

Hearing Transcript

Project:	Dogger Bank South
Hearing:	Compulsory Acquisition Hearing 2 (CAH2) – Part 2
Date:	7 April 2025

Please note: This document is intended to assist Interested Parties.

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The video recording published on the Planning Inspectorate project page is the primary record of the hearing.

00:00:06:11 - 00:00:42:05

Good afternoon, and welcome back to this compulsory acquisition hearing for Dogger Bank South offshore wind Farms. I've been advised that the live stream is likely to continue to be down because it is a UK server problem with VMO. So um, as it's only the live stream that is down. Um, my proposal is that we will continue with the hearing, because it's only those people who are watching it who would not be able to watch it live. They will, however, be able to watch a recording of it, and therefore I do not feel that they would be prejudiced by this outage.

00:00:42:16 - 00:00:46:09

Can I just confirm with the applicants that they are happy to proceed on this basis?

00:00:50:27 - 00:00:53:28

For the applicant? Yes, we're happy to proceed on that basis.

00:00:54:28 - 00:01:07:00

Thank you. So if we can pick up where you left off, which was providing us with an overview. With regards to the negotiations for the remaining plots, where we don't have objections to the compulsory acquisition of the land.

00:01:09:24 - 00:01:40:25

Use behalf of the applicant. I'll start from the land, and you can look at the last 45 landowners impacted by the cable corridor substation zone on the cable corridor on this project. At this stage, there is concluded negotiations and the heads of 20 landowners. That's 82% out of these landowners, 26 of which 58% of them have at least stage agreed option and easement agreements. And the applicant expects that these agreements will be concluded in the next coming weeks.

00:01:41:15 - 00:02:18:20

The 11 remaining parties who have agreed to terms are currently in the legal process and varied, and the various agreements are at different stages. However, the applicant remains confident that these agreements will be completed. The applicant does acknowledge that there are still eight landowners who have not yet agreed heads of terms, and the applicant and their appointed agent are still progressing all of these negotiations with the various landowners. The applicant is maintaining and updating the Land Rights Tracker to give regular updates on the status of negotiations, which is being submitted by the applicant, most recently at deadline through and the next land update is due next on deadline.

00:02:22:18 - 00:02:48:15

Thank you very much for that update. And um, I noticed note that you also had a more detailed update, which I'm more than happy for you to submit in writing at deadline for if you wish to do so as a post, uh, submission. Post hearing submission. So can I just check that there is nothing further anyone wants to raise with regards to this agenda item? If not, I'm going to pass to my colleague Miss Abramsky, who will deal with the next item on the agenda.

00:02:52:26 - 00:02:53:18

Thank you.

00:02:55:21 - 00:03:07:03

So I'll be discussing item three, which is section one, two seven of the Planning Act 2008, with particular reference to part five and schedule 15 of the draft DCO. The protective provisions.

00:03:08:19 - 00:03:38:20

Schedule 15 of the draft DCO, which is Rep 3004, contains generic protective provisions for the benefits of the protection of electricity, gas, water and sewage. Undertakers part one for the protection of operators of Electronic Communication Code Network Operators. Part two and specific provisions for the protection of the Environment Agency. Part three Drainage Authorities part four and Network Rail part five.

00:03:39:25 - 00:03:50:25

I note from the various representations that we have received that there are requests that this schedule should contain bespoke protective provisions for the benefit of statutory undertakers, both onshore and offshore,

00:03:52:25 - 00:04:32:05

dealing with onshore requests. First, we have had requests for bespoke provisions from Network Rail, a National Gas Transmissions, National Grid Electricity Transmission plc and Northern Power Grid Limited, as they are here today, are going to deal with Network Rail first, according to the land rights track I submitted at deadline, three draft protected provisions for the benefit of Network Rail are included in part five of schedule 15 of the Draft Development Consent Order, and the applicants considered that these contain adequate protections for Network Rail relating to railway property.

00:04:33:03 - 00:04:56:02

The applicants have been engaging with Network Rail throughout the pre-application stages of the proposed development, and agreed heads of terms with Network Rail in August 20th, 2024, for property rights required for the proposed development to cross Network Rail's property. Negotiations are ongoing to agree an option for an easement to provide property rights for the proposed development, with solicitors instructed.

00:04:58:03 - 00:05:19:06

At deadline three. Network rail advised and direct 361 that they are liaising with the applicants to agree with a form of protective provisions, and that the last turn of the drafts was sent to the applicant's legal representatives on the 8th of January, 2025, but since then there has been no engagement to progress the protective provisions.

00:05:20:26 - 00:05:54:27

The applicants and Network Rail have agreed that a basic asset protection agreement is required, and that the applicants have asked that this be issued to them for review and signing with two named parties, with each party being responsible for behalf of the debt. Network rail advised that this was not permissible, and therefore wants the applicants to confirm if they are prepared to proceed with a single entity agreement or enter into a Basic Asset Protection Agreement where both companies within RWC renewable share the liability Where one is liable for all of the costs.

Should the other default network well are willing to receive confirmation from the asset protection team at Network Rail as to what the applicant's. What is the applicant's preference? A note from the submission made by Network Rail that due to a lack of progress, they were not originally intending to. On attending today. I assume that as you were in attendance, there is something to to discuss, and that I would like to start by asking Network Rail for an update on their position with regards to firstly protected provisions and then their asset protection agreement, please.

00:06:31:16 - 00:06:37:06

Yeah. So in terms of the protection provisions, um, we received comments back on Friday afternoon.

00:06:37:17 - 00:07:05:01

Um, so we're just in the process of what I'm just in the process of obtaining instructions from, um, my client team in respect of how we would like to move forward with those. Um, on a brief review, I don't think anything stands out as substantial as a substantial issue. Um, but we hope to sort of progress these as soon as we can. Um, and hopefully as per the can provide an update by deadline for on the progress of these.

00:07:09:14 - 00:07:28:11

And then in respect of the asset protection agreements, I do have, um an asset protection manager from Network Rail Online who can also jump in back as far as I have been, um, instructed. Uh, we have not heard from the applicant in respect of their, um, preference on how to move forward with the asset protection agreements.

00:07:32:06 - 00:07:36:00

Okay. Thank you very much. Can I ask for the applicant's response, please?

00:07:40:20 - 00:08:04:14

James, the applicant, um, just on the protective provisions. Just to reiterate, Mr. Makarios, then, uh, comments we, uh, Simulated a mock up on Friday. Um, and, uh, hopefully we can progress these in the coming weeks. Um, and, uh, yeah, I think we'll make sure that negotiations are ongoing and, uh, passing it to my colleague until we get the protection.

00:08:06:23 - 00:08:34:03

Of the applicant. Um, I received an email on the 22nd of January of 2025 from Adrian Brown within the asset protection team, advising that Network Rail were closing the file in relation to the paper. And he advised that due to our construction, uh, mobilization dates being proposed in the future, that we were to re-engage in relation to the backer, uh, closer to construction. Therefore, uh, we we took those instructions, and we will contact in due course.

00:08:46:04 - 00:08:54:05

Can I ask if the, um, asset protection, um, uh, manager or representative from Network Rail if they have any comments on that, please.

00:08:58:17 - 00:08:59:12

Hello. Good afternoon.

00:08:59:14 - 00:09:11:08

Um, no, I don't have any further comments. Um, my colleague Adrian, um, did, uh, communicate with Vicky, um, about the Bapa in that manner. And I don't have any further updates today.

00:09:13:24 - 00:09:15:07 Okay. Thank you very much.

00:09:19:19 - 00:09:27:14

And can I just ask if you, uh, both parties feel that, um, the matters will be resolved before the close of the examination, please?

00:09:30:29 - 00:10:05:15

I would like to think so. Um, with the property agreement also nearly, um, being agreed. Um, we can progress the protected provisions and framework agreement now. We have comments. Um, I will need to discuss with Network Rail grow internally in regards to the asset protection agreements. Um, and just get instructions on how they'd like to proceed with a paper being entered into a construction stage rather than at this current moment. Um, but yeah, in one network position, we would like to be in a position to have all agreements agreed and completed by examination close.

00:10:07:16 - 00:10:08:28 And the applicants, please.

00:10:09:28 - 00:10:27:08

Obtain some of the applicants. Um, yes. Um, as Mr. Correa said, uh, given the progress on the property agreement, we're hopeful that that will facilitate agreement for certain provisions. Um, so we think there's a reasonable chance of these being agreed to before we close the examination.

00:10:28:29 - 00:10:34:12

Thank you. That's very helpful. Um, is there anything else either party wishes to raise on this matter, please?

00:10:36:02 - 00:10:37:14

No. At this current stage, no.

00:10:47:20 - 00:10:49:19

Did the applicants wish to raise anything further?

00:10:52:00 - 00:10:53:20

To the applicant? Nothing further.

00:10:54:25 - 00:10:55:15

Thank you.

00:10:58:06 - 00:11:22:02

I would take this opportunity to remind Network Rail that I set out in action point 25 via stage one with EV reference EV 4003. If the drafting of the protective provisions has not been agreed by

deadline seven, then they need to submit a copy of their preferred drafting and a detailed explanation as to why these, rather than those drafted by the applicants, should be included in the recommended DCO.

00:11:23:24 - 00:11:33:26

I would like to thank Network Rail for their attendance, and advise them that they are more than welcome to stay for the remainder of the hearing, but that unless there is anything further that they would like to raise, they are free to go.

00:11:34:26 - 00:11:35:24

Great. Thank you all.

00:11:37:13 - 00:12:19:00

As the other other relevant parties are not here, I'm now going to briefly ask the applicants for an update with regards to the remainder of onshore statutory undertakers who have objected to the protective provisions, starting with National Gas Transmissions Limited. The Land Rights tracker submitted at deadline three states that you have been provided with National Gas's preferred form of protective provisions for consideration, and will continue to engage with National Gas to reach agreement. I also note that at deadline three, you have also submitted a draft of your preferred protected provisions for National Gas, which was submitted in response to National Gas's written representation with reference 178.

00:12:19:28 - 00:12:45:28

This document advises that as these are still in negotiation, they therefore may be subject to change and which is why they are currently not included in the draft DCO. If they are agreed before the close of examination, then they will be included on the face of the order. If they are not agreed, then you have advised at deadline that you will include your preferred version of these are the protective provisions in the final version of the draft DCO.

00:12:48:05 - 00:13:05:19

I also note that a deadline one has requested you submitted a statement of ground, a draft statement of Common Ground with reference 135 with National Gas Transmissions. Can you provide an update as to where discussions currently are and whether these are likely to be concluded, and the provisions agreed before the close of the examination?

00:13:08:23 - 00:13:30:25

Mayor James, on behalf of the applicant. Yes. Discussions have been ongoing since the first set of hearings. We circulated a markup of the protective provisions last month, and we're awaiting feedback from National Gas Solicitors. But we are hopeful that an agreement can be reached before the close of examinations.

00:13:34:11 - 00:13:59:20

Thank you. And with regards to National Grid Electricity Transmission plc. The deadline. Three Landmarks Tracker advises that you continue to actively engage with National Grid, holding regular meetings to discuss potential interactions with National Grid proposed infrastructure, and will

continue to work with National Grid on matters to rate matters raised to agree a bespoke form of protective provisions for their benefit,

00:14:01:09 - 00:14:33:02

as was just set out for National Gas. I note that at deadline three, you have also submitted a draft of your preferred protected provisions for National Grid, which were submitted in response to National Grid Grids written representation. I also note that a deadline one has requested you submitted a draft statement of Common Ground. Can you provide an update as to where discussions currently are and whether these are likely to be concluded, and the provisions agreed before the close of examination regarding National Grid electricity transmissions?

00:14:36:03 - 00:15:15:09

On behalf of the applicant, yes, we have been in ongoing discussions with um National grid electricity transmission. Um, we have provided for the market and we've also received a markup from National Grid Solicitors. And the main area of difference is just on future projects and the extent to which they are covered by the protective provisions. And because of that, we're also in discussions on a cooperation agreement with them. Uh, have been actively discussing this, and we will be continuing to negotiate over the next few weeks, and we hope to be able to reach an agreement before the end of the examination.

00:15:17:17 - 00:15:18:09 Thank you.

00:15:19:29 - 00:15:52:07

And regarding northern Powergrid Yorkshire Limited, the deadline, three land rights tracker advisors that you've been provided with Northern Power Grids preferred form of protected provisions, and that negotiations are ongoing and that you'll continue to work with Northern Grid. Northern Power Grid to reach agreement. Again, I note, as requested by the examining authority that deadline one received a draft statement of common Ground. Can you provide an update as to where discussions currently are and whether these are likely to be concluded, and the provisions agreed before the close of the examination?

00:15:54:15 - 00:16:08:04

James, on behalf of the applicant. Um, yes. Uh, discussions have been ongoing with, uh, Northern Powergrid. Uh, I would say they're at an advanced stage. So I think there's a very good chance that they will be agreed before the close examination.

00:16:14:07 - 00:16:15:01 Thank you.

00:16:17:04 - 00:16:54:17

Turning to offshore. We've received a number of relevant representations from owners of offshore assets who have concerns about potential effects of the proposed development on their assets. However, of these, only National Gas has made a relevant rep. Uh 017 has made a formal request for a protected provision with regard to their offshore assets. At issue specific hearing one in January, you advised that you did not think it was appropriate to include protected provisions in the draft DCO with

regards to these offshore assets, and that you considered that a private agreement would be sufficient to address the concerns raised.

00:16:55:11 - 00:17:02:21

Can you provide an update as to where you are with regards to these agreements, and whether they will be successfully completed before the close of the examination?

00:17:20:22 - 00:17:36:07

We are engaged with other entities, but I think we are. It would be better if we provide you with an update in the post hearing summary, because I don't have a detailed sort of commentary to give you on that topic.

00:17:41:02 - 00:17:42:07

Okay. Thank you.

00:17:45:12 - 00:18:23:08

Um, whilst we note that you do not consider that a protected provision with national gas with regards to their offshore assets is appropriate in terms of our report to the Secretary of State, we currently have an outstanding request for this on which we will need to report. Therefore, I would request that if this matter is not resolved by the close of the examination, that you provide a detailed explanation at deadline eight as to why you consider that a protected provision for national gas offshore assets would not be appropriate, and how these assets would be protected, so that this can be included in the report for consideration by the Secretary of State.

00:18:23:21 - 00:18:27:13

I trust that that's an acceptable request for the applicants.

00:18:38:21 - 00:18:39:06

Thank you.

00:18:40:23 - 00:18:45:27

Can I just please confirm whether it's definitely National Gas with assets offshore, please?

00:18:49:23 - 00:18:50:29

One moment. Thank you.

00:19:07:24 - 00:19:09:11

Yes, that's our understanding.

00:19:17:00 - 00:19:36:19

So we'll look into it further. But as you can tell, we are we are very surprised. We're not we're not aware of national gas assets offshore. There's and there's Dogger Bank A and B that we are aware of are relevant We're a bit surprised by the reference to natural gas.

00:19:37:19 - 00:19:41:24

We would we would refer you to relevant representation. 17.

00:19:49:27 - 00:20:16:12

So obviously we've um, we've set out that we would obviously look at you review that. And as I set out previously, um, if the matter is not resolved by the close of the examination. Could you provide a detailed explanation at deadline eight as to why you consider that a protected provision for natural gas offshore assets would not be appropriate? So we'll put that down as an action point. But obviously if you can review that relevant representation as well in light of the discussion, um, that would be welcomed. Thank you.

00:20:19:12 - 00:20:24:19

So can I just ask, is there anything else that anyone wishes to raise as regards to protective provisions, please?

00:20:28:24 - 00:20:30:14

I can't see any hands up.

00:20:33:28 - 00:21:12:16

So to conclude on this agenda item, the examining authority will expect both the applicants and relevant statutory bodies to do their utmost to reach agreement on these matters before the close of the examination, as set out in action. Point 26 of issue specific hearing one with reference EV 4003. If agreement has not been reached towards the end of the examination, then the examining authority requests that at deadline seven the 26th of June 2025, that the relevant statutory party submits into the examination their preferred drafting for the protective provisions, with the detailed explanation as to why these would be necessary.

00:21:13:10 - 00:21:35:09

The applicants will then need to review this drafting and submit a deadline eight, which is the 3rd of July 2025 with a section 127138. Setting out how the Draft Development Consent order as drafted would ensure that the statutory undertaker would be adequately protected. I can see the applicants have got their hand raised. Yes, Mr. Boswell.

00:21:36:02 - 00:21:52:04

Just in case it was helpful. We had prepared a brief update on 1 or 2 other parties that you haven't raised. We're happy to include that in the post hearing summary, but just wanted to let you know that we had assumed you might want a brief update on that on everything.

00:21:53:03 - 00:21:58:15

Thank you. Appreciate that. If we could have it at the next deadline, deadline for inviting that would be welcomed. Thank you.

00:22:01:18 - 00:22:06:08

Thank you. I'm now going to pass back to my colleague, Miss Dowling, to deal with the remaining items on the agenda.

00:22:09:15 - 00:22:43:16

Thank you. So we're now going to move to item four, which is section 135 of the Planning Act 2008, which is Crown land. And the rights Land Rights Tracker submitted at deadline three advises that in relation to the Defence Infrastructure Organisation, that negotiations are ongoing with the appointed agent, and that the last meeting was held on the 17th of January. The appointed agent has since confirmed on the 14th of February that they have appointed solicitors, and that the applicants are hopeful that a section 135 consent would be available prior to the end of the examination.

00:22:43:18 - 00:22:47:01

And can you just provide me with an update on progress with that, please?

00:22:49:27 - 00:22:54:11

Georgina. Hannah, applicant. Um, there's been no update since then,

00:22:56:05 - 00:23:22:15

but the aspiration is that that would be achieved by the close of the examination still. That is correct. Okay. Thank you. Um, with regards to the Secretary of State for transport, who are being represented by national highways, the land rights tracker states that they have provided you with the De trunking orders, and that you will now commence negotiations with East Riding of Yorkshire Council in the capacity of local highways authority.

00:23:25:06 - 00:24:12:09

However, I just need to seek some further clarity on this matter. As in response to our first written question. CA 119 uh rep 327, you confirm that a De trunking order had been made, but you then state that this means that ownership vests in East Riding of Yorkshire Council, even though the Secretary of State for transport remains the registered owner, and that the transfer of registered proprietorship is just an administrative exercise that has not yet been undertaken. Whilst I note your comment that this is just an administrative exercise to transfer the registered proprietorship, can you just confirm what the actual legal position is with regards to this plot? So, for example, does the Secretary of State for transport still have a legal land interests, and if so, what are the implications for the need for Crown consent?

00:24:18:04 - 00:24:21:08 After we've spoken to the.

00:24:21:19 - 00:24:22:04 Uh.

00:24:22:15 - 00:24:23:03 Secretary of.

00:24:23:05 - 00:24:23:20 State's.

00:24:23:26 - 00:24:25:03 Um transport. 00:24:26:05 - 00:24:29:17

Agents and they have provided us with data.

00:24:31:19 - 00:24:32:09

And confirmed.

00:24:32:11 - 00:24:33:03

That they no longer.

00:24:33:05 - 00:24:34:07

Have any interest.

00:24:34:09 - 00:24:35:03

In the.

00:24:35:11 - 00:24:36:12

Plot that.

00:24:36:21 - 00:24:37:25

Is referenced to in the.

00:24:37:27 - 00:24:38:28

Language that.

00:24:39:10 - 00:24:43:03

We will now be, um, having now.

00:24:43:10 - 00:24:43:25

Having.

00:24:43:27 - 00:24:45:03

Discussions with the local authority.

00:24:45:05 - 00:24:45:20

With.

00:24:45:22 - 00:24:46:07

Regards to a voluntary.

00:24:46:09 - 00:24:47:17

Agreement for those plots.

00:24:50:21 - 00:25:06:16

So just to close this matter off from a section one, three, five point of view. Would it be possible to either have a copy of that correspondence that you've had for National Highways, confirming that the

Secretary of State for transport no longer has an interest in this plot, or a letter from National Highways saying the same.

00:25:10:16 - 00:25:13:27

On behalf of the applicant. We can ask the.

00:25:15:03 - 00:25:16:25

Agent for the Secretary of Transport.

00:25:17:13 - 00:25:18:06

To confirm that.

00:25:18:08 - 00:25:18:23

Some.

00:25:18:25 - 00:25:19:10

Of.

00:25:19:12 - 00:25:19:27

Them.

00:25:21:21 - 00:25:22:12

Thank you.

00:25:24:10 - 00:25:47:15

And finally, with regards to the King's Most excellent Majesty, in white of his crown, I note that the deadline three Land Write tracker states that heads of terms have been agreed, and that there are legal instructions to agree a legal option, together with progressions with the section 135 consent. The applicant is hopeful that the legal documents will be agreed prior to the end of the examination. Can I just ask for an update on that?

00:25:52:13 - 00:26:07:16

Georgina Hurley of the applicant, um, Town Legal have now been instructed to prepare a section 135 letter. Now that that has been agreed, um, and some solicitors have been instructed to prepare and negotiate the option agreement.

00:26:10:06 - 00:26:12:07

And what's the likely timescale for that?

00:26:22:28 - 00:26:30:24

Both parties have a willingness to understand the timetable for examination, and it's hopeful that the option document will be completed by the end of examination.

00:26:32:25 - 00:26:33:19

Thank you.

00:26:35:13 - 00:27:09:13

Given the importance of resolving the issue around consent before the close of the examination, I just want to take the opportunity to remind the applicants of Action Point 18 of Compulsory Acquisition Hearing one, which is EV 3003, that if Crown consent has not been secured before deadline eight, which is the 3rd of July 2025, the examining authority will want an explanation at that deadline of how the project could proceed if all Crown land had to be removed from the order land, and if no one else has any further comments, then on this agenda item, I'm going to move on to the next agenda item, which is funding.

00:27:09:15 - 00:27:12:11

So does anyone else want to raise anything with regards to Crown consent?

00:27:15:09 - 00:27:50:00

No. Okay. So I'm going to move to item five which is funding. So at the compulsory acquisition hearing in January, I raised a number of concerns with regards to the funding statement that was submitted with the application, which is app 033. The reason for the concern arose because as part of their report to the Secretary of State, the examining authority must consider whether there is a reasonable prospect that the funds needed to cover the scheme could be secured, including because the development consent order would give the right to acquire land, the amount of money needed to cover the cost of acquiring that land.

00:27:50:26 - 00:28:25:03

The examining authority considered that the funding statement, as submitted did not do this, as it was an exceptionally high level document that lacked any detail on how the costs had been calculated and evidence that the companies involved or their parent companies had access to the necessary funds. As a result, the applicants reviewed the funding statement and a new version was submitted at deadline two, which is rep 2008. Having reviewed this document, whilst I accept it does contain some further detail, and that it does provide sufficient detail regarding the cost of acquiring the land.

00:28:25:07 - 00:28:56:01

I still consider that it lacks sufficient detail to reassure the examining authority, and ultimately the Secretary of State, that the applicants have sufficient funds needed to cover the scheme. This concern arises from two areas. Firstly, whether the projected project costs are realistic, and this arises from a lack of detail as to how they've been calculated. And secondly, a lack of sufficient evidence that the applicants or their parent companies have access to, or ability to raise sufficient funds to meet the costs of the project.

00:28:56:18 - 00:29:28:24

If I deal with the projected project costs first, you have advised that the real project cost data would not be available until post decision. Rep 2008. Section 4.1. And that in any event, such information would be commercially confidential. Whilst I understand the need for commercial confidentiality, the Secretary of State still needs to be satisfied that the 7 billion that you have calculated that the scheme would cost is realistic. Unfortunately, based on the information currently submitted, I wouldn't be able to advise this.

00:29:29:03 - 00:29:42:07

As a result, we need to try and find a way forward that you can address these concerns. Have you therefore any suggestions as to how you might be able to provide me with some further comfort that this figure is realistic?

00:29:45:19 - 00:30:00:20

And to be honest, I'm looking for something as simplistic as approximate headline figures for the cost of construction, project management, financing, land acquisition and operation, or even a percentage percentage breakdown of how the 7 billion overall cost was achieved.

00:30:18:11 - 00:30:19:15

Just give us a moment.

00:30:20:25 - 00:30:21:21

No problem.

00:30:30:03 - 00:30:33:22

I call McAlister the project leader for the applicant.

00:30:34:13 - 00:30:53:03

We are currently in the middle of detailed negotiations with contractors. So even the headline figures, for instance, for turbines or foundations. What other things would a commercial disadvantage in such negotiations?

00:30:54:18 - 00:31:00:16

And that's why we've used an overall figure and what we've provided to date.

00:31:03:00 - 00:31:18:13

We can provide something that would need to be redacted and not available for public consumption, but I would need to get confirmation from them shareholder that that was actually acceptable as well.

00:31:20:12 - 00:31:26:00

Um, bread and butter. And as you can imagine, for the for the project.

00:31:28:26 - 00:32:10:02

Okay. Um, fortunately, I have actually looked into the opportunity to have information submitted confidentially and a redacted statement being published on the um, national infrastructure website, and but I've been advised that, uh, we can only anything that we receive, we have to publish. So we would need to publish the full figures. So that's obviously not going to resolve the problem. I was wondering, given that RWC has now developed out a significant number of offshore wind farms, would it be possible to provide a table setting out the actual overall costs of these schemes, adjusted for inflation, to enable me to understand a comparison and be satisfied that maybe the estimated cost given for this scheme is realistic.

00:32:12:19 - 00:32:27:07

I can certainly take that away and came to it. Obviously there there is commercial confidentiality around each of them and they are different shareholders as well. Um, but I can certainly take that away and look at it and get back to you whether that's possible or not. Well, the next deadline.

00:32:27:16 - 00:32:47:03

I would really appreciate that. And then just one more thing with regards to the actual, uh, estimate cost. The 7 billion estimate is now over a year old. Can you just advise if you consider that, consider that this is still realistic, or does it need to be adjusted for inflation and the effects of world events on the cost of materials?

00:32:48:23 - 00:33:07:12

And the \$7 billion would have been based on the 2019 report was published by PPG from 2019 costs. So it would need to be adjusted for inflation from that. Um, but we can give you an update on that in terms of RPI and that would be useful.

00:33:08:10 - 00:33:26:02

I think that would be useful because obviously more up to date information we can provide Secretary of State with the better. So, um, particularly given that our number was generated in 2019 and it's now 2025. It would be better if we can actually have something that, uh, reflects the actual real cost of the scheme.

00:33:30:12 - 00:33:51:22

Madam, just mindful that offshore wind farms have been consented and then constructed. Is there another funding statement from another DCO that you would direct us to that following an approach that that would sort of help us resolve this issue for you?

00:33:53:12 - 00:34:23:17

I'm happy to take that way as an action point for me. So we'll look into that for you. And, um, if we can find one, we will try and direct you towards that. We will obviously have to issue a rule 17 with that information in, but I can look into that and then obviously advise you, I can advise you on definitely on some other schemes. But they're not offshore wind farms, unfortunately. So I know that for both Portishead Railway and London Luton Airport, we actually had quite detailed costings submitted for those schemes.

00:34:23:21 - 00:34:31:03

But obviously they're not offshore wind farms and you're asking for one, particularly in your sector. So I'll look into that and come back to you as an action point for the examining authority.

00:34:32:24 - 00:35:10:18

So having discussed the overall costs, one figure which we have been provided with is the cost of the proposed ecological compensation measures, which are estimated to be approximately 173 million. At the last compulsory acquisition hearing, I asked for further detail as to how this figure had been calculated. However, I note that whilst the funding statement section 5.2 has been updated, it now advises that a detailed breakdown of the HRA compensation costs has not been provided due to the commercially sensitive nature of ongoing contract negotiations.

00:35:11:27 - 00:35:42:12

Um, I just want to know why this is the case. Um, when? For both five Estuaries and North Falls, where Rui is the applicant. You have provided a compensation measures funding statement. Uh, for five estuaries. This is reference app 056. And for North Falls, this is reference app 188, which provides a detailed breakdown of the costs for similar ecological compensation measures.

00:35:42:26 - 00:36:13:04

So, for example, the five estuaries estimate of 25 million is broken down into just over, uh, just under 5 million for predator control and habitat restoration. Uh, just 11.7 million for an offshore, uh, artificial nesting structure. 3,250,000 for recreational disturbance, and To £1,250 for the extension of the Special Area of Conservation.

00:36:13:21 - 00:36:18:23

So can I just ask why is this information commercially confidential for this project?

00:36:21:14 - 00:36:21:29

So

00:36:23:14 - 00:36:57:26

we can write to the council and that is a view we have taken because again, we're in discussions with landowners, with providers, um, with suppliers, with designers, all of which we provided detailed information as to how much we expected to cost. And that can be used in commercial negotiations against us. We know we have a budget and will be able to apply that against us. I'm afraid I can't answer for other projects why they've decided to publish it in detail.

00:36:58:17 - 00:37:22:03

And from the description you get. So those are relatively high level. Um, But I would still be uncomfortable providing even that much detail around it just because it can then be used. You can calculate if you like. If you're a supplier, how much it would be for each part of the compensation measures.

00:37:23:20 - 00:37:56:14

I note that, but these are applications that RWA have submitted you and you are the applicant on this. And they are current applications that are in examination at this moment in time. So I'm wanting to know why in this instance, it's commercially confidential, but it's not commercially confidential in those instances. And going back to the point that I raised, I am only interested in the high level figures. I don't need a detailed breakdown, I just need to have an understanding that the £173 million that you've estimated for ecological compensation is realistic.

00:37:58:14 - 00:38:22:05

Which is what we tried to do with the updated funding statement in terms of what other projects have assumed servants and included in their financial statement and as hopefully can be seen in the GBS funding statement, that the amount that we are assuming that will cost the total is actually above what has been assumed in those projects that have similar measures.

00:38:25:14 - 00:38:42:03

But you have to see that I'm at a disadvantage in terms of reporting to the Secretary of State on this case, because you're not prepared to provide that information into our examination to enable us to be able to report that we have a confidence that the figures are acceptable, but you are prepared to do it for other examinations.

00:38:44:12 - 00:39:00:00

Not my projects. They are not the same applicants. We do have different shareholders for different projects to make different project decisions. We do. We need to have separation between projects as well. So I'm afraid I can't answer for that.

00:39:03:06 - 00:39:40:20

Okay, well we'll have to leave that matter there, but I will be reporting to the Secretary of State on that basis. Um, turning now to the second matter, a lack of sufficient evidence that the applicants or their parent companies have access to your ability to raise sufficient funds to meet the cost of the projects. The funding statement states that the projects would be funded through a special project vehicle, funded through direct cash from shareholders, with 51% from RWC and 49% from Mazda. That's paragraph 48, and that you are likely to use a combination of equity funding as well as debt funding, and that this would was the same funding model that was used on ramping and galloper.

00:39:40:22 - 00:40:26:21

That's paragraph 50. The funding statement, paragraph 51 advises that the possibility of either RWC or Mazda being unable to meet its financial commitments is extremely remote. On the basis that both companies have a sound credit rating and whilst I accept this may well be the case, I have no evidence of what that sound credit rating is before me, or that the parent companies have sufficient funds or assets that they could borrow against to fund the proposed development. I note that, for example, the funding statement for North Falls, which is their reference app, 008, includes in the appendices the consolidated SSR accounts for 20 2223 and a financial statement for RWA for 20 2223.

00:40:27:04 - 00:40:41:22

Could you signpost me where in the application documents similar information may have been submitted for this project, or if you would be prepared to submit it, to be able to confirm that the sound credit rating you refer to in your funding statement exists.

00:40:50:27 - 00:41:18:15

For the applicant. There is a statement within the funding statement that gives the applicant's shareholders credit rating, which is which is their, um, in terms of annual accounts, if it would help the examining authority, we can submit previous year's annual accounts for the latest annual events that are available, if that would be of assistance, as they are publicly available documents.

00:41:21:13 - 00:41:41:09

As I said, it's just to confirm the point that you made at the moment. I couldn't see that the, uh, credit rating was actually included. It just says that there is a sound credit rating for both companies. It doesn't actually provide any breakdown or detail on that. And all I'm asking is for some evidence to sit underneath that so that when we're writing our report to the Secretary of State, we can have confidence that that is correct.

00:41:43:07 - 00:41:57:08

Yep, sure. And paragraph 32 of the funding statement has updated notes that it has a B plus credit rating. And similarly, Mazda

00:41:59:06 - 00:42:11:03

is an A-plus rating from from Fitch on that as well. I can also provide the um, as I said, the last financial statements, the next deadline. That would be excellent.

00:42:12:08 - 00:42:19:00

I think that would be useful. As I say, it's not necessarily that it's an incorrect statement. I just need some evidence to sit underneath it to confirm that.

00:42:20:18 - 00:42:28:27

So, um, if you can take that away as an action point, I'd be grateful. Um, is there anything else anyone wants to raise in relation to funding?

00:42:33:10 - 00:42:34:02

And then can I.

00:42:34:04 - 00:42:34:19

Just.

00:42:34:21 - 00:42:42:12

Just check if there's anything else anyone wants to relate to raise in relation to compulsory acquisition in general? Mr. Boswell, you seem to want to say something.

00:42:43:08 - 00:43:21:07

Yeah. Sorry. I think we were muted. It was just going back to the separation of the the, um, the funding for the compensatory measures that I think I'm right in saying that whilst While these practices grown up isn't actually specifically required, but I think Hornsea. I think Orsted started started this. In some ways it's it's curious because in practice, if you are obliged to deliver compensatory measures, that simply becomes one of a myriad of project costs across the board.

00:43:21:24 - 00:43:39:08

And I've been slightly surprised that it's that it's become a thing, as it were, to to focus on the detail of that when it's frankly all or nothing. You're either building a project and you press the green line and you get the funding for everything or you don't.

00:43:45:07 - 00:44:08:09

I note your comments, but from my perspective, I'm looking at it simply is, you know, is the estimated cost realistic? How has that worked out? And therefore do you have the funding to to pay for it? So I'm looking at it from a purely funding point of view, not whether or not those compensation measures are necessary. Um, um, as I say, it's just the headline figure. So is there anything else you would wish to raise in relation to compulsory acquisition, Mr. Boswell?

00:44:10:14 - 00:44:11:27

Not from our perspective. No no.

00:44:12:21 - 00:44:18:27

No. In which case I'm now going to hand back to Mrs.. To to Mrs. Bilo, who's dealing with the remaining items on the agenda.

00:44:20:14 - 00:44:24:26

Thank you. Given the number of action points, rather than go.

00:44:24:28 - 00:44:44:22

Through these in detail now, they will be published on the project page of the National Infrastructure website in the next day or two. We have not been notified that anyone wishes to raise any other business that is relevant to this hearing. But before we close, can I ask if there are any other matters that any party wishes to raise?

00:44:47:08 - 00:45:30:17

I cannot see any hands up. Okay, so if there are no other items that are relevant to this hearing, may I remind you that the timetable for this examination requires that parties provide any post hiring documents on or before deadline, for which is the 25th of April, 2025. And may I also remind you that the recording of this hearing will be placed on the project page of the National Infrastructure website as soon as practicable after this hearing. The next event for this application will be issue specific hearing three on Offshore Environmental Matters, which will be held tomorrow, Tuesday the 8th of April, 2025 at 9:30 a.m..

00:45:31:07 - 00:46:01:22

This is a virtual event which will be conducted online. The agenda for this event is available on the project page of the National Infrastructure website, and if you are participating in the hearing, you will need to use the link sent to you by the case team for tomorrow as today's link will not work. Registration will start at 9:15 a.m. For those who are watching the live stream, you will need to use the link that is available on the project page of the National Infrastructure website.

00:46:02:14 - 00:46:37:03

If anyone has any questions regarding access for tomorrow, then please contact the case team after this meeting has been adjourned. Their details can be found on the rule six letter PD zero ten. Before we close, we would like to thank all of today's participants for their time and assistance during the course of this hearing. We shall consider all of your responses carefully, and they will inform the examining authority's decisions when drafting any further written questions and deciding whether a further round of hearings will be necessary.

00:46:38:10 - 00:46:48:16

The time is now 5:00 and this compulsory acquisition hearing two for the proposed Dogger Bank South offshore wind Farm is now closed.