

Date: 10 November 2025
Your Ref: EN0110001
Our Ref: 17427

DWD

69 Carter Lane
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Richard Allen
National Infrastructure Planning
Temple Quay House
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Dear Mr Allen

PLANNING ACT 2008 – SECTION 89(3)

APPLICATION BY KEADBY NEXT GENERATION LIMITED FOR AN ORDER GRANTING DEVELOPMENT CONSENT FOR THE KEADBY NEXT GENERATION POWER STATION PROJECT (THE “PROPOSED DEVELOPMENT”)

RESPONSE TO PROCEDURAL DECISION LETTER (24 SEPTEMBER 2025)

Thank you for your letter of 24 September 2025 in relation to the Proposed Development. We address the matters raised in the same order:

Comparison of Environmental Effects against the Keadby 3 Carbon Capture Power Station Project (Keadby CCS)

Enclosed is the requested comparison of the Proposed Development’s environmental effects with those of Keadby CCS.

Statements of Common Ground (SoCGs)

The Applicant can confirm it is looking to agree SoCGs with:

- Natural England
- The Environment Agency
- North Lincolnshire Council
- The Canal and River Trust (CRT)
- The Internal Drainage Board
- National Highways
- National Grid Electricity Transmission (NGET)

The Applicant expects to provide SoCGs by the first Deadline of the examination (subject to the ExA's Rule 6 letter). The Applicant would expect the drafts submitted throughout the examination to be

agreed, but is not proposing to have these formally signed until the SoCGs are final to reduce the administrative burden on the parties above. In your letter you identified three other parties that might be signatories to a SoCG: National Gas Transmission Plc (NGT), the Marine Management Organisation (MMO) and the Crown Estate, however, the Applicant does not consider it necessary to agree SoCGs with these parties, for the following reasons:

- There are no significant issues to agree with NGT.
- Unlike the Keadby CCS DCO, there is no requirement for a Deemed Marine Licence.
- There is one outstanding matter with the Crown Estate, namely obtaining consent under section 135 of the Planning Act 2008. The Applicant does not anticipate this single issue, which it anticipates agreement on, merits a standalone SoCG.

Land and Rights Negotiations Tracker

The Applicant confirms that updated versions of the Tracker will be provided at regular deadlines throughout the Examination. The Applicant is also happy to provide an Excel version for use by the ExA as well as a PDF version for publication. We trust that this is acceptable.

Protective Provisions

The Applicant notes that the dDCO contains Protective Provisions for the following parties:

- NGET
- NGT
- CRT
- Electricity, gas, water and sewerage undertakers
- Operators of electronic communications code networks
- Railway interests, including Network Rail (NR)

The Applicant does not anticipate any further Protective Provisions being included. The Applicant is negotiating the relevant Protective Provisions with NGET, NG, CRT and NR. The Applicant proposes to utilise the pre-examination period to seek to reach agreement with these parties. The Applicant is mindful that the level of interference is not materially different between the Proposed Development and Keadby CCS and so will be utilising the latter Order to seek to minimise any disagreements in light of any recent practice.

Please let us know if you have any further queries.

Yours sincerely,

Stephen Rose
Associate Director
DWD

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Enc Annex 1 – Comparison of Environmental Effects

ANNEX 1

APPLICATION BY KEADBY NEXT GENERATION LIMITED FOR AN ORDER GRANTING DEVELOPMENT CONSENT FOR THE KEADBY NEXT GENERATION POWER STATION PROJECT

RESPONSE TO PROCEDURAL DECISION LETTER (24 SEPTEMBER 2025)

COMPARISON OF ENVIRONMENTAL EFFECTS AGAINST THE KEADBY 3 CARBON CAPTURE POWER STATION PROJECT (KEADBY CCS)

1. The Examining Authority requested a table of the summary of environmental effects between the Keadby CCS project and the Proposed Development. The table below compares the **residual effects** (after mitigation) conclusions of the Keadby CCS Power Station EIA and the Keadby Next Generation Power Station EIA.

Limitations of the comparison

2. The residual effects conclusions for each topic are not considered to be directly comparable. This is because the EIA undertaken for the Keadby CCS Power Station DCO application was undertaken in 2021/2022 and since then some of the baseline conditions, technical assessment methodologies and approaches have been updated and improved. By way of example: some of the NSRs assessed within the Keadby CCS Power Station EIA are no longer present so are not included in the Keadby Next Generation EIA (e.g. NSR1A, NSR 11); and the EIA assessment methodology standard has changed for GHG assessment (the Institute of Environmental Management and Assessment (IEMA) 2017 guidance¹ used for Keadby CCS EIA has been replaced with IEMA 2022 guidance² used for Keadby Next Generation EIA).

Environmental Topic	Keadby CCS Power Station	Keadby Next Generation Power Station
Air Quality	No significant effects predicted during construction, operation, or decommissioning	No significant effects predicted during construction, operation, or decommissioning
Noise and Vibration	No significant effects predicted during construction, operation, or decommissioning	No significant effects predicted during construction, operation, or decommissioning
Traffic and Transport	No significant effects predicted during construction, operation, or decommissioning	No significant effects predicted during construction, operation, or decommissioning
Biodiversity	No significant effects predicted during construction, operation, or decommissioning	The ES as submitted identified potential for the removal of two likely veteran and likely ancient goat willow trees during construction of the canal water abstraction infrastructure. During a site visit with North Lincolnshire Council's arboricultural

■ [REDACTED]

■ [REDACTED]

		officers on 18th September 2025 it was agreed that the trees are not veteran or ancient. Therefore, the conclusion of the ES assessment in respect of the residual effect on Biodiversity is to be amended from 'Significant' to 'No significant effects predicted during construction, operation, or decommissioning'. Relevant application documents are to be updated accordingly and submitted to the examination.
Water Environment	No significant effects predicted during construction, operation, or decommissioning	No significant effects predicted during construction, operation, or decommissioning
Geology & Land Contamination	No significant effects predicted during construction, operation, or decommissioning	No significant effects predicted during construction, operation, or decommissioning
Landscape and Visual Amenity	<p>No significant effects on landscape character predicted during construction, operation, or decommissioning.</p> <p>Moderate adverse (significant) visual effects for residents and recreational users at Viewpoints 1, 2 and 4 during construction, opening, operation and decommissioning.</p>	<p>No significant effects on landscape character predicted during construction, operation, or decommissioning.</p> <p>Moderate adverse (significant) effects for residents and recreational users at Viewpoints 1, 2 and 4 during construction, opening, operation, and decommissioning.</p>
Cultural Heritage	No significant effects predicted during construction, operation, or decommissioning	No significant effects predicted during construction, operation, or decommissioning
Socio-economics	<p>Major beneficial (significant) effect from direct, indirect and induced construction employment on Scunthorpe Travel to Work Area (TTWA) and associated economy.</p> <p>No significant effects predicted during operation or decommissioning.</p>	<p>Major beneficial (significant) effect from direct, indirect and induced construction employment on Scunthorpe TTWA and associated economy.</p> <p>No significant effects predicted during operation or decommissioning.</p>
Population & Human Health	Scoped out of assessment.	Moderate beneficial (significant) effects on community identity and social participation during construction and operation.

		No significant effects predicted during decommissioning.
Climate Change	No significant effects predicted during construction, operation, or decommissioning.	<p>Seven hypothetical operational scenarios were assessed (Scenarios A-G) which consider a range of potential operating scenarios from best case (100% hydrogen fuel from year 1 (Scenario A)) whilst responding to the request to present the worst-case scenario for each use of fuel option by presenting a 100% unabated gas 'worst-case' option (Scenario G). It is important to note that the late decarbonisation options (E, F and G) are considered to be extremely unlikely.</p> <p>Based on the scenarios presented the significance of effects of greenhouse gas (GHG) emissions during operation varies:</p> <ul style="list-style-type: none"> • Scenario A (H₂ Full Lifetime): Minor adverse (not significant) • Scenario B (Early Full Decarbonisation): Minor adverse (not significant) • Scenario C (Full Decarbonisation by 2035): Minor adverse (not significant) • Scenario D (Blending Ramp-up): Minor adverse (not significant) • Scenario E (Late Full Decarbonisation): Minor adverse (not significant) • Scenario F (Late Partial Decarbonisation): Moderate adverse (significant) • Scenario G (Natural Gas Full Lifetime): Moderate adverse (significant) <p>No significant effects predicted during construction or decommissioning for all reasonably anticipated operating scenarios; up to moderate adverse</p>

		(significant) effects during operation for the extremely unlikely operating scenarios that were assessed in order to provide a 'worst case' assessment.
Major Accidents & Disasters	No significant effects predicted during construction, operation, or decommissioning.	No significant effects predicted during construction, operation, or decommissioning.
Waste and Materials	Scoped out of assessment.	No significant effects predicted during construction, operation, or decommissioning.
Cumulative Effects	No significant effects predicted during construction, operation, or decommissioning.	No significant effects predicted during construction, operation, or decommissioning.

Approach to consideration of alternatives

3. Although the Applicant has submitted the above information in response to the ExA's request, the Applicant wishes to provide some commentary to assist the Examining Authority.
4. Since the grant of the Keadby CCS DCO, there have been delays with the development of the CO2 transport and storage network required to export captured CO2 from Keadby CCS Power Station to storage under the North Sea. The continued development of hydrogen fired CCGT technology, growing policy support for the UK hydrogen economy and the progress of hydrogen production, storage and transport proposals in the Humber region, mean the Applicant now considers hydrogen firing to be an alternative low carbon technology option. Consent for the Proposed Development is therefore sought as an alternative to Keadby CCS Power Station. This is to provide the Applicant with flexibility to make a decision regarding the decarbonisation pathway for the next power station at the Keadby site once a clearer understanding of the availability of infrastructure critical to decarbonisation is known. This will be driven by government policy, a factor which is outside the control of the Applicant.
5. The Applicant notes that relevant policy and law make it clear that the Proposed Development stands on its own and the approach should be to consider the Proposed Development on its own merits rather than through the lens of it being an alternative to the already consented Keadby CCS scheme. In particular, paragraph 4.3.9 of National Policy Statement (EN-1) (2024) states: *"As in any planning case, the relevance or otherwise to the decision making process of the existence (or alleged existence) of alternatives to the proposed development is, in the first instance, a matter of law. This NPS does not contain any general requirement to consider alternatives or to establish whether the proposed project represents the best option from a policy perspective. Although there are specific requirements in relation to compulsory acquisition and habitats sites, the NPS does not change requirements in relation to compulsory acquisition and habitats sites."* This wording is unchanged in the updated draft NPS EN-1 (2025).

6. As explained in paragraph 4.2.22 of the Planning Statement (APP-156) there are policy and legal requirements to consider alternatives to the scheme in some contexts, namely:
- a. the preparation of the Environmental Impact Assessment (reflecting Regulation 14(2)(d) of the Infrastructure Planning (Environmental Impact Assessment) Regulations 2017);
 - b. the carrying out of the Habitats Regulations Assessment (reflecting Regulation 64 of the Conservation of Habitats and Species Regulations 2017, if relevant to the application); and
 - c. the consideration of the Applicant's approach to compulsory acquisition.

In relation to these specific contexts, the Applicant notes that Chapter 6 of the Environmental Statement (APP-040) considers alternatives, the Appropriate Assessment (APP-153) concludes there are no adverse effects on the integrity of European Sites (and therefore a derogation in which alternative solutions must be considered is not relevant), and reasonable alternatives to compulsory acquisition are considered in the Statement of Reasons (APP-009).

7. Beyond these specific contexts however, the policy and legal position is that the existence of an alternative does not prevent consent being granted nor require the decision maker to establish whether the scheme represents the best option. This is reflected in the case law which confirms that *"The decision-maker is entitled to weigh the benefits and the disbenefits of the proposal before him and to decide (if that is his planning judgment) that the proposal is acceptable, even if an improved balance of benefits and disbenefits could be achieved by a different scheme"*³. It further confirms that *"only in 'exceptional circumstances' will an alternative proposal be a material consideration"*⁴.
8. It is the Applicant's position that the Proposed Development, and this application, do not give rise to 'wholly exceptional' circumstances⁵ such that the ExA and the Secretary of State are required to consider alternatives to the scheme beyond the limited extent outlined in paragraph 66 above. Accordingly, the Applicant's position is that the question is whether the scheme is acceptable in its own right, by reference to the relevant planning policies, and the DCO application should be determined accordingly.

³ *MR Dean & Sons (Edgware) Ltd v First Secretary of State Sainsbury Supermarkets Ltd v First Secretary of State* [2007] EWCA Civ 1083. Cf. *R. (on the application of Mount Cook Land Ltd.) v Westminster City Council* [2003] EWCA Civ 1346 in which it was held that *"there may be a number of alternative uses from which [the decision maker] could choose, each of which would be acceptable in planning terms ..in the absence of conflict with planning policy and/or other planning harm, the relative advantages of alternative uses on the application site or of the same use on alternative sites are normally irrelevant in planning terms"*.

⁴ *Lisle-Mainwaring v Carroll* [2017] EWCA Civ 1315

⁵ By way of example, in *R. (on the application of Save Stonehenge World Heritage Site Ltd) v Secretary of State for Transport* [2021] EWHC 2161 (Admin) the court found that exceptional circumstances did exist, due (amongst other things) to the status of the site as a World Heritage Site of *"outstanding universal value for the cultural heritage of the world"*.