

Responses to ExQ2 and Closing Statement on behalf of Stena Line Limited ("Stena") at Deadline 6

1 Purpose of this document

- The Examining Authority ("ExA") issued its Second Written Questions to the Applicant and other Interested Parties on 19 December 2024 [PD-011] ("ExQ2"). Stena Line Limited ("Stena") submitted replies to nearly all of the questions at Deadline 5 [REP5-088] but reserved its responses to questions SN 2.9 and SN 2.11 for Deadline 6.
- 1.2 This Response now provides
 - (i) Stena's response to ExQ2 questions SN 2.9 and SN 2.11 [PD-011], and in addition
 - (ii) a Closing Statement, setting out Stena's final position on all matters in which it has an interest, but concentrating on matters that have been raised during the Examination but have not been resolved to Stena's satisfaction ("Closing Statement").
- 1.3 Stena's response to ExQ2 questions SN 2.9 and SN 2.11 **[PD-011]** is set out below in Table 1 at Section 2 of this document. Stena's closing statement is provided at Section 3.
- 1.4 A glossary of terms and list of acronyms can be found in Section 4 of this Response.

2 Responses to ExQ2 - Table 1

- 2.1 Each question has a unique topic prefix identifier (capital letters), a reference number which starts with 2 (indicating that it is from ExQ2 [PD-011]) and then a question number.
- The fourth column of the Table below provides Stena Line's response to the relevant question.

Shipping and Navigation (SN)

ExQ2	Question to:	Question	Stena Line's Response
SN 2.9	Isle of Man Steam Packet Company Stena Line UK	Agreeing assessment of likely effects of ferry route deviations The listed IPs are asked to report briefly by D6 the best	The cumulative effect of the ferry route deviation that will be caused by the construction and then operation of the Morgan



Chamber of Shipping

efforts they have made to agree with the Applicant an assessment of any likely significant social or economic effects and carbon emissions effects of the route deviation that would be necessitated by the presence of the proposed Morgan Generation Assets array alone, for each ferry route or routes which would be affected. It would be helpful to the ExA if such assessment were to be stated on a percentage change basis.

Generation Assets project, when looked at combination with the Mona, Morecambe and Mooir Vannin projects would be an increase in the distance that will have to be travelled by the Stena vessels of around 5.5Nm, the deviation being to the north of the Isle of Man. This presents as a significant operational and commercial challenge for Stena.

Stena has indicated to the Applicants of both the Mona and Morgan projects that it would be prepared to enter into a mitigation agreement whereby at the end of each commercial year, to defined, agreement would be reached with each or all of the developers of the proposed windfarms, be they still in construction or operation, on the financial compensation arising as a result of each particular array.

It is impossible at this stage to quantify accurately the effect of Morgan the Generation Assets project alone – bearing in mind that it may never be developed and the same is the case for the additional three projects as noted above. The reality is that the Stena Masters will seek the easiest, safest and most straightforward route to their destination avoiding the



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				risks of navigating through a slalom of wind turbines. As the ExA is aware, that route will be neither the shortest nor the most direct. Stena and the Applicant have been engaged in lengthy discussions as to the impact of the enforced ferry route deviations and the necessary mitigation that would be required. These discussions include consideration as to the social, economic and carbon emission effects of such deviations, as well as the requisite mitigation needed to make the deviations acceptable.
SN 2.11	Isle of Man Steam Packet Company Stena Line	emissions edeviations and Stena Liasked to adviation in the second careful from the second careful fro	and carbon effects of ferry The IoMSPC ine are each	Further to the holding response issued to SN 2.11 in its response at Deadline 5 [REP5-088], the following update is provided: The commercial discussions regarding entering into a ferry mitigation agreement in respect of mitigation is currently still ongoing between the parties at this time. The discussions are subject to a non-disclosure agreement between the parties, and accordingly it is not possible to report on them further. Stena is hopeful that satisfactory terms can be agreed. Stena undertakes to inform the ExA/ the Secretary of State as and when an



the need for deviation.

How should any such mitigation be secured via a DCO, if made.

agreement with the Applicant is completed – or if that proves not to be possible, whereupon it will have no choice but to maintain its objection to the project.

Regardless of the ongoing negotiations in relation to a mitigation agreement, Stena is also of the view that in terms of operational practicality a protective provision should be included in the final version of the DCO – over and above the issue of mitigation.

The wording for such a protective provision provided in Annex 1 to this Response. The ExA should be aware, that in the interests of consistency, an identical draft protective provision has provided been the to applicants for the Mona and Morecambe schemes. Morecambe have. it is believed, accepted the principle, of the PP but are precise discussing the wording. Stena have had no response from either the Mona or Morgan applicants.

3 Closing Statement

3.1 The following provides a summary of Stena final position on all matters in which it has an interest in this Examination that have previously been raised during the Examination but have not been resolved to Stena's satisfaction.

Statement of Common Ground

3.2 The overarching summary of Stena's position and its concerns with regard to the Project is provided in the Statement of Common Ground ("SoCG") with the Applicant submitted for Deadline 6. The ExA will note that from Stena's





perspective there remains a worrying number of substantive issues that are not agreed between the parties.

Navigational safety issues

- 3.3 Serious issues regarding navigational safety remain outstanding in respect of the Morgan Generation Assets project ("Project") as at the approaching close of the Examination hearings which, in Stena's view, have not been adequately addressed by the Applicant. These outstanding issues comprise, in summary the:
 - (i) Introduction of hazardous apparatus and infrastructure into the marine environment:
 - (ii) Direct commercial implications for Stena's existing operations and lack of mitigation for adverse commercial and carbon emissions effects of ferry deviations;
 - (iii) In-combination and cumulative effects of the Project alone and with the other proposed wind turbine projects (Mona, Morecambe and Moor Vannin);
 - (iv) Potentially dangerous radar interference; and
 - (v) Co-location of aquaculture assets.
- 3.4 These matters are addressed below.

Introduction of hazardous apparatus and infrastructure into the marine environment

- 3.5 Although the Applicant's NRA returned risk levels as ALARP as far as the passage of Stena vessels through the arrays is concerned, the concept of ALARP for Stena's operations has largely no relevance. Undeniably, the risk level post development of the Project in comparison to the current level is appreciably raised, as a direct result of the introduction of the Applicant's apparatus and infrastructure into the marine environment. It is misleading and wrong for the Applicant to claim that by applying the ALARP concept, the very real concerns raised by Stena as to the potential impacts on shipping and navigation of the Project can be dismissed. The impacts relating directly to routes that are operated by Stena remain and to suggest that a finding of ALARP in the face of the creation of an obstruction to the safe passage of vessels is just not credible.
- Further to Stena's response to ExQ2 ref. SN 2.7 [REP5-088], Stena confirms its position that it welcomes the proposed continuation of engagement of the Marine Navigation Engagement Forum ("MNEF") post-consent (via the Commitment Co72 in the Commitments Register [REP4-025]). It remains of the view, however, that the MNEF cannot provide the comfort Stena require in order to be satisfied that the navigational safety issues outstanding that are specific to Stena's interests, including the introduction of hazardous apparatus and infrastructure into the marine environment including the undersea infrastructure and cabling and the consequent commercial



implications for Stena's existing operations, which remain unresolved at this time.

Commercial implications for Stena's existing operations and mitigation for adverse commercial and carbon emissions effects of ferry deviations

- 3.7 The Applicant agrees that the Project could have significant effects on Stena's strategic ferry services due to enforced route deviation, and Stena has clarified that it will also have implications for the lifeline services that Stena provides [REP3-029].
- In tandem with the above, it should also be noted that the Project in combination with the cumulation of other projects will almost certainly have significant detrimental effects in adverse weather conditions [REP3-029].
- 3.9 As reported in the draft SoCG between the parties submitted at Deadline 3 [REP3-029], the parties have been engaging on the nature of the solution required to address these residual adverse effects. Although this issue remains unresolved at this time, gradual progress is being made towards a resolution. Information has been provided by Stena to the Applicant on a confidential basis regarding the commercial implications for Stena's existing operations. Due to the existence of the non-disclosure agreement that is in place between the parties, however, Stena is unable to provide further information at this stage. As a consequence, at this stage Stena's objection to the project remains.

In-combination and cumulative effects

- 3.10 Commercial and operational implications of increased transit times for Stena's services would arise as a direct of the construction and operation of the Project, both separately and in combination with other wind turbine projects in the Irish Sea. If consented, constructed and operational the envisaged re-routing required by Stena vessels to meet their statutory marine, navigation and safety obligations would be significant, particularly when it is recognised that thee enforced deviation will be caused not only by the existence of the arrays themselves, but also potentially as a result of operational practicality, for example the need to avoid another vessel approaching and using the same channel. The operational and commercial impact for Stena on a yearly basis for the life of the project will be significant. It would, without doubt, lead to a considerable increase in the annual operational costs of the business.
- 3.11 The navigational impact of the Project, as currently proposed, if consented and implemented, is unacceptable to Stena.
- In the absence of any form of agreed mitigation, Stena has no choice but to maintain its standing objection to the Project.

Interference with traffic separation schemes

3.13 Stena does not agree with the Applicant's position that the Project in combination with cumulative projects would not interfere with traffic separation schemes ("TSS").



- 3.14 Stena reiterates its position that the Morgan Generation Assets project potentially requires three of Stena's lines passages to deviate up to twice a day each. In this respect Stena further contends that its current passage is a recognised sea lane. The Applicant's position that only IMO recognised Traffic Separation Schemes constitute Sea lanes is not accepted, and ignores the marine reality, and the practical reality of the provisions of UNCLOS Article 60.7 which provides that:
- 3.15 "Artificial islands, installations and structures and the safety zones around them may not be established where interference may be caused to the use of recognized sea lanes essential to international navigation."
- 3.16 The Applicant is wrong to assert that there is no impact on sea lanes and the fact that it has entered into negotiations with Stena with a view to mitigating that impact does rather speak for itself.
- 3.17 Whilst alternative routes are certainly available, those routes will be forced upon Stena to render the Project ALARP and are neither suitable nor satisfactory. They simply impose additional transit duration and consequential operational effects.

Emergency use of anchors

- 3.18 As set out in the SoCG between the parties submitted at Deadline 3 [REP3-029], Stena has requested that the Applicant indemnify shipping operators from losses or damages incurred through the emergency use of anchors, brought about by *Force Majeure* occurrences. The ExA will note from the latest version of the SoCG submitted at Deadline 6 that the Applicant's final position is that it will not indemnify the shipping operators from losses or damages incurred through the emergency use of anchors brought about by *Force Majeure* occurrences.
- 3.19 Stena considers this refusal to be unreasonable. If for any reason, a vessel, whilst approaching an array or passing between arrays has to lower its anchor to avoid drifting into an array, but in so doing unintentionally damages undersea cables, it should be indemnified bearing in mind that but for the existence of the arrays, the cabling would not be on the seabed.
- 3.20 Stena continues to have serious concerns in respect of the effects upon its operations posed by the Project, both alone and in-combination with the other cumulative projects, without such indemnities or an agreement between the partis addressing the issue. This concern remains outstanding as the Examination approaches its conclusion and is unacceptable to Stena and it is suggested, would be unacceptable to any other vessel operating between the arrays. The applicant is demonstrating a worrying lack of understanding as to the reality of vessel operations endeavouring to slalom between offshore wind arrays.

Restricted navigation corridors

3.21 Stena's position that the seaway between the Project Array Area and Mooir Vannin (based on its Scoping Boundary) is too narrow (as reported at [REP3-



029]) is maintained following simulation. The Project proposal is therefore unacceptable.

- This remains the case despite the recent amended Mooir Vannin scoping boundary which it is understood from the Applicant's oral submissions at Issue Specific Hearing 3 ("ISH3") was confirmed during the Mooir Vannin hazard identification workshop on 12 December 2024.
- 3.23 It is understood by Stena from decisions in respect of the SoCG for Deadline 6 that the Applicant's position is that the assessment concludes that 4.1Nm meets relevant guidance and enables vessels to navigate in full compliance with the COLREGs and the practice of good seamanship, and therefore, the risks are reduced to ALARP without the need for further mitigation.
- The Applicant's position at ISH3 in summary is that the gap would only be navigated in good weather and would not be taken in bad weather. Commercial vessels on the Heysham and Douglas route would be likely to meet another commercial vessel in the gap on less than 1% of occasions, and based on the assessment undertaken in such events of commercial vessels meeting it would be safe. Further, that although it is accepted that there is an increase in risk of allision and collisions as a result of all four wind turbine project coming forward it has been demonstrated that risk levels are tolerable even in worst credible conditions, and proportional risk controls are applied to reduce the risk to ALARP.
- 3.25 Stena would emphasise that any risk is unacceptable and Stena certainly does not agree that the operation of a large offshore wind farm in the proximity of its vessels poses only a minor risk. To suggest that such is the case is of itself susceptible to challenge.
- It is noted that the MCA has stated [REP-5-069] that it is content that the additional sea space of 4.1Nm complies with guidance in MGN654, and that the gap between the Project and Mooir Vannin is not considered by the MCA as a 'corridor' as described in MGN654. As expressed by the MCA's representative at ISH3 on Environmental Matters, however, whilst content with 4.1Nm a greater distance is always preferable and the MCA do not carry the practical operational safety.
- 3.27 Stena reiterates that although 4.1Nm exceeds guidance in MGN654, in practice and reality, it is too narrow, and there is insufficient sea-room for safe navigation representing essentially one continuous corrector rather than a gap.
- 3.28 Stena would also express that it has real concerns about the assessments undertaken at the Mooir Vannin hazard identification workshop on 12 December 2024 which it is submitted were not sufficiently comprehensive so as to reach a conclusion of ALARP.
- 3.29 Stena remains concerned that there is an insufficient safe channel between the Project's Array Area and Mooir Vannin which is still to be comprehensively simulated and assessed and it remains unclear to Stena how the Applicant and the Promoter of Mooir Vannin would propose that this issue is addressed between the two applicants (Morgan and Mooir Vannin).



- 3.30 Stena has not been provided with any information on this point from the Applicant, and it remains outstanding. The Applicant's reliance on the conclusions of the NRA returning risk levels as ALARP does not in fact deal with the fact that the risks levels are, in reality, appreciably raised in comparison to the current level. As a consequence, and Stena will have to deal with the implications of this on their operations, which without suitable mitigation is unacceptable.
- In summary, it simply cannot be ignored that risk levels would be appreciably raised by the Project in light of the cumulative projects coming forward, which are unacceptable to Stena. The Applicant and the promotors of the cumulative projects have not resolved Stena's concern in this respect which as far as Stena is concerned, remain outstanding as the Examination draws to a close.

Potential need for indemnities for Stena

- 3.32 It is undeniable that the existence of the Project will have an operational and commercial impact on Stena's business as reported above. This 'residual impact' has not been addressed and requires resolution.
- In light of the above, Stena's position is that mitigation for the purposes of providing protection for its operations is necessary and appropriate.

3.34 Ferry Mitigation Agreement

- 3.35 The parties are continuing to engage in respect of agreeing the impact of adverse weather routing and the impact to their strategic and lifeline ferries, although the nature of the solution required to address the residual adverse effects remains an issue in contention.
- 3.36 Stena is engaging in discussions with the Applicant, in respect of agreeing a Ferry Mitigation Agreement, the terms of which are subject to negotiation at this time, and due to the existence of a non-disclosure agreement between the parties, Stena is limited in what it can report.
- 3.37 It is certainly the case that a commercial agreement is being negotiated which if completed to the satisfaction of Stena will enable it to withdraw its objection to the Project. The ExA should be under no misapprehension, however, that Stena believes at this late stage that it is very unlikely that an agreement will be concluded by the close of the Examination which would enable it to withdraw its objection to the Project.
- 3.38 On the basis that at this time, the parties have not yet entered into an agreement and discussions remain ongoing, the matter of mitigation remains outstanding.
- 3.39 Over and above the conclusion of any negotiations, in terms of the practicalities of operations, Stena request that draft wording for protection provisions should be included in the DCO.
- 3.40 The Applicant may wish to argue that a protective provision is not required because a mitigation agreement is being negotiated. That is not the case. Stena must have the assurance of the protective provision which sits outside



any terms agreed in respect of a mitigation agreement and the withdrawal of Stena's objection to this project.

3.41 The ExA should be aware, incidentally, that Stena are being entirely consistent in this approach in that they will be seeking to agree a similar protective provision with the operators of all of the other relevant proposed offshore wind turbine projects.

Radar

- 3.42 Stena continues to have concerns regarding the uncertainty that has been identified as to the level of interference and the risk that poses in terms of impacts on search and rescue, radar, communications and positioning systems. This potential interference will affect not just Stena Line vessels but all vessels dependent on radar monitoring, which it reported in the draft Statement of SoCG between the parties submitted at Deadline 3 [REP3-029]. The Applicant has not sought engage with the issue on a scientific level.
- It is noted that MCA have advised (in their response to ExQ2 ref. AR 2.4 [REP5-069]) that this issue would be subject to consideration / discussion with the MCA post consent but pre-construction with the Applicant as to the need for in-field, marine band VHF radio communications aerial(s) that can cover the entire wind farm site and its surrounding area.
- Put simply, the Applicant is seeking to 'kick the can' down the road. Stena would query whether the assurance that such discussion must take place with the MCA is indeed sufficient to mitigate any impact given that there is no obligation on the Applicant or requirement in the DCO to do so.
- 3.45 The Applicant's position on this issue means that Stena will face operational uncertainty in this respect even after the close of Examination which is unacceptable.

Co-location of Aquaculture Assets

- The ExA accepted into the Examination representations made by Bodorgan Marine Limited ("BML") at Deadline 5 [REP5-093] at its discretion (BML not being a registered Interested Party to the Examination) and invited BML to speak at ISH3. Stena notes BML's representations
 - "It is for these reasons that the co-location of aquaculture assets within offshore wind farms (as opposed to offshore generally in areas unaffected by energy generation assets) represents, unarguably, the optimal manner in which the marine resource can be shared in a manner that enables the same marine resource to be used for energy generation and for the provision of food. It is possible, and of the utmost desirability, that the same marine resource is used to contribute to energy security and food security. Therefore, BML is at a loss to understand how aquaculture and its provision and colocation has been largely ignored by the Applicant."
- 3.47 Stena would comment that the risk posed by the co-location of aquaculture assets within the vicinity of the Project (or indeed the other offshore wind farms) would be inappropriate and unacceptable to Stena in the event that it





introduced further infrastructure into the marine environment which has the potential to affect Stena' commercial operations.

4 Glossary and List of Acronyms

BML	Bodorgan Marine Limited			
dDCO	Draft Development Consent Order			
ExA	Examining Authority			
ExQ2	Examining Authority's Second Written Questions to the Applicant and other Interested Parties on 19 December 2024 [PD-011])			
MNEF	Marine Navigation Engagement Forum			
Project	Morgan Generation Assets project			
Stena	Stena Line Limited			





Annex 1

SCHEDULE 6

Protective provisions

PART 1

For the Protection of Stena Line Limited

Application

1. For the protection of Stena Line the following provisions, unless otherwise agreed in writing at any time between the undertaker and Stena Line, have effect.

Interpretation

- 2. In this Part of this Schedule
 - "authorised development" has the same meaning as in Schedule 1 of this Order;
 - "commence" has the same meaning as in article 2 of this Order and commencement is construed to have the same meaning;
 - "licensing authority" means the MMO;
 - "specified works" means any of the authorised development or activities undertaken in association with the authorised development which is reasonably likely to be situated on, over, under or within 1.5 nautical miles measured in any direction of any route operated by Stena Line;
 - "Stena Line" means Stena Line Limited, a limited company registered in England & Wales under Company No. 01402237 and having its registered office at First Floor, 6 Arlington Street, London, England, SW1A 1RE; and
 - "vessel traffic management plan" means the vessel traffic management plan (in accordance with the outline vessel traffic management plan) that is submitted for approval as required by condition 20(1)(h) of Part 2 of Schedule 3 (Deemed Marine Licence under the 2009 Act Licence 2: Offshore Substation Platforms and Interconnector Cables) of this Order.

Consultation and notification

- **3.** The undertaker must inform Stena Line in writing of the intended start date and the likely duration of the carrying out of any specified work at least 28 days prior to the commencement of any specified work and have regard to any response received from Stena Line.
- **4.**Any operations for the construction of any specified work, once commenced, must be carried out by the undertaker so that Stena Line and Stena Line's operations in the Irish Sea does not suffer more interference than is reasonably necessary.
- **5.** The undertaker must inform Stena Line in writing at least 28 days prior to the commencement of any works that involve the installation of subsea cable circuits and subsea cable ducts, such written notice to include full details of the location of any subsea cable circuits and subsea cable ducts and any other apparatus, equipment or infrastructure that is to be inserted in the underwater environment.

Indemnity

- **6.**—(1) The undertaker is responsible for and must make good to Stena Line all financial losses, costs, charges, damages, expenses, claims and demands which may reasonably be incurred, suffered or occasioned to Stena Line by reason of or arising in connection with –
- (a) any obstruction, hindrance or impact to Stena Line's operations during the construction, operation, maintenance or existence of the specified works;

- (b) the undertaking by Stena Line any operations, works or measures to prevent or remedy a danger or impediment to navigation of any of its vessels from the exercise by the undertaker of its powers under this Order;
- (c) any damage, cost or loss caused by Stena Line to the undertaker or any third parties arising out of any reasonable emergency procedures undertaken by any of Stena Line's vessels in response to a danger or impediment to navigation of any of its vessels arising out of the construction, operation, maintenance, failure or existence of the specified works; and
- (d) any act or omission of the undertaker, its employees, contractors or agents or others relating to the authorised works.
- (2) Stena Line must give the undertaker not less than 28 days' notice in writing after becoming aware of any such claim, as is referred to in sub-paragraph (1), providing a detailed explanation and justification for any such claim, as is referred to in sub-paragraph (1), and no settlement or compromise of any such claim or demand is to be made without the prior consent of the undertaker.
- (3) Nothing in sub-paragraph (1) imposes any liability on the undertaker with respect to any damage or interruption to the extent that it is attributable to the act, neglect or default of Stena Line, its officers, servants, contractors or agents.

Vessel Traffic Management Plan

7. The undertaker must consult Stena Line before submitting for approval the vessel traffic management plan to the licensing authority and the undertaker must take regard to any response received from Stena Line in respect of the vessel traffic management plan.

Co-operation and reasonableness

8. The undertaker and Stena Line must act reasonably in respect of any given term of this Part of this Schedule and, in particular, (without prejudice to generality) where any consent or expression of satisfaction is required by this Part of this Schedule it must not be unreasonably withheld or delayed.

Miscellaneous

- **9.** Nothing in this Part of this Schedule affects the provisions of any enactment or agreement regulating the relations between the undertaker and Stena Line in respect of the authorised development provided that the terms of the relevant enactment or agreement are not inconsistent with the provisions of this Order, including this Part of this Schedule. In the case of any inconsistency, the provisions of this Order, including this Part of this Schedule, prevail.
- **10.** Any dispute arising between the undertaker and Stena Line under this Part of this Schedule is to be determined by arbitration by a single arbitrator to be agreed upon by the parties, within 14 days of receipt of the notice of arbitration, or if the parties fail to agree within the time period stipulated, to be appointed on application of either party (after giving written notice to the other) by the Secretary of State.