmere Sluice to protection of the coastline from erosion.	
Text added in Policy notes section strengthening D2 criterion.	
Air quality impacts	
Text added to clarify that adverse impacts on site integrity cause by a decrease in air quality in the Outer Thames Estuary SPA have been ruled out by the HRA.	D6: Proximity to internationally designated sites of ecological importance
Health	
Updated to reflect the latest Committee on Medical Aspects of Radiation in the Environment (COMARE) report (14 <sup>th</sup> ).	Health
Updated to reflect the latest Radioactivity in Food and the Environment (RIFE) data (19 <sup>th</sup> ).	

#### **WYLFA**

What are the key changes?	Where is the change in the NPS?
Lifetime extension	
Updated to reflect that the existing power station at Wylfa has received a lifetime extension to 2012.	Description of the site
Effects of climate change	
Updated to clarify the position of the regulators and the Government on protection of power stations against flooding and the effects of climate change.	D1: Flooding, storm surge and tsunami
Interim waste storage	
Updated to clarify the position on Geological Disposal and interim storage. A link to an indicative timeline has been added.	D1: Flooding, storm surge and tsunami
LANDMAP assessments	
Text added in response to consultation comments that LANDMAP assessments had not been considered when assessing landscape impacts.	D8: Areas of amenity, cultural heritage and landscape value

What are the key changes?	Where is the change in the NPS?
Transmission infrastructure	
Text added to reflect the potential challenges of siting transmission infrastructure in the context of Snowdonia National Park.	D8: Areas of amenity, cultural heritage and landscape value
Health	
Updated to reflect the latest Committee on Medical Aspects of Radiation in the Environment (COMARE) report (14 <sup>th</sup> ).	Health
Updated to reflect the latest Radioactivity in Food and the Environment (RIFE) data (19 <sup>th</sup> ).	

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