



SHEPHERD+ WEDDERBURN

RESPONSES TO DEADLINE 4 SUBMISSIONS ON BEHALF OF

(1) BARROW OFFSHORE WIND LIMITED (REF: 20049974) (2) BURBO EXTENSION LTD (REF: 20049975) (3) WALNEY EXTENSION LIMITED (REF: 20049977) (4) MORECAMBE WIND LIMITED (REF: 20049973) (5) WALNEY (UK) OFFSHORE WINDFARMS LIMITED (REF: 20049978) (6) ØRSTED BURBO (UK) LIMITED (REF: 20049976) (THE "ØRSTED IPs")

IN CONNECTION WITH THE Application by Morecambe Offshore Wind Limited for an Order Granting Development Consent for the Morecambe Offshore Wind Farm

1. Introduction

- 1.1 This submission is provided in accordance with Deadline 5 of the examination timetable for the application by Morecambe Offshore Windfarm Limited (the “**Applicant**”) for an Order under the Planning Act 2008 (the “**Act**”) granting Development Consent for the Morecambe Offshore Windfarm Generation Assets (the “**Project**”).
- 1.2 We represent six owners of operational offshore windfarms in the East Irish Sea (as set out relevant representations RR-008, RR-014, RR-056, RR-088, RR-089, RR-093), who we refer to together as the “**Ørsted IPs**” for the purposes of this submission.
- 1.3 This document contains the Ørsted IPs’ responses to:
 - 1.3.1 the Applicant’s Greenhouse Gas Assessment Technical Note [REP4-062]; and
 - 1.3.2 the Applicant’s comments on the Ørsted IPs’ deadline 3 submissions [REP4-058].

2. Response to Greenhouse Gas Assessment Technical Note [REP4-062]

- 2.1 The Ørsted IPs acknowledge the Applicant has undertaken an analysis to update its assessment of the overall GHG emissions savings which will arise from the Project, in light of the loss of renewable energy generation from the Ørsted IPs’ developments that is predicted as a result of wake effects.
- 2.2 However, the Ørsted IPs do not consider this assessment provides an accurate assessment of the worst-case scenario of the Project for the reasons outlined below. In order to properly understand the consequences of the Project and the importance of implementing effective mitigation, a realistic worst-case scenario should be assessed.
- 2.3 First, the assessment does not consider the cumulative effects of the Project with the Mona and Morgan developments. As outlined below, and in the Ørsted IPs’ responses to the second written questions of the examining authority, the cumulative effects of these three developments will have a significant and material impact on the energy generation and viability of the Ørsted IPs’ assets. It is not appropriate to treat these developments, which are in close proximity to one another and being consented concurrently, in isolation.
- 2.4 Additionally, the Applicant’s assessment includes a scenario in which the Ørsted IPs’ assets continue to operate for 35 years which it describes as a “conservative scenario”. The Ørsted IPs do not consider the assessment includes a realistic conservative scenario, as it does not include an assessment of the loss of avoided emissions where the Ørsted IPs’ assets are decommissioned early as a result of their assets becoming uneconomic due to the financial consequences of the cumulative wake losses.
- 2.5 As explained in detail in their responses to ExQ2 and below, there is a real risk that as the assets become fully merchant, the financial consequences of the wake effects could result in the assets no longer being economically viable. That being the case, a realistic conservative scenario would be the total loss of renewable generation from the assets from the assets’ earliest decommissioning dates for a period of 10 years.
- 2.6 The Ørsted IPs note that in one of the scenarios assessed (displayed in table 4.5) there “*would not be avoided emissions associated with the Morecambe Project*”. Again, the Applicant describes this as a conservative scenario. For the reasons outlined above, the Ørsted IPs do not agree.
- 2.7 In light of the above, the Applicant’s conclusion that “*...any loss of generation at the Ørsted IPs operational wind farm projects is far outweighed by the annual quantity of generation by the Morecambe Project*” is unfounded.

3. Applicant's comments on deadline 3 submissions [REP4-058]

- 3.1 The Ørsted IPs wish to respond to a small number of comments made by the Applicant in response to their deadline 3 submissions, regarding wake effects, ecology and shipping and navigation.

Wake effects

- 3.2 The Applicant's comments on the Ørsted IPs deadline 3 submission regarding wake effects are noted. The Ørsted IPs maintain their position regarding the policy requirement for the Applicant to assess and mitigate the wake effects of the Project on their assets, as set out in previous submissions.
- 3.3 The Ørsted IPs wish to respond to one point in particular that the Applicant has made in relation to wake effects. The Applicant has stated that it does not agree that the Project would have a material impact on the Ørsted IPs assets. The Applicant has noted that any impact on the assets *"remains uncertain and is subject to various factors beyond the scope of the Project alone."*
- 3.4 The Ørsted IPs have produced a financial note accompanying their response to the second written questions of the examining authority ("**Financial Note**"), outlining the predicted financial consequences of the wake effects of the Project (both alone and cumulatively with the Mona and Morgan developments).
- 3.5 Of particular importance in terms of decision making in respect of the assets, is the impact to the profitability when the asset become fully merchant. As explained in the Financial Note, as market support for the assets fall away (between 15 and 20 years following commencement of operation of the assets), they are likely to become significantly more vulnerable to market volatility. At this point in particular, there is a very real risk that the predicted wake losses, left unmitigated, could result in the operation of the assets becoming economically unviable. As outlined in the Ørsted IPs' response to ISH3 action point 23 [REP4-077] (the "**Asset Lifetime Note**"), this would occur significantly prior to the end of the assets' operational lifetimes.
- 3.6 While it is acknowledged that other factors will be relevant to decisions regarding the long-term lifetimes of their assets, the Ørsted IPs consider the predicted financial consequences of the Project's wake effects are clearly significant. In their view, these consequences will be of material importance in decision-making regarding the assets.
- 3.7 Given the consenting position is that the operational consents are not subject to time limits and none of the consents/licences contain a requirement to decommission at a certain date, and given the assets are (from an engineering perspective) capable of continuing to operate, it would be irrational to disregard the effects of the Project beyond the initial anticipated lifetime of the Ørsted IPs' assets. This is particularly pertinent in light of the clear policy directive in the NPS-EN3 and North West Marine Plan for coexistence and the UK Government's and The Crown Estate's recent statements recognising the importance of extending the lifetimes of existing assets.
- 3.8 The Ørsted IPs' note this position is also relevant to the Applicant's comments on the Ørsted IPs responses to questions 1OO1 and 1GEN1 of the first written questions of the examining authority [REP4-060].

Ecology

- 3.9 In response to the concerns raised by the Ørsted IPs regarding the exclusion of Barrow Offshore Windfarm ("**Barrow**") from the Applicant's cumulative and in-combination effects assessments, the Applicant has maintained there is no need to include Barrow in its cumulative or in-combination effects assessment, because of the Marine Management Organisation's view that works required post 2030 would need to be authorised by new marine licences.
- 3.10 As outlined in the Ørsted IPs' response to ISH3 action point 23 [REP4-077] (the "**Asset Lifetime Note**"), no expiry date applies to the Barrow's operational consent (a section 36 consent). Any application for new/to vary existing marine licences would apply to discrete maintenance activities only. The Ørsted IPs do not consider it is appropriate to exclude Barrow from the Project's effects assessments when its existence beyond 2030 is legally authorised and highly likely?. It is noted that both the Mona and Morgan developments have now incorporated Barrow into the effects assessments for those applications.

- 3.11 The information which is publicly available in respect of Barrow is that there is no requirement for it to be decommissioned. Ørsted has already taken steps to review the consenting position in respect of the asset (as evidenced by the letter from BEIS provided at [REP3-110]). The Ørsted IPs have stated on numerous occasions in this examination and the examinations for the Morgan and Mona developments there is a real likelihood that the assets (including Barrow) will continue to operate beyond the initially anticipated lifetimes.
- 3.12 In response to the Applicant's comments at [REP3-108-09] the Ørsted IPs recognise and have no comments in respect of the compensatory measures proposed for red throated divers as set out in the updated draft DCO submitted at deadline 4. The Ørsted IPs may provide further comments on this matter if the Applicant's approach to the compensatory measures change.

Shipping and Navigation

- 3.13 In response to the Applicant's comments at [REP3-108-10], the Ørsted IPs do not consider the Applicant's commitment to continue the Marine Navigation Engagement Forum ("**MNEF**") post-consent resolves their concerns regarding the lack of certainty and specificity of engagement which will be provided through this forum (as set out in their deadline 3 submission [REP3-108]).
- 3.14 Therefore, the Ørsted IPs reiterate their request for a formal commitment to ensuring they have the opportunity to review the Vessel Traffic Management Plan ("**VTMP**") pre-submission to the Marine Management Organisation pre-construction in the interests of navigational safety within the vicinity of the Ørsted IPs assets, as a named consultee in the VTMP.
- 3.15 It is noted that the personnel who ultimately will be involved in consenting during the construction of the Project may be different to those responsible for consenting during the Project's development application. Therefore, there is a risk that, if consultation with the Ørsted IPs on the matters they are concerned with is not explicitly required, it will not be undertaken.

Shepherd & Wedderburn LLP

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