1. Introduction

1.1 This submission is made by National Gas Transmission Plc ("**NGT**") in response to the Applicant's Deadline 4 submission **[REP4-116]** (the "**D4 Submission**"), being the Applicant's response to NGT's Deadline 3 submission **[REP3-081]** (the "**D3 Submission**") which commented on the Applicant's updated Land and Rights Negotiation Tracker **[REP2-004]** and also the form of draft Development Consent Order ("**dDCO**") submitted at Deadline 1 **[REP1-005],** and more particularly the form of Protective Provisions ("**PPs**") included within the dDCO for NGT's benefit.

1.2 The D4 Submission sets out a number of matters that are agreed in principle between the parties. NGT does not seek to go into great detail in this submission regarding the rationale or negotiation history relating to those points but will endeavour to provide the information requested by the Applicant in relation to the agreed matters as and when available following internal discussion.

1.3 The matters that remain outstanding between the parties are addressed below.

2. Matters Under Discussion

NGT-D3-03: Various amendments from "Specified Works" to " Authorised Works" throughout the PPs

2.1 NGT notes the Applicant's request to amend the PPs so as to limit the scope of various obligations contained therein such that they apply only to "specified works" (being works carried out within 15 metres of NGT's assets, or works that would otherwise adversely affect the same) rather than to the authorised development more broadly. As stated in the D3 Submission, NGT's position remains that amendments that represent an unnecessary and unjustified departure from its standard form of PPs will not be accepted. Consistency in the terms of the PPs agreed across all DCO projects affecting NGT's network is essential to the effective management and protection of NGT's nationally significant infrastructure. Departures from the standard form increase the scope for inconsistency and ambiguity, and consequently the likelihood of disputes arising across NGT's national network. For these reasons, the proposed amendments are not acceptable to NGT.

NGT-D3-04: Distance from NGT's Assets Qualifying as "Specified Works"

2.1 NGT notes the Applicant's continuing position that it considers NGT's engineers should assess on a case-by-case basis whether fencing within between 12 metres and 15 metres of NGT's assets would need to be treated as a specified works. NGT's position remains unchanged from that set out in the D3 Submission in relation to this point, i.e. that the 15m 'control' strip/distance has been accepted across numerous development consent orders (DOCs) and is non-negotiable. .

NGT-D3-05: Provision of "Acceptable Security"

2.2 This remains the principal matter in dispute between the parties. The Applicant's position is that it is not prepared to concede NGT's request for the provision of "acceptable security" in addition to acceptable insurance and the indemnity, and characterises the security obligation as "excessive" in the context of the level of interaction between NGT's apparatus and the East Park Energy project (the "**Project**"). The Applicant is also of the opinion that NGT's security requirements are inflexible.

2.3 NGT's position on the requirement for acceptable security was set out in detail in the D3 Submission, at CAH1 on 10 June 2026, and in its post-hearing submissions submitted to the Examining Authority (the "**ExA**") on 10 July 2026 **[REP4-042]** (the "**Post-Hearing Submissions**"). To avoid unnecessary duplication, NGT does not repeat those submissions in full here. However, insofar as the D4 Submission does not engage with points previously raised by NGT, NGT responds to the Applicant's arguments against the requirement for acceptable security in the table below, and also includes some additional points for the ExA and Applicant's consideration:

Applicant's position	NGT's response
Acceptable security is unnecessary because NGT already benefits from an indemnity and acceptable insurance. Suitable insurance can readily be procured to address NGT's concerns. NGT has not identified any material gaps in insurance cover which justify the requirement for security. Even if insurance does not respond, NGT is able to claim against the Applicant under the indemnity.	The Applicant's position fails to recognise that the indemnity, acceptable insurance and acceptable security provisions each perform distinct functions. The indemnity allocates liability for losses arising from damage to NGT's assets in connection with the Project. However, an indemnity provides only a contractual right of recovery and may be of limited practical value if the indemnifying party lacks sufficient financial resources, becomes insolvent or otherwise fails to meet its obligations. The role of acceptable insurance and acceptable security is to support the indemnity. NGT anticipates that in practice, the majority of liabilities arising under the indemnity can be met by the insurance. However, insurance does not eliminate the risk of uninsured events, coverage exclusions, policy limitations or insurer insolvency. Further, NGT has no right to review or approve the Applicant's proposed insurance arrangements and therefore cannot be satisfied that all relevant risks will be adequately covered, but even if it did this approval would not entirely address the aforementioned risks. Acceptable security provides an additional source of financial recourse where insurance is unavailable, inadequate or incapable of responding. The purpose of security is therefore to ensure that the protection afforded to NGT is effective in practice, rather than being dependent solely upon contractual rights of recovery or the scope and availability of insurance cover. Without both acceptable insurance and acceptable security, there remains a material risk that liabilities arising from damage to NGT's assets would be irrecoverable notwithstanding the existence of an indemnity. In such circumstances, NGT could be exposed to significant losses arising solely as a consequence of the Project, with the potential for those losses ultimately to fall upon NGT and its customers. That outcome would be wholly unacceptable. Accordingly, acceptable security is not an additional or duplicative protection. Rather, it is an essential component of the overall protective measures sought by NGT and is required to

	ensure that the indemnity provision operates effectively.
£50 million of security is excessive and disproportionate given the nature of the Project and its interaction with NGT's assets.	NGT's position is that the relevant consideration is not simply the likelihood of an incident occurring but the severity of the consequences if an incident does. Even if (as in the Applicant's opinion) the risk can be regarded as low probability but high impact, damage to NGT's assets could expose NGT to significant losses which would ultimately have an impact on consumers. Having said this, NGT's position is that the interaction between the Project and its assets cannot be properly characterised as presenting a low risk of interference.. NGT has reviewed the updated plan provided by the Applicant which shows the latest proposals for the Project overlayed against NGT's assets , and NGT's view is that this does not support the Applicant's conclusion that the protections sought by NGT are unnecessary or disproportionate. Whilst NGT's assets may interact with only a single plot in respect of which the compulsory acquisition of new rights is sought, the acquisition of land rights is not the sole measure by which to assess the extent of interaction between the Project and NGT's assets. NGT's assets are in fact located within significant areas of the Order limits. Indeed, there are approximately 5 kilometres of feeder main in close proximity to which the Applicant proposes to install solar panels, and which may also be vulnerable to the impact of construction traffic during the construction phase of the Project. These assets will plainly require protection from both the construction and operation of the Project.
The interaction between the Project and NGT's assets is limited because corridors have been maintained, crossings will be undertaken in accordance with NGT's requirements, and no diversion of apparatus is proposed.	NGT has identified a range of risks associated with solar developments including interference with cathodic protection systems, construction loading, vibration impacts, restrictions on access and operational risks (including electromagnetic interference) extending beyond the construction phase. The fact that the Applicant does not *propose* to divert any NGT assets does in theory reduce the potential number of interactions. However, the Applicant does intend to cross a number of NGT assets and to place solar infrastructure in close proximity to the same, and the mere fact that the Applicant has agreed and planned to carry out works within the vicinity of

	NGT's apparatus (including crossing works) in accordance with NGT's requirements, standards and approved plans does not mean that these works will be in fact be carried out in accordance with the same. The aforementioned risks therefore remain, as does the need for adequate protection for NGT's assets. Furthermore, the requirement to carry out works in accordance with NGT's standards is not particular to this Project. Rather, it is a non-negotiable condition of NGT's standard form of PPs. If the existence of this requirement was sufficient to justify the removal of acceptable security then the argument advanced by the Applicant would be available to every undertaker in every case. For the avoidance of doubt, NGT's position is that it is not a credible argument and for good reason. Accordingly, these arguments do not justify the removal of acceptable security.
The security obligation is commercially onerous and unpalatable.	NGT's position is that the requirement is proportionate having regard to the importance of the infrastructure being protected and the consequences of damage. NGT also notes that acceptable security does not require £50 million to be held or offered in cash up front and may be provided by way of a parent company guarantee, bank bond or letter of credit. This is particularly important where (as in this case) the Order is being promoted by a special purpose vehicle. The Applicant therefore overstates the practical burden of the provision, and this argument should be rejected. It is worth noting that the security sought of £50m has been applied in solar and other orders where the project costs are comparable to (and indeed significantly less than) those the Applicant says will be incurred in respect of the Project (£370m, see REP3-015, [3.1.1]). £50m security equates to 13.5% of the overall project costs). By way of example only, £50m security was accepted: • In the Byers Gill Order, where project costs were £200m; • In the Frodsham Solar Order, where project costs were £80m; and • Outside the solar context, Viking CCS, where project costs were £240m. The obligation was not regarded by the applicants (or the ExA) in these cases as being commercially onerous or unpalatable (or indeed

	disproportionate). It is unclear why the position would be different for the Applicant. This is particularly so in light of the positive position that the Applicant seeks to present about its financial standing in its Funding Statement **[REP3-015]**. NGT is surprised and concerned that the provision of the requisite security is proving controversial.
Removal of acceptable security would be consistent with MHCLG/DLUHC guidance that PPs should be bespoke to the application under consideration.	NGT's position is that its standard form of PPs have been commercially assessed and deemed necessary for the protection of nationally significant gas transmission infrastructure. The guidance does <u>not</u> require the removal of protections that are justified by the nature of the apparatus affected or the risks presented by the proposed development. The Applicant has therefore failed to demonstrate that the guidance requires the omission of acceptable security and this argument is rejected.
The Applicant has criticised NGT's making of a 'blanket demand' for its preferred PPs and refusal to accept amendments demonstrates an inflexible approach and has stated that this is inconsistent with MHCLG/DLUHC guidance.	NGT has not made a "blanket demand" for its standard PPs and has engaged constructively and consistently with the Applicant in relation to its standard form of PPs. The fact that a limited number of issues remain outstanding does not demonstrate inflexibility on NGT's part, rather it reflects that certain provisions within the PPs are fundamental to the continued protection of NGT's assets and therefore cannot be compromised. The requirements for acceptable insurance and acceptable security fall squarely within that category. Turning to the MHCLG/DLUHC guidance, the Applicant appears to conflate a requirement for bespoke PPs with a requirement for less onerous PPs. All that the guidance requires is for PPs to be adapted where necessary to reflect the circumstances of the proposed development. The fact that a provision forms part of a statutory undertaker's standard PPs does not, in itself, render such a provision inappropriate or unnecessary. As NGT has explained on a number of occasions, its standard form of PPs have been commercially assessed and are considered necessary for the protection of its assets. The relevant question is therefore not whether the protections sought originate from NGT's standard form, but whether they are justified having regard to the nature of the apparatus affected and the risks arising from the Project. The Applicant has not demonstrated that the specifics of the Project justify departure from

	the protections sought by NGT, nor that the requirements for acceptable insurance and acceptable security are unnecessary or disproportionate. Additionally (and as previously advised) consistency of terms and process across NGT's network is itself an important operational consideration. Unnecessary departures from NGT's standard PPs create inconsistency, complexity and increased scope for disputes, whilst reducing the efficiency with which NGT is able to manage and protect its network.
The Applicant relies upon the Rampion 2 recommendation report as authority that both insurance and security are unnecessary and represent "overkill", and also upon recent DCOs said not to contain acceptable security, including Heckington Fen Solar Park, Lower Thames Crossing, Sheringham Shoal and Dudgeon Extensions, A66 Northern Trans-Pennine and Net Zero Teesside.	As stated at CAH1, NGT's position is that the examining panel in Rampion 2 fundamentally misunderstood the complimentary and necessary functions of the acceptable security and acceptable insurance requirements within NGT's standard form of PPs. Further, the Applicant has failed to engage with the fact that there are a far larger number of DCOs where NGT's standard form of PPs have been included on the face of the Order (including instances where the disputed provisions have been conferred on the Order by the ExA where the matter was not able to be resolved between the parties). In fact, NGT's evidence (as set out at CAH1 and the Post-Hearing Submission is that all (with limited exceptions, which are addressed below) recent solar DCOs have included acceptable insurance and acceptable security provisions. The two known exceptions were both accompanied by separate commercial agreements which were acceptable to NGT. The Applicant has failed to provide any evidence justifying why the security provision would have been needed in the other solar orders but is not needed here. In light of the numerous examples of Orders which include more recent authorities and the clear misunderstanding of the principle of the provision in Rampion 2, the Applicant's reliance on Rampion 2 should be afforded limited weight. The ExA is invited to approach the matter of acceptable security consistently with the approach that has been adopted in the vast majority of other orders. There is no good reason why the Applicant's Project should be able to avoid providing this protection where others have not.

2.4 For the various reasons set out above, NGT maintains that the provision of both acceptable security and acceptable insurance is necessary and proportionate in order to ensure that the indemnity is effective in practice, and as such the Applicant's proposed PPs remain materially deficient and would present a serious risk of detriment to NGT's assets if included within the Order. As such, NGT will need to maintain its objection to the Order unless and until adequate protections are secured in connection with its assets.

NGT-D3-10: Various Stylistic and Clarificatory Amendments

2.5 The Applicant has reiterated that several of the clarificatory amendments it has sought, which NGT has pushed back on, have been very minor and have included requests for express wording requiring NGT to act reasonably. The Applicant considers that NGT's approach is unduly inflexible and out of step with guidance from MHCLG and DLUHC.

2.6 NGT is surprised that this has been raised within the D4 Submission as at CAH1 the Applicant stated that all matters between the parties were agreed save in respect of acceptable insurance and acceptable security (which is dealt with comprehensively above), and as such NGT had understood that the Applicant's requirement for these minor and unnecessary amendments had ceased. With regard to the particular complaint by the Applicant that it has attempted to insert a requirement for NGT to act reasonably, NGT's standard form of PPs contain an overarching requirement for it to act reasonably in its dealing with the Applicant, and this should suffice to address the Applicant's concerns in this regard.

2.7 NGT's position in respect of these amendments was clearly stated in the D3 Submission, such changes introduce unnecessary deviation from the NGT's standard form of PPs and would therefore interfere with NGT's need to retain consistency regarding the PPs that it agrees across all of the DCO projects it is impacted by, thus increasing the likelihood of disputes arising across its national network, the cost of which may ultimately be passed to consumers. Therefore, these amendments are not acceptable.

3. Conclusion

3.1 NGT remains willing to continue discussions with the Applicant with a view to resolving the outstanding matters identified in section 2 above, and in particular the issue of acceptable security, which remains the principal point of disagreement between the parties. NGT's assets include multiple gas transmission assets and related apparatus that cross the Order Land and are affected by the proposals for cabling and access creation. The need for adequate protection of those assets, and the importance of the PPs to that end, cannot be overstated.

3.2 Unless and until NGT is satisfied that adequate protections have been secured by way of agreed PPs, NGT must maintain its objection to the Order and reserves its right to make further submissions to the ExA in respect of the outstanding matters identified above, or otherwise, as necessary.