

Secretary of State for Energy Security and
Net Zero

55 Whitehall
London
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Our reference 006550181-01

Your reference EN010125

Contact Thomas Tremlett

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19th December 2025

Dear Secretary of State,

DBS East and DBS West Offshore Wind Farms ('the Projects')

PINS Reference: EN010125

RWE Renewables UK Dogger Bank South (West) Limited and RWE Renewables UK Dogger Bank South (East) Limited ('the Applicants') write to the Secretary of State in response to in response to the launch of the Marine Recovery Fund (MRF) on 17th December 2025 and the submission by Defra of Natural England's quantification of projected seabird benefits for the Isles of Scilly predator eradication project [C1-026]. The Applicants provide this submission to support the Secretary of State's prompt determination of the DCO application in the coming weeks.

Development Consent Order Wording for strategic compensation

The MRF guidance ([Marine Recovery Fund: how to apply - GOV.UK](#)) specifies how projects wishing to rely on the MRF for strategic compensation should refer to this in their Development Consent Order (DCO). The Applicants have therefore updated their DCO wording regarding strategic compensation (schedule 18) in line with this guidance, which is included with this letter as Annex A. The Applicants have also added reference to the Marine Recovery Funds Regulations 2025, which came into force on 17 December 2025. The Applicants have shared the wording in Schedule 18 Part 1 (Compensation for Dogger Bank SAC) with Defra and Natural England prior to issue of this letter.

Cost implications of benthic MRF to the Projects

The library of strategic measures ([Offshore wind development: library of strategic compensatory measures - GOV.UK](#)) sets out the costs for benthic compensation via the MRF. The Applicants would like to highlight the significance of the cost difference between the Applicants' and Natural England's approaches to the requirements for compensation now that the cost for benthic compensation via the MRF is available.

The Strategic Compensation Measure (SCM) charge to access this measure through the MRF is £63,131 per km² of benthic impact per year (plus VAT). It is noted that the guidance states this is an 'interim charge for the first 3 to 5 years of your payment period' and for the remainder of the contract period, the charge will be based on the offshore wind activity's level of benthic impact. However, given that there is no information regarding how this interim charge may change, the

Applicants have based their calculations on the worst-case of this fee being applied for the duration of the Projects, to illustrate the difference in costs based on the two approaches (see **Table 1**). The cost impact of the deposit cost alone based on Natural England's preferred impact value is significant considering this would be payable in the near future well in advance of the Projects' Financial Investment Decision (FID).

Table 1 Impact of benthic compensation approaches on SCM cost (including adaptive management and administration fee)

Approach	Area of impact (Km ²)	Admin fee	SCM Cost per year	Annual Cost including adaptive management fee	Total costs for First 5 years	Potential total cost over 32 years	Deposit Cost *
Applicants	1.6	£230,000	£101,010	£131,312	£886,562	£4,431,999	£443,200
Natural England	30.1	£230,000	£1,900,243	£2,470,316	£12,581,580	£79,280,113	£7,928,011

*payable approximately 90 days after MRF application

The Applicants maintain that the adverse effect of the Projects should be based purely on permanent habitat loss (i.e. the footprint of infrastructure), while Natural England maintain that habitat disturbance and the halo effect should be treated as permanent effects also and contribute to adverse effect. The Applicants have provided evidence to support their case in the **Review of Evidence on Recovery of Sandbank Habitat Following Habitat Damage** [REP3-021] and **Ecological Halo Effects Technical Note** [REP7-127], with the Applicants' position summarised in their Closing Statements [REP8-042]. In contrast, Natural England have not supported their case with an evidence base that reflects the significant implications of their advice.

The Applicants note that the recently consented Five Estuaries Offshore Wind Farm is only required to compensate for export cable protection which will result in habitat loss of Annex I sandbank within the Margate and Long Sands SAC. The compensation quantum is related solely to the physical footprint of the cable protection itself, with no consideration for disturbance or halo effect¹. The Applicants would urge the Secretary of State to consent the DBS Projects on the same basis, particularly given the lack of evidence provided by Natural England to suggest that any other approach is justified.

Update on the Strategic Compensation for Guillemot [and Razorbill]

Following establishment of the MRF and release of associated guidance on the 17th December 2025, the Applicants note that the MRF is not immediately available to developers who require compensation for seabirds via predator eradication. However, during a meeting with OWIC and Defra, also on 17th December, the Applicants were informed that multiple options for strategic predator eradication were being progressed, with an indication that applications from projects are expected to be available through the MRF in Q1 2026. Therefore, the Applicants remain confident

¹ <https://nsip-documents.planninginspectorate.gov.uk/published-documents/EN010115-002033-HRA%20report%20from%20SoS.pdf>

that the option to achieve the necessary compensation via financial contribution to the MRF will be available to them.

The Applicants also note that Defra submitted **Natural England's quantification of projected seabird benefits for the Isles of Scilly predator eradication project** report [C1-026] (hereafter the 'Natural England Report') to the Secretary of State on 18th December 2025. The Natural England Report [C1-026] predicts that a predator eradication scheme on the Isles of Scilly would provide 2,500 guillemot pairs and 4,230 razorbill pairs, amongst a number of other species. It provides this judgement with '*High Confidence that this uplift will be met or exceeded*'. Therefore, a predator eradication scheme for the Isles of Scilly could alone provide the compensation requirements for DBS according to Natural England's advised success criteria of 2,027 guillemot pairs (for the Flamborough and Filey Coast SPA and Farne Islands SPA combined) and 545 razorbill pairs (see the **Guillemot [and Razorbill] Compensation Plan** (revision 8) [Document Reference 6.2.2]), as well as their requirement to scale the measure to 3,338 razorbill pairs. The Applicants highlight that using their preferred assessment methodology, the compensation success criteria should be much lower than that above, namely 739 guillemot pairs and 195 razorbill pairs.

The Applicants responded to a draft version of the RSPB/ The Wildlife Trust's Isles of Scilly Breeding Seabird habitat assessment (Lock *et al.* 2025)² in November 2025, and provided evidence to the Isles of Scilly Task and Finish Group and Natural England of significantly higher nesting densities (10-20 pairs/m²) in similar boulder habitat both in the Isles of Scilly and at other locations with similar (boulder) habitat around the United Kingdom. The Applicants highlight that the Secretary of State recently approved the Hornsea 4 Guillemot Compensation Implementation and Monitoring Plan for a scheme in the Channel Islands containing similar boulder habitat at a nesting density of 27 pairs/m², which is significantly more than the nesting density of 2.5 pairs/m² favoured by Natural England Report and Lock *et al.* (2025).

Notwithstanding this area of significant disagreement on nesting density, the Natural England Report states: "*Within the current distribution all occupied rat-free habitat available can be ascribed to boulder areas (as opposed to open cliffs with ledges). However, there are areas of more conventional guillemot habitat - large open ledged and flat-topped rocks with an enclosing wall - that will be made available by the eradication. These areas, such as Scilly Rock and Shipman Head, have the potential to support much higher densities for guillemot. Despite their limited extent even at moderate guillemot densities, such as 10 pr/m², these areas have the potential to significantly enhance the population of guillemots on the islands, potentially allowing growth into the 10,000s of pairs.*" While the Applicants are disappointed their information may not have been fully incorporated into the Natural England report, the Natural England report does acknowledge that there is potential for a predator eradication scheme in the Isles of Scilly to wholly deliver Natural England's requested scaling of compensation measures for guillemots (7,924 pairs).

Given the advanced state of the two Project-led options for predator eradication schemes for guillemot and razorbill compensation under development in Scotland, the Natural England report and the imminent launch of a strategic predator eradication scheme through the MRF in Q1 2026, the Secretary of State should take comfort that the compensation requirement for guillemot and razorbill can be delivered to the level that Natural England request. This is without prejudice to the

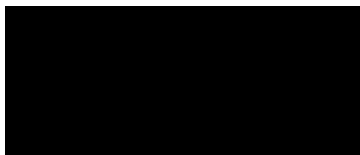
² Lock, L., St Pierre, P., Dalrymple, S. & Shurmer, M.P. (2025). Isles of Scilly Breeding Seabird Habitat Assessment. RSPB report to the Offshore Wind Industry Council. The Royal Society for the Protection of Birds and The Wildlife Trusts.

less precautionary approach to compensation quantum for both species that has been proposed by the Applicants.

Further to this, as stated in **The Applicants' Position on Compliance with Legal and Policy Requirements for Compensatory Measures** [C1-019], the public interest is protected through the provision of suspensive conditions within the DCO.

The Applicants are addressing these issues promptly to ensure the Projects can be determined within the expected timeline for the DCO and remain available to answer any further clarifications that may be required to facilitate this process.

Yours sincerely,



Thomas Tremlett

Senior Consents Manager

DBS Offshore Wind Farms

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SCHEDULE 18

Article 49

Compensation Measures

PART 1

Dogger Bank Special Area of Conservation: Delivery of measures to compensate for sandbank loss

1. In this Part—

“Defra” means the Department for Environment, Food and Rural Affairs;

“Dogger Bank compensatory measure” means the payment of a contribution to the Marine Recovery Fund towards the strategic compensation measure to compensate for impacts on 1.6 square kilometres of sandbanks within the Dogger Bank SAC as a result of the authorised development, the sum of such payment to be agreed with the MRFO;

“Dogger Bank SAC” means the site designated as the Dogger Bank Special Area of Conservation;

“Strategic Compensation Marine Recovery Fund” means a marine recovery fund operated by Defra the MRFO pursuant to the Offshore Wind Environmental Improvement Package of the British Energy Security Strategy (April 2022) Marine Recovery Funds Regulations 2025, the Energy Act 2023 or any subordinate legislation made pursuant thereto, for the implementation of strategic compensation or any equivalent strategic compensation fund established for that purpose;

“the MRFO” means the Marine Recovery Fund Operator, which is Defra; and

“the strategic compensation measure” means the marine protected area designation and/or extension to be delivered by the MRFO pursuant to the Marine Recovery Fund Regulations 2025.

“Dogger Bank CIMP” means the Dogger Bank compensation implementation and monitoring plan for the delivery of measures to compensate for impacts on sandbanks within the Dogger Bank SAC as a result of the authorised development;

“Dogger Bank compensation plan” means the document certified as the Dogger Bank compensation plan for the purposes of this Order by the Secretary of State under article 42 (certification of plans and documents etc.); and

“DBCSG” means the project level Dogger Bank compensation steering group.

2. Work Nos. 1A to 5A and 1B to 5B and further associated development in connection with those Works (but excluding any pre-construction surveys) within the Dogger Bank SAC must not be commenced until:

(a) the undertaker has provided evidence in writing to the Secretary of State of payment to the MRFO of either:

(i) the full final payment of the Dogger Bank compensatory measure; or

(ii) the first payment of an agreed payment plan for the Dogger Bank compensatory measure;

(a)(b) the undertaker has provided to the Secretary of State a copy of the implementation and monitoring plan for the strategic compensation measure produced by the MRFO; and

(b)(c) the Secretary of State has confirmed in writing that the Dogger Bank compensatory measure has fulfilled the compensation requirement to compensate for the impacts of the authorised development on the Dogger Bank SAC.

2. The offshore works within the Dogger Bank SAC may not be commenced until a plan for the work of the DBCSG has been submitted to and approved by the Secretary of State. Such plan to include—

2. terms of reference of the DBCSG;

~~2.details of the membership of the DBCSG which must include the relevant statutory nature conservation body and, where appropriate, the MMO as core members;~~

~~2.details of the proposed schedule of meetings, timetable for preparation of the Dogger Bank CIMP and reporting and review periods; and~~

~~2.the dispute resolution mechanism.~~

~~3. Following consultation with the DBCSG, the Dogger Bank CIMP must be submitted to the Secretary of State for approval in consultation with the MMO and relevant statutory nature conservation body.~~

~~4. The Dogger Bank CIMP must be based on the strategy for compensation set out in the Dogger Bank compensation plan and must include—~~

~~4.details of the method and level of support provided to Defra and relevant statutory nature conservation bodies;~~

~~4.details of contribution(s) paid or to be paid to the Strategic Compensation Fund;~~

~~4.estimated timescales for completing the designation; and~~

~~4.3.details of engagement in respect of monitoring and reporting of monitoring.~~

~~5. The undertaker must implement the measures set out in the Dogger Bank CIMP approved by the Secretary of State, unless otherwise agreed in writing by the Secretary of State in consultation with the MMO and relevant statutory nature conservation body.~~

~~6. The undertaker must notify the Secretary of State of—~~

~~6.completion of compensation pursuant to the Dogger Bank CIMP;~~

~~6.payment(s) into any Strategic Compensation Fund.~~

~~7. The Dogger Bank CIMP approved under this Schedule includes any amendments that may subsequently be approved in writing by the Secretary of State. Any amendments to or variations of the approved Dogger Bank CIMP must be in accordance with the principles set out in the Dogger Bank compensation plan and may only be approved where it has been demonstrated to the satisfaction of the Secretary of State that it is unlikely to give rise to any materially new or materially different environmental effects from those considered in the Dogger Bank compensation plan.~~