The Keadby Next Generation Power Station Project

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The Keadby Next Generation Power Station Development Consent Order 202x

Land at, and in the vicinity of, the existing Keadby Power Station (Trentside, Keadby, Scunthorpe, DN17 3EF)

Issue Specific Hearing 1

Written Summary

The Planning Act 2008

The Infrastructure Planning (Applications: Prescribed Forms and Procedure)

Applicant: Keadby Next Generation Limited

Date: February 2026

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1 Introduction

1.1 This document summarises the oral submissions made on behalf of Keadby Next Generation Limited (the **Applicant**) at the Issue Specific Hearing 1 (**ISH1**) held on 21 January 2026 in relation to the Applicant's application for development consent for the Keadby Next Generation Power Station Project (the **Proposed Development** or **PD**).

1.1 This document does not purport to summarise the oral submissions made by other parties at the ISH1 and references to submissions made by other parties are only included to give context to the Applicant's submissions in response. Where the comment is a post-hearing comment submitted by the Applicant, this is indicated.

1.2 This document uses the headings for each item in the **ISH1 Agenda [EV3-001]** published by the Examining Authority (**ExA**).

2 Agenda item 1 – Welcome, introductions and arrangements for the hearing

2.1 Richard Allen introduced himself as the sole ExA for the application and outlined his role in the Examination process as appointed by Secretary of State for Housing, Communities and Local Government (**SoS**). The ExA explained that the purpose of the ISH1 was to test and better understand the application for Examination as required by the Planning Act 2008 (the **2008 Act**) and the Infrastructure Planning (Examination Procedure) Rules 2010.

2.2 In attendance:

Applicant

Mustafa Latif-Aramaesh (**MLA** - Partner and Parliamentary Agent, TLT), John Arthur (**JA** - Managing Associate, TLT), Dr. Richard Lowe (**RL** - Director, Arup) and Kirsty Cobb (**KC** - Associate Director, Arup)

3 Agenda item 2A – Introduction to the application

The ExA asked the Applicant to provide a brief introduction to the application and a general explanation of national policy commentary on hydrogen.

3.1 MLA set out that the application is submitted by the Applicant, a subsidiary of **SSE** plc, which seeks development consent for the construction, operation, maintenance, and eventual decommissioning of a new combined-cycle gas turbine (**CCGT**) electricity generating station, on land, in the vicinity of the existing Keadby 1 and Keadby 2 power stations near Scunthorpe in North Lincolnshire. The PD will have a capacity of delivering up to 910MW of electrical output, with the generating station designed to run on 100% hydrogen, 100% natural gas, or a blend of hydrogen and natural gas. The PD also includes connection infrastructure (for cooling water, electricity, hydrogen and natural gas), construction laydown areas, as well as other development. The full project description is contained in **Chapter 4 (The Proposed Development) [APP-038]** of the Environmental Statement (**ES**). The PD falls within the definition of a nationally significant infrastructure project (**NSIP**) under sections 15(1) & (2) of the 2008 Act. MLA clarified that the development consent order (**DCO**), if made by the SoS, would be titled the 'Keady Next Generation Power Station Order', and that a draft copy of the DCO (**dDCO**) **[AS-003]** was submitted with the application on submission.

3.2 MLA confirmed that the Keadby 3 (Carbon Capture Equipped Gas Fired Generating Station) Order 2022 (**Keadby 3 DCO**) would be an independent alternative to the PD, and that only 1 of the 2 schemes could be constructed on site. It was also clarified that the granting of the PD DCO would not quash the Keadby 3 DCO as they exist as alternatives. It was explained that the option selected for implementation by the Applicant would depend on, among other factors,

government policy and feasibility of the development going forward. It is on this basis that the PD dDCO does not contain any language that revokes or quashes the Keadby 3 DCO.

Works 2A, 2B, 3A, and 3B (hydrogen and natural gas supply pipelines)

3.3 In response to the ExA's request to (i) set out the differences between works 2A and 2B, and works 3A and 3B, and (ii) why these works overlap, MLA clarified that work 2 relates to the hydrogen supply pipeline and work 3 relates to natural gas pipeline. These works overlap as detailed design works have not been carried out by the Applicant at this stage, and therefore flexibility is required. Further details on these works and how they are phased in set out in the **Natural Gas Connection Statement [APP-165]**. RL confirmed that works 2A and 3A are for the hydrogen supplier's apparatus and works 2B and 3B are for the undertaker's apparatus. It was clarified that the natural gas transmission pipeline is already established and installed on site. The natural gas transmission pipeline currently supplies the existing power stations and would be used to supply the PD.

Works 4A and 4B (substation connection)

3.4 On the ExA's prompt, MLA explained that works 4A and 4B concern electrical connection works, for the export and import of electricity, to and from the national electricity transmission network. Work 4A concerns connecting into a bay in the south-east of National Grid Electricity Transmission's (**NGET**) substation, and work 4B concerns connecting into a bay in the north-west of NGET's substation. These are alternative options, and the Applicant is working closely with NGET on the appropriate grid connection corridor. MLA reasoned that it would not be possible to conclude which corridor will be chosen during the Examination period as although discussions have been ongoing, given the timescales required to complete a connection agreement, it is unlikely that the connection agreement will be finalised prior to the conclusion of these proceedings on the DCO. It is this aspect of time that is driving the alternatives being put forward by the Applicant.

3.5 MLA added that to secure a connection agreement, the Applicant would need to follow the existing National Energy System Operator (**NESO**) processes, which require the Applicant to engage with NGET on those connections. The Applicant is going through the relevant processes of having detailed discussions with NGET and operating with existing processes that apply for grid connections to be agreed and the modification processes that apply.

3.6 It was agreed that the Applicant would provide further information regarding timings for connection agreement and existing processes to explain works 4A and 4B by Deadline 2 (25 February 2026) **[EV3-010]**.

Work 11 (carbon capture infrastructure)

3.7 In response to the ExA's request to set out the reason for overlap between Works 11, 1B, 2A, 5, and 6, RL clarified that the overlap is to facilitate connections. As final designs have not yet been completed, the exact dimensions of the individual units and components have not yet been finalised. RL confirmed that if carbon capture (**CC**) infrastructure is to be fitted retrospectively to the CCGT, it is likely to be of different dimensions to the work areas allocated. If there was no overlap, there would theoretically be a gap and distance between where the CCGT is obliged to be constructed under Work 1 and where the CC infrastructure may be required under Work 11. This would lead to a poor design and inefficient design outcome; therefore, potential overlaps are needed to facilitate connections. MLA added that the Applicant has submitted a **Carbon Capture Readiness Statement** (**CCRS**) **[APP-160]** as part of the application, and section 4 of the CCRS sets out how the Applicant has considered the worst-case total footprint that is required for the CC infrastructure and how this has been accounted for in the design. Notwithstanding the flexibility aspect, it was confirmed that there is adequate space for the CC infrastructure and the CCRS sets out how this has been worked out.

Schedule 1 (authorised development)

3.8 MLA set out that the ancillary works listed at Schedule 1 to the **dDCO [AS-003]** constitute associated development. It was clarified that the works have been divided so that Work 1 is the

NSIP element and Works 2-11 are associated development for Work 1. The list of ancillary works is effectively associated development to the associated development. The works schedule has been drafted in this manner because the list of lettered works under ancillary works is relevant to a number of the numbered works, and the drafting of Schedule 1 would be difficult to understand if each lettered work was then replicated under the relevant work.

Operating hours

3.9 On the ExA's question regarding operating hours of the PD, MLA explained that the average annual operating hours over the lifetime of the Proposed Development are assessed in the ES and there are different figures used depending on what is a reasonable worst-case scenario. In some cases, the Applicant has taken a precautionary approach meaning that a higher annual average operating hours figure has been assessed and reported. The application does not include a single specific figure, but to ensure that the application is compliant with the Infrastructure Planning (Environmental Impact Assessment) Regulations 2017 (**EIA Regulations**), the Applicant has endeavoured to ensure that the higher figure is taken into account where appropriate to consider the reasonable worst-case scenario.

3.10 The Applicant is unable to provide a set annual operating hours figure as the final figure will be determined by market demand, UK security of supply needs as well as what is required from the power station in terms of maintenance and shut down periods. Notwithstanding this point, the Applicant has accounted for this uncertainty by carrying out assessments depending on the topic chapters of the ES. MLA clarified that the annual average of 3,500 hours per annum for the first 15 years of operation used for the greenhouse gas (**GHG**) assessment in ES **Chapter 18 (Climate Change) [APP-052]** is not consistently used as for example ES **Chapter 8 (Air Quality) [APP-042]** assesses 8,760 hours, illustrating the differing figures.

3.11 MLA asserted that the reasonable worst-case scenario accounts for what might happen at the upper edge of the operating hours figure, and this is safeguarded by (i) a number of appropriate mitigation measures for that worst-case scenario, and (ii) a number of controls in the environmental permit (**EP**) which will control the activities that can take place on site. This ensures that the Applicant does not operate the power station beyond the extent as assessed by the ES. MLA explained that this topic has been considered in a number of previous DCO applications and the SoS has not imposed any requirements in relation to operating hours, acknowledging that there is a reasonable worst-case scenario assessed in the ES (accompanied by appropriate mitigation) and there are further controls in the operation and maintenance of the facility.

3.12 It was agreed that the Applicant would provide further explanation on the control of operating hours for the scheme and comments on the SoS not requiring similar controls on other granted DCOs by Deadline 2 (25 February 2026) **[EV3-010].**

Deemed marine licence

3.13 In response to the ExA's question on why the Applicant considered that a deemed marine licence was not necessary for the PD where the Keadby 3 DCO required this, MLA explained that the Applicant's response to the procedural decision **[AS-017]** sets out the interface between the Applicant and the Marine Management Organisation (**MMO**), particularly, it provides a high-level response for why a deemed marine licence has not been pursued for the PD. In short, the Applicant is not undertaking any marine licensable activities. This is also the reason for why the Applicant has not negotiated a statement of common ground with the MMO. RL added that at the time of submission of the application for the Keadby 3 DCO, there were 2 options for cooling water abstraction (one from the canal and one from the River Trent), and the latter option was a licensable activity which required a deemed marine licence. As the PD is not progressing any optionality to abstract cooling water from the River Trent, and as the discharge into the River Trent does not require any physical works in the river, a deemed marine licence is not relevant in this context.

3.14 The ExA opened the floor for questions, and in the absence of any, proceeded to the next agenda item.

4 Agenda item 2B – Climate effects and emissions

Production and transportation (climate effects)

(a) The ExA asked the Applicant to explain (i) the policy background for hydrogen combustion for electricity generation including the Low Carbon Hydrogen Standard and the UK Hydrogen Strategy, and (ii) how the carbon intensity (20gCO2 e/MJLHV) is defined and secured.

Policy background for hydrogen combustion for electricity generation

4.1 MLA explained that the starting point for the national policy on hydrogen is contained in a number of documents and **Appendix 2 to the Planning Statement [AS-010]** sets out in detail the relevant national policy and framework for decision making in DCO applications such as the PD. MLA then summarised the following policy documents:

4.1.1 UK Hydrogen Strategy (2021) - states hydrogen is one of a handful of new, low carbon solutions that will be critical for the UK's transition to net zero. As part of a deeply decarbonised, deeply renewable energy system, low carbon hydrogen is said in the Strategy to be a versatile replacement for high-carbon natural gas used today, helping to bring down emissions. Furthermore, there is almost no low carbon production of hydrogen in the UK or globally today, and that relates to the need identified by the International Energy Agency to stimulate commercial demand for clean energy and reduce investment risk for first movers. If hydrogen is to fulfil this potential in the energy mix a hydrogen economy must be established, and a flexible path must be provided.

4.1.2 The British Energy Security Strategy (2022) - sets out the Government's ambition for up to 10GW of low carbon hydrogen production capacity by 2030.

4.1.3 National Policy Statements (**NPS**s) (Overarching National Policy Statement for Energy (**EN-1**), National Policy Statement for Natural Gas Electricity Generating Infrastructure (**EN-2**), National Policy Statement for Natural Gas Supply Infrastructure and Gas and Oil Pipelines (**EN-4**), and National Policy Statement for Electricity Networks Infrastructure (**EN-5**) - set out the primary basis for decision-making in this application. In summary, hydrogen is recognised in paragraph 3.3.49 of EN-1 as being capable of replicating the role of natural gas in the electricity system, as is the need for a 'strong and enduring UK hydrogen economy'. This is best achieved by creating the market conditions that encourage investment in domestic hydrogen supply. The establishment of an end-user for hydrogen, in the form of a natural gas-fired power station that is capable of transitioning to a hydrogen-ready power station, would create those market conditions. Therefore, a new generating station, such as the PD, would encourage the delivery of critical national priorities such as hydrogen-fired power generation (at the PD itself) and hydrogen distribution infrastructure.

Paragraph 3.4.12 of EN-1 states that:

"There is an urgent need for all types of low carbon hydrogen infrastructure to allow hydrogen to play its role in the transition to net zero".

Paragraph 3.4.13 states that:

"[…] the government is committed to developing low carbon hydrogen, which will be critical for meeting the UK's legally binding commitment to achieve net zero by 2050 […]".

Hydrogen is also recognised in paragraph 1.1.4 of EN-4 which provides that:

"Clean hydrogen, and the infrastructure that supports it, will be needed to help transition our energy system to net zero by 2050, with the potential to help

decarbonise vital UK industry sectors and provide flexible deployment across heat, power and transport."

Paragraph 1.1.2 of EN-2 provides that:

"The majority of new generating capacity will need to be low carbon. But new unabated natural gas generating capacity will also be needed during the transition to net zero. This will ensure that the system remains reliable and affordable."

4.2 MLA explained that there are three key takeaways from the NPS extracts referenced above. Firstly, there is national policy support for new hydrogen infrastructure including the PD and this is explained in detail in **Appendix 2 of the Planning Statement [AS-010]**. Secondly, there is strong support for enabling hydrogen through flexible technologies such as the PD. This stems not only from the NPSs or the UK Hydrogen Strategy, but also the conclusion that *"a highly renewable power system, combined with flexible technologies including hydrogen powered generation, could be substantially cheaper than alternatives […]"* as stated by the Net Zero – Opportunities for the Power Sector document published by the National Infrastructure Commission. Thirdly, there is support for enabling low carbon infrastructure during the transition to net zero. The National Planning Policy Framework (**NPPF**) sets out that planning policy should give significant weight to the benefits associated with renewable and low carbon energy generation and the proposals to contribute to a net zero future. On this basis there is profound national policy support in the NPSs, NPPF, and several government policy documents as highlighted for the Applicant's PD.

4.3 MLA subsequently noted that the UK Low Carbon Hydrogen Standard (**LCHS**) sets out the government's position on the maximum carbon intensity of various aspects of hydrogen production as a standard they expect the market to abide by. The LCHS is achievable for blue hydrogen if the upstream WTT emissions factors for natural gas from the UK government data set is applied, together with carbon capture infrastructure. It is more easily achieved by green hydrogen produced from electrolysis of water using renewable power sources. The higher the proportion of the green hydrogen in the fuel mix, the lower the overall carbon intensity of the hydrogen fuel that is used. ES **Chapter 18 (Climate Change) [APP-052]**, paragraph 18.6.18 deals with GHG emissions, which sets out the assumptions that the Applicant has applied that relate to the LCHS, and why they are conservative for the assessments the Applicant has undertaken. The government, in the LCHS, has stated its commitment to achieving low carbon hydrogen production by 2030, and that document has been issued to market, who have responded positively to complying with the standards therein.

4.4 In response, the ExA sought to clarify whether the hydrogen strategy documents referenced by the Applicant (UK Hydrogen Strategy and the LCHS) ought to be considered as national policy. MLA submitted that the UK Hydrogen Strategy is, in the Applicant's view, national policy for the purposes of expressing what the government's position is in respect of its ambitions for hydrogen. The NPSs that apply to this application and the newly designated EN-1 and EN-2 (although not applicable to this application) contain cross references to the UK Hydrogen Strategy, and although not equivalent in policy terms to the NPSs (for the purposes of section 104 of the 2008 Act), they reflect the government's position on hydrogen. In contrast, the LCHS is in a different category to the UK Hydrogen Strategy, in that it sets out the ambitions and granular detail on the carbon intensity that is expected of the market, but it does not have the same formal status for the purposes of section 104 of the 2008 Act of setting the framework for decision making in the same way as the NPSs have.

Carbon intensity (20gCO2e/MJLHV)

4.5 Referring to ES **Chapter 18 (Climate Change) [APP-052]**, paragraph 18.3.57, the ExA sought clarity on how 20gCO2e/MJLHV is defined and secured. MLA responded that the LCHS is a document the government has issued to the industry setting out what it expects from the production and use of hydrogen. It is not a policy or permitting arrangement. The Net Zero Teesside Project (**NZT**), a DCO application determined in 2024, which considered this point in detail, provides useful commentary from what the SoS considers to be (i) necessary as having to be secured, or (ii) something that can be pursued as part of government direction and policy. The NZT ExA's Recommendation Report, paragraph 5.3.47, provides that:

"We regard use of the BEIS/Defra emissions factor, which represents the national average carbon intensity for the fuel in commercial use, is a reasonable approach and we are satisfied that this represents the best data and understanding available at the current time."

4.6 In other words, the ExA confirmed that the carbon intensity set by the LCHS is embedded in some assessments, which is reasonable to do, but that it is not necessary to set out separately, a requirement to meet that intensity. Furthermore, paragraph 5.3.48 provides that:

"We do not consider it necessary to insert a requirement into the dDCO that requires the CCGT to operate only when the carbon intensity is below the International Energy Agency projections, as recommended by CEPP."

4.7 This serves as a practical example to illustrate how (i) the LCHS sets the expectations for the market, (ii) the government's emission factors take into account particular national carbon intensities across a number of different measures, and (iii) the SoS and ExA in NZT acknowledge and accept that this approach is reasonable, supported by rationale, and *"represents the best data available"*. This is precisely what the Applicant has done in its assessment.

4.8 The ExA questioned, whether in the Applicant's view, if the intensity requirement was not met, what the position would be on the basis that the documents (e.g. the Low Carbon Hydrogen Standard) concerned were to be treated as guidance only. MLA firstly stated that if the carbon intensity was greater, it is worth considering the seven scenarios that the Applicant has assessed at ES **Chapter 18 (Climate Change) [APP-052]**, and one of those scenarios is an unabated 100% natural gas scenario. Therefore, the Applicant would be able to show that there is a scenario that it has assessed in its ES that considers that worst-case reasonable scenario. Thus, for the purposes of assessing the worst-case scenario impacts under EIA Regulations, this has already been undertaken by the Applicant. In addition, for the reasons set out in paragraph 18.6.18 of ES **Chapter 18 (Climate Change) [APP-052]**, the Applicant would assert that it is a conservative assumption to state that the requisite carbon intensity would be met. The wider context is that there is a UK need to develop this hydrogen fuel mix which meets the carbon intensity government supports. As government has set out its expectation, it is unlikely that the fiscal support that is necessary to bring forward the hydrogen production would come forward unless that standard was met. MLA concluded that this would not change anything that is put forward in the application or the assessments undertaken therein.

4.9 When the ExA opened the floor for questions, Dr. Boswell submitted that (i) the Applicant had used outdated information as part of its EIA, and (ii) NZT did not concern blue hydrogen and therefore is not relevant to the PD. MLA confirmed that the Applicant would respond to Dr. Boswell's points in detail at Deadline 1 after considering Dr. Boswell's written representation. As an initial response, MLA confirmed that, for the avoidance of doubt, the EIA has used the 2025 emissions factors, so assessments are not based on outdated emission factors or other factors. Secondly, on the relevance of NZT, the principles established in the paragraphs above stand and do apply as the questioning of the use of the government's emission factors is what the Applicant wanted to illustrate assurance in respect of, and the Applicant is following what the government has set and expects applicants to follow. Furthermore, the Applicant has ensured that there is full compliance with the EIA Regulations in having assessed a reasonable worst-case scenario. GHG assessment Scenarios D to G evidence how the Applicant has assessed a scenario which shows what would happen in terms of GHG emissions in circumstances where the factors which Dr. Boswell raised could not be addressed or contrary to government policy were not addressed.

(b) The ExA asked the Applicant regarding the assumptions made concerning the sources of the hydrogen supply, its arrival from and to the site, and the purpose of green hydrogen.

4.10 The ExA requested the Applicant to explain (i) the different colours of hydrogen, and (ii) where the proposed hydrogen to be used would be sourced from.

4.11 RL described the following colours of hydrogen:

4.11.1 'Green' hydrogen – where electrolysis is used to break down water molecules (H_2O) to allow hydrogen to be formed. The expectation of projects producing green hydrogen is to use electricity from renewable sources (for example surplus from offshore wind) to break down the water molecule and produce green hydrogen. An example of such a project in the final stages of construction is the H100 Fife project in Scotland. Green hydrogen is an emerging technology and the scale of production for green hydrogen in the UK at present is relatively small.

4.11.2 'Blue' hydrogen – where natural gas molecules (CH_4) are split and carbon is removed and captured to produce the hydrogen. Developing a production facility that captures the released carbon at source, through CC infrastructure, allows it to be considered as low carbon hydrogen. An example of such a project is the H2Teesside project (however this project has been withdrawn). A number of projects are under development, and it is the Applicant's expectation that blue hydrogen will take the bulk of any hydrogen production to run a power station of the size and scale of the PD.

4.11.3 'Grey' hydrogen – where hydrogen is made from natural gas, or methane, using steam methane reformation but without capturing the GHG emissions made in the process (unlike, for example, blue hydrogen where CC captures the waste carbon).

4.11.4 'Turquoise' hydrogen – where hydrogen is made using methane pyrolysis. A few projects are in concept stage and not yet fully developed.

4.12 RL, in setting out the context, explained that the hydrogen economy / chain comprises of three links – (i) hydrogen production facilities, (ii) hydrogen transmission facilities, and (iii) hydrogen user facilities / offtakers. The Applicant's PD falls into the third category as an offtaker. In the UK hydrogen economy, several projects are progressing on the hydrogen production side, either through the NSIP regime or as local development projects under the Town and Country Planning Act 1990. The Applicant is in partnership with Equinor who are developing hydrogen facilities to produce and store low carbon hydrogen. Such production facilities need certainty that the hydrogen produced with be used, and these are known as 'enablers' who are effectively the users of the produced hydrogen. Completing the UK hydrogen economy landscape, there are several projects being progressed for the transmission / transportation phase. Pertinent to the PD, and supply to the site, the East Coast Hydrogen (**ECH**) project is being progressed which is a partnership between National Gas, Northern Gas Networks and Cadent to bring infrastructure to move forward to allow hydrogen to then be delivered to offtakers.

4.13 RL clarified that the Applicant does not intend to commit the PD to a specific hydrogen facility given the uncertainty, at this stage, on which production facility will move forward and become available first. Tied to this point on the evolving landscape, the Applicant is waiting for the updated hydrogen strategy to be published which is expected to set out government's expectations on which infrastructure will be developed, and the Applicant's understanding (having had discussions with the government) is that the strategy is likely to favour a cluster-led approach around hydrogen production to hydrogen offtakers. In light of these factors, the Applicant is not in position to say, at this stage, which hydrogen supply will fuel the power station for the PD.

4.14 The ExA sought to understand whether for the purposes of calculating carbon emissions, if the whole supply chain needed to be considered. RL confirmed that the lifecycle needs to be considered, but because the source of hydrogen is yet to be confirmed, for the reasons set out, the Applicant has deployed certain assumptions and used the LCHS as part of this.

4.15 The ExA then sought clarity on why the application could not restrict the hydrogen to be used to low carbon options if the expectation was for low carbon hydrogen to be used on site. RL clarified that it is not in the offtaker's control, as is also the case currently with natural gas. The natural gas mix is currently provided and regulated to meet a gas standard by the operator of the system, National Gas, and that is how it will continue to be for the hydrogen, which will be regulated, so that the gas meets a certain standard. Furthermore, there is no expectation that the hydrogen supplied would not meet the LCHS, and it would be disproportionate to expect

the offtaker to mandate this as the offtaker (i) would not, on a practical level, be able to regulate the instance if the hydrogen supplied to the site suddenly has a higher concentration of carbon nor (ii), would there be a way of identifying / monitoring this. For these reasons, it would not be possible, nor reasonable, for the Applicant, as the offtaker, to impose controls. The Applicant is working with partners to develop low carbon infrastructure (e.g. the partnership with Equinor in the Humber Hub). RL added that in his experience of working with production facilities for low carbon hydrogen, as well as in the Applicant's case as an offtaker, the challenge of assessing and achieving carbon intensity in line with the LCHS at the production level rests with the producer and is normally set through fiscal mechanisms with government. In other words, hydrogen which meets the LCHS receives the appropriate fiscal support for it to be produced and put into the network, which is the usual way of controlling and upholding the LCHS.

4.16 RL also set out that it is extremely unlikely, for financial reasons, for producers of grey hydrogen to put grey hydrogen into a network, and in policy terms, for an offtaker to connect to a grey hydrogen producer. The purpose of using hydrogen is to replace natural gas to lower the carbon intensity. The cost of producing grey hydrogen (from natural gas) far exceeds the cost of using just natural gas, therefore, if it does not lower the carbon intensity, there is no logical rationale for producing and flooding the system with grey hydrogen. On this basis, the Applicant sees no credible scenario in which grey hydrogen would be put into that system nor is there any intention to connect to it. To clarify, in assessing the wider upstream effects, ES **Chapter 18 (Climate Change) [APP-052]**, paragraph 18.3.64 confirms that the GHG assessment also considers the carbon emissions of installing a hydrogen pipeline spur to the site. RL clarified that the hydrogen will arrive on site in gas form, not liquified.

4.17 The ExA then turned to Table 18.10 of the ES **Chapter 18 (Climate Change) [APP-052]** and required the Applicant to explain how GHG emissions figures were calculated if it is the Applicant's view that it is difficult to know which hydrogen would be used and what the upstream scope 3 emissions would be.

4.18 RL explained that paragraphs 18.3.5 and 18.3.58 of the ES **Chapter 18 (Climate Change) [APP-052]** set out assumptions for the calculations. The Applicant has assumed a pipeline spur connecting into the wider national infrastructure which has been assumed to be 4km in length. This is based on early development plans for ECH and where that infrastructure would go. ECH have spent considerable time mapping potential hydrogen offtakers and users with hydrogen producers and storage, subsequently developing a concept of where the network would go from and to. RL highlighted that one of the main areas the ECH project has looked at, is how to repurpose the existing network infrastructure as well as where new development is required.

4.19 It was agreed that the Applicant would provide further information regarding the ECH project, including information regarding functions surrounding repurposing and justification for the assumption for a 4km distance being an appropriate assessment for transportation of hydrogen within the ES by Deadline 2 (25 February 2026) **[EV3-010]**.

4.20 RL reassured the ExA that the ECH project has, as part of its early work, looked at where repurposed lines could be used and new ones built. It is the Applicant's view that the PD will be one of the first projects in the UK to enable and facilitate the use of hydrogen and the Applicant is working alongside partners to create this integrated system. This is supported by the rationale that the application is compliant and aligned with government policy and it is the Applicant's position that there is an opportunity to be a real, significant hydrogen offtaker in the market.

4.21 The ExA asked the Applicant to provide a response to Dr. Boswell's question on why electricity generated by renewable resources for green hydrogen would then be used to make hydrogen for electricity. In other words, if this would be a situation of taking electricity to make electricity. RL clarified that a comprehensive response would be provided as part of the written response but, setting out a brief position, highlighted that green hydrogen is produced on a limited / small scale and its use is not likely to be focused on power generation, but other purposes. RL stressed that the key point about a hydrogen economy is that, by moving to more and more renewables in the system, those renewables are intermittent and that leads to security of supply

challenges. Having gigawatts of offshore wind capacity available is one matter but having it available at a time of need is a different one. It is a fact that there are times when there is surplus, and payments are made to stopping windfarms when this is the case. If there is a beneficial way of using that surplus, it is through storage batteries, however for this a significant number of batteries would be needed (and such supply would be limited by capacity, sustainability, feasibility and cost issues). In the context of hydrogen power stations, the surplus energy can be stored as hydrogen in caverns or saline aquifers, so that it can be used to generate electricity where required to meet security of supply when there is electricity deficit where other renewables may be vulnerable (e.g., sunlight for solar).

(c) The ExA asked the Applicant to explain scenarios A to G, and the environmental effects of scenarios E, F and G in comparison to the Keadby 3 Carbon Capture Power Station project, which included carbon capture storage and how Requirements 30 and 31 of the dDCO apply.

4.22 MLA explained that the ES sets out seven potential scenarios where the extent of reliance on hydrogen vs natural gas is dealt with, and the different blends of hydrogen and natural gas. Scenario A assumes 25 years of operation with 100% hydrogen and scenario G assumes 100% natural gas usage for the full lifetime generation of the power station. The scenarios in the middle (B-F) deal with different blends, with different time periods for those two forms of production. MLA emphasised that the reason for providing these different scenarios is to reflect that demand and supply would be outside the control of the Applicant, but the full extent of the potential impacts arising from all the eventualities has been assessed. The potential scenarios are market driven and reflect realistic reasonable worst-case scenarios. Referring to the ES **Chapter 18 (Climate Change) [APP-052]**, paragraph 8.3.59, MLA quoted NPS EN-1 which provides that:

"The British Energy Security Strategy doubles the ambition set out by the Hydrogen Strategy for up to 10GW of low carbon hydrogen production capacity by 2030 […] at least half the hydrogen supply is from electrolytic hydrogen […]"

4.23 The Applicant's assessment reflects national policy and its trajectory towards lower carbon forms of hydrogen, while addressing the scoping opinion from the Inspectorate which called for an assessment of the unabated scenarios. This is the reason why the Applicant has considered, assessed, and reported on the full spectrum of potential scenarios.

4.24 MLA assured the ExA that scenarios E, F, and G, are unlikely to occur given where government policy is heading and incentivising the market to move to. It was acknowledged that while scenario G could not be fully ruled out due to factors wholly outside the control of the Applicant (e.g. where priority is changed due to government changes), the language used in ES scenarios F and G is not of impossibility, but unlikeliness.

Keadby 3 and PD

4.25 The ExA subsequently sought to understand whether scenarios F and G have potentially worse environmental effects than Keadby 3. MLA responded that the **Applicant's Response to Procedural Decision [AS-018]** contains confirmation that those unabated scenarios would have different effects. This also explains why comparisons between the two projects should not be made on the basis that, (i) the assessment methodology for Keadby 3 is slightly different from the assessment methodology used for the PD, and the PD also accounts for the Finch judgement, and (ii) notwithstanding the distinct impacts reported, the Applicant's position is that Keadby 3 cannot be taken to be a material consideration. The question to consider is whether the PD complies with national policy on its own merits, and in the Applicant's view, it does, and the existence of an alternative, which is what Keadby 3 is, is only relevant in very specific and limited instances, none of which arise in this case. The ExA accepted that the PD would be considered on its own terms, but sought clarity if there could arise a situation where the PD has worse environmental impacts than Keadby 3 on the basis that Keadby 3 has CC infrastructure whereas the PD does not. Related to this, the ExA also sought clarity on what the trigger point would be for CC infrastructure to be provided as part of the PD.

4.26 MLA firstly confirmed that the Applicant is able to include CC infrastructure, if required. The key change that has occurred since Keadby 3 is that the government has now laid out decarbonisation readiness requirements (**DRR**). The DRR, which take effect from February 2026, are intended to replace the existing 2013 carbon capture readiness regulations (**CCRR**). This is relevant because Keadby 3 was decided at a time when the CCRR applied, which set out specific provisions on what needed to be included in a DCO for ensuring provisions for CC. Since then, following the enactment of DRR, MLA confirmed that government is intending two separate tracks to meet government policy. First is being CC ready and second is being hydrogen ready. They are distinct alternatives open to developers who apply for a permit. From the end of February 2026, the requirements relating to CC readiness fall away in place of a developer evidencing that they are decarbonisation ready. Keadby 3, under the 2013 CCRR, was required to ensure that the DCO itself had a provision ensuring that the project was ready to implement CC infrastructure. The PD will be determined following February 2026, meaning the Applicant will have open to it, the option of adopting either track; either hydrogen readiness or CC readiness. For the reasons established concerning the need for flexibility, there is adequate provision for taking the CC readiness route if that is what the Applicant choses to do. The alternative route is the hydrogen readiness route, and that is another reason why comparisons should not be drawn between Keadby 3 and the PD, as it does not account for the changes to the decision-making framework.

4.27 MLA added that the unabated scenarios (F and G) will not result in an uncontrolled development, but one that will be adequately regulated through a number of distinct mechanisms. The EP will control emissions and activities on site. Furthermore, there are several policy and financial levers that the government has to incentivise a transition to a low carbon scenario (e.g., emission trading schemes and incentives that increase the cost of going down the natural gas route to incentivise the low carbon hydrogen scenario). RL added that Keadby 3 and PD are different projects, and for different purposes. Moreover, in Keadby 3, there was a potential scenario where if the CC network had operational issues, the power station could still operate without capturing carbon, so therefore there was a hypothetical scenario that could have occurred under the Keadby 3 DCO even with the existence of CC infrastructure. As such, it is not a question of the PD being worse than Keadby 3, it is a matter of how information is presented in the PD application in comparison to how it was presented in the Keadby 3 application. There may not be any material difference theoretically for the hypothetical worst-case scenarios for either project. The PD is an option that has adapted to the change in government policy. Furthermore, MLA on the point of flexibility in responding to demand, quoted paragraph 5.3.12 of NPS EN1 that:

"Operational emissions will be addressed in a managed, economy-wide manner, to ensure consistency with carbon budgets […] [t]he Secretary of State does not, therefore need to assess individual applications for planning consent against operational carbon emissions […]"

4.28 Therefore, the control is provided centrally by government through policy rather than comparing one project to another project on which is worse. A comparison between the two projects would undercut what this government policy is currently trying to do.

Requirements 30 and 31 and carbon capture infrastructure works

4.29 MLA explained that when the Applicant submitted the application for the PD, the 2013 CCRR applied, and there is a provision in the CCRR which states that a relevant consent order must include adequate provision in terms of spacing to allow CC to come forward. Requirements 30 (adequate space and not dispose of land) and 31 (reporting on how the Applicant complied with adequate spacing requirement) at Schedule 2 to the **dDCO [AS-003]** are included to ensure compliance with the CCRR at the point of the application. As the CCRR are due to be replaced by the DRR by the end of February 2026, at that point Requirements 30 and 31 will no longer be required as the Applicant is obliged to comply with the relevant environmental permitting regulations. Importantly, the DRR do not include the equivalent provision as in the CCRR that a relevant DCO must include various provisions relating to CC. As explained earlier, there are now to be two tracks. MLA clarified that once the new DRR come into force, in the subsequent iteration of the dDCO, Requirements 30 and 31 would be removed. The relevant controls would be transposed into the permitting regime, departing from the position that controls would need to be contained in the DCO. RL added that the Applicant submitted an EP application to the

Environment Agency (**EA**) on 17 December 2025. If the Applicant is required to provide CC under the EP, the Applicant has sufficient land to retrofit the CC infrastructure and pursue the development under the TCPA route. RL pointed out that there is precedent for obtaining consent under the TCPA for the retrospective fitting of CC infrastructure. This was the approach taken in a project nearby the PD, the Humber Zero project.

(d) The ExA asked the Applicant regarding the assumption made concerning sources of natural gas, including liquified natural gas supply, and whether potential upstream methane leakage has been adequately assessed in Environmental Statement (ES) Chapter 18.

4.30 RL noted that the application does not set out which source of natural gas would be used, as this information is outside the Applicant's control. The calculations are based on the UK government emissions factors, and as articulated above, those are refreshed periodically by government to reflect the mix of gas supply into the UK system. For example, gas supply from Norway has lower carbon intensity, whereas gas supply from liquified natural gas may have higher carbon intensity. RL clarified that the data used was 2025 emission factors and they were the most recent at the time of making the application.

4.31 The ExA questioned the potential under assessment of potential methane leakage in transportation of natural gas to site. RL confirmed that the Applicant has used methodologies that are published and agreed to calculate those assessments.

4.32 Dr. Boswell questioned what the carbon intensity is for the upstream emissions of natural gas and that the government emission factors have not been reviewed and updated by new science nor for the well-to-tank 'scope 3' aspect. Dr. Boswell added that the emission factors used by the Applicant do not model the real climate impacts of methane. MLA confirmed that the Applicant will be responding to Dr. Boswell's written representation. In responding to Dr. Boswell's questions, MLA guided the ExA to paragraph 5.3.47 of the NZT ExA's Recommendation Report, where the ExA of that project stated:

"We acknowledge the considerable uncertainty over the future source of natural gas and that the well-to-tank emissions could be higher for imported fuel. However, we also recognise a concerted international effort to reduce methane emissions, including leakage, which could lead to reduction in carbon intensities. Based on this, we do not consider it necessary or reasonable to require annual projections for the lifetime of the Proposed Development to meet the requirements of the EIA Regulations."

4.33 MLA confirmed that the same principles applied to the PD. Furthermore, in the corresponding SoS NZT Decision Letter, at paragraph 4.46, the SoS elucidated that:

"The Applicants considered that this official dataset is the standard to be applied for all projects with ongoing operational emissions and, therefore, they did not consider it necessary or appropriate to revisit the upstream emissions factor for natural gas […] The Secretary of State agrees with this position […]."

4.34 Therefore, the position adopted by the Applicant accords with what the SoS has said is the accepted practice. It would be inappropriate for the Applicant to concoct or manufacture its own forecast when the government has said that the standard emission factors is what should be used, which is endorsed in decisions such as NZT. MLA re-iterated that the standard approach has been followed, and that the Applicant has assessed the reasonable worst-case scenario including scenario G which deals with the unabated natural gas scenario. Thus, the view that the assessment does not include the full extent of what is included in the reasonable worst-case scenario is strongly disputed by the Applicant and is considered to be the re-running of arguments that have been heard and adjudicated on before.

4.35 The ExA sought to confirm the Applicant's view that nothing had changed since the NZT decision. The Applicant confirmed that this was the Applicant's position.

4.36 RL also confirmed that the transportation of natural gas for the PD is similar to Keadby 3, and as the SoS had considered and concluded that the mode was acceptable in Keadby 3, it is not necessary to revisit the point.

Combustion (emissions)

(e) The Environment Agency and the applicant to respond on whether nitrogen oxide (NOx) emissions from hydrogen combustion are adequately controlled.

4.37 MLA confirmed that the NOx emissions from hydrogen combustion would be controlled by the EP. RL added that the Applicant is confident that the emissions levels presented are those that can be met by the PD. This is on the basis that the Applicant has worked closely with manufacturers of the turbine equipment to understand how the emissions can be met. The flame temperature for hydrogen combustion is likely to be hotter than natural gas combustion and therefore higher thermal energy produced, but the mass emission flowrate of the flue gas is likely to be lower than natural gas. As such, the mass release is broadly comparable between hydrogen combustion and natural gas combustion. As can be seen in ES **Chapter 8 (Air Quality) [APP-042]** and **Appendix 8B of Chapter 8 (Air Quality) [APP-062]**, the Applicant has allowed for the provision of secondary abatement for NOx control in the form of selective catalytic reduction (SCR) which is a post combustion technique to further lower NOx emissions. The Applicant is confident that it will be able to meet the emission levels set in the EP for these reasons.

4.38 RL added that the Applicant has taken part in a number of pre-application meetings with the EA before making the application submission, as part of which the EA has given combustion guidance from 2024 which the Applicant has used and applied in its application. Moreover, the Applicant has established operational experience of using secondary abatement technology (SCR). On this basis, the Applicant is confident that it can meet the required emission levels for hydrogen combustion.

4.39 At the prompt of the ExA, the EA confirmed that it is not able to provide any comments at this stage on NOx emissions and will provide updates in future deadlines. However, the EA did confirm that at present, from what they understand of the PD, and the documents submitted for the EP by the Applicant, there is nothing that would suggest a refusal for the EP.

4.40 The ExA opened the floor for questions, and in the absence of any, proceeded to the next agenda item.

5 Agenda item 2C – Landscape and visual effects

The ExA asked the Applicant to explain why the two ancient and two veteran trees originally identified for removal were no longer classified as such following discussions with North Lincolnshire Council.

5.1 JA explained that this item is largely resolved following comments from North Lincolnshire Council (**NLC**) and Natural England (**NE**) regarding the initial assessment of the impact of ancient and veteran trees. Following engagement between the Applicant and NE, including a meeting held between the parties on 11 December 2025, it has now been confirmed that following the initial conservative assessment of those trees, which was carried out following submission of the DCO application, the trees identified for removal to enable the implementation of the PD are not ancient or veteran trees. KC confirmed that this change in categorisation of the trees has come about as a result of carrying out a site visit with the tree officers of NLC during which it was concluded that the Goat Willow trees in question had a large trunk (in diameter) as a result of their location (proximity to the canal bank) and not as a result of the age of the trees. Accordingly, the relevant application documents have been updated to reflect the position that there will be no loss of veteran or ancient trees as a result of the PD. The updated documents have been submitted and will be published at Deadline 1. JA added that Requirement 32 at Schedule 2 to the **dDCO [AS-003]** relating to anticipated loss of ancient and veteran trees will be removed in the next iteration of the dDCO as it is no longer needed.

JA assured the ExA that Requirements 6 and 16 at Schedule 2 to the **dDCO [AS-003]** continue to provide protection for trees.

5.2 The ExA, considering the **Indicative Landscape and Biodiversity Plan** (**ILBP**) **[AS-007]** sought a brief explanation as to the need for the (i) grassland enhancement (areas C7 and C3, sheet 1), (ii) woodland planting (areas C2 and C5, sheet 1), and (iii) the grassland creation, woodland creation and tree planting (area C4, sheet 1). RL clarified that the Applicant's ecology team looked where it could develop planting and landscaping measures within the operational constraint requirements of the PD and existing constraints, e.g. woodland planting is not feasible where there are pipelines underneath, as roots would impact the pipeline infrastructure over time. There is also an area with archaeological assets where woodland would not be suitable (area C7). In addition, the Applicant has sought to achieve biodiversity net gain (**BNG**) as part of the PD within the redline boundary. Some replacement planting of trees has been proposed in the area around C5 (sheet 1).

5.3 The ExA sought further clarity on which trees are being removed. [Post-hearing note: the Applicant would highlight that Annex 4 of Appendix E to the **Outline Landscape and Biodiversity Management and Enhancement Plan [APP-161]** (the Tree Protection Plan) identifies the retention and loss of trees within the order limits. A standalone copy of this Plan will be submitted at Deadline 2 (25 February 2026) **[EV3-010]**.]

5.4 The ExA subsequently sought clarification of the area identified for species enhancement within the former ash tip, particularly willow tit, barn owls and bats, on sheet 2 of the **ILBP [AS-007]**, particularly as it falls outside the order limits. RL confirmed that this area is outside the order limits but within the operational ownership of the Applicant. This area is an ecologically high value habitat which is why the Applicant has left it outside the operational control boundaries. It not an area that is being relied on but is being used for enhancement. It is an area selected for carrying out further enhancement, for barn owls and bats or other birds.

5.5 RL confirmed that while the land is within the Applicant's ownership it will need to consider how it is secured if it is outside the order limits for the purposes of the DCO. The ExA clarified that the solution was not necessarily to extend the redline boundary, but if it is to be construed as a benefit of the PD, there would need to be a securing mechanism. It was agreed that the Applicant would provide further information regarding the most appropriate mechanism for securing species enhancement measures on land owned by the Applicant but outside of the order limits to ensure the works are deliverable and considered a benefit of the PD, by Deadline 2 (25 February 2026) **[EV3-010]**.

5.6 Following the ExA's prompt, RL confirmed that there are no protected trees under a tree protection order within the order limits and no such protected trees are being removed.

5.7 The ExA requested the Applicant to explain why trees around the water abstraction point have to be removed, and the steps it has taken to minimise the number of trees. RL explained that the power station needs water for the cooling of the combined cycle turbine, and having considered the location for canal water for abstraction as part of Keadby 3 in more detail, an operational syphon that runs near that point was identified by the EA and it was determined that the construction of the canal water abstraction infrastructure could impact or impede that syphon. As a result, the Applicant had to relocate water abstraction infrastructure further east, in closer proximity to the trees. The infrastructure cannot practically be implemented on the canal bank without removing these trees as they are growing right alongside the canal.

5.8 The Canal and River Trust (**CRT**) explained that in respect of these works, they are keen to understand what the potential is and what the options for new planting would be that would help mitigate the impact of the infrastructure. The CRT's primary comment was that the site is directly opposite a footpath, and the existing trees provide a semi natural landscape which mitigates impact from a visual level and what the solution would be if those trees are being removed.

5.9 MLA confirmed that as the PD has not been designed in detail, there are several parts of the construction methodology and programme that need to be considered following the grant of the

DCO. The controls imposed by the **Outline Landscape and Biodiversity Management and Enhancement Plan (oLBMEP) [APP-161]** and the **Outline Construction Environmental Management Plan (oCEMP) [APP-166]** contain a series of subsequent steps that would need to be undertaken to mitigate the impacts during the construction and detailed design phases. Therefore, the Applicant cannot provide detailed plans at this stage, but can provide commitments to mitigate the impact during the construction and operational periods. As the plans are subject to consultation and approval pursuant to the Requirements, there will be another process that will be engaged.

5.10 The EA clarified that if any tree felling activity is anticipated in proximity of a main river, it would fall within the EA's flood risk activity regime and the appropriate permit would need to be secured by the Applicant.

5.11 The ExA opened the floor for questions, and in the absence of any, proceeded to the next agenda item.

6 Agenda item 2D – Adequacy of documents and other matters

The ExA asked the Applicant to provide an update on the matters below and progress to resolving concerns raised by statutory parties.

*Environment Agency (**EA**)*

6.1 JA clarified that the concerns raised by EA on the adequacy of information contained within the ES, the **oCEMP [APP-166]**, the **oLBMEP [APP-161]**, and **Schedule of Commitments [APP-090]** is being resolved between the parties and are relatively straightforward points to be addressed. These will be addressed when the updated documents are submitted at Deadline 1. JA set out an update on documents as follows:

6.1.1 **oCEMP [APP-166]** – that the EA has requested minor amendments on the wording of some of the proposed mitigation measures which the Applicant will provide a full response and updated version of this document at Deadline 1.

6.1.2 **ES Chapter 11 (Biodiversity and Nature Conservation) [APP-045]** – that the EA requested clarity on the assessments undertaken in respect of watercourses and consideration of a control measure in respect of water voles and the Applicant will provide an update at Deadline 1. The Applicant's position is that the **oCEMP [APP-166]** will be updated but the ES Chapter does not need to be updated.

6.1.3 **ES Chapter 12 (Water Environment) [APP-046]** – that the EA sought (i) clarification around the need for screens on the abstraction intake structure and that a watching brief for eels is included in the **oCEMP [APP-166]** and (ii) a commitment on water quality monitoring in the River Trent and availability of water during construction and use. Detailed responses to these points will be provided by the Applicant at Deadline 1. Providing the Applicant's position in brief, JA confirmed that the wording of Requirement 5 at Schedule 2 to the **dDCO [AS-003]** together with the EP obligations is intended to appropriately control the design of the water abstraction infrastructure and illustrate compliance with the Eels Regulations. Regarding the monitoring of water quality in the River Trent, the Applicant does not consider this to be necessary given that, with the exception of the use of the existing berth at Railway Wharf, no works are proposed within the river. Furthermore, it is the Applicant's position that the EP obligations and discharge monitoring requirements are appropriate control safeguards.

6.1.4 **ES Chapter 13 (Geology, Hydrogeology and Land Contamination) [APP-047]** – that the EA requested an updated reference to the 2025 guidance on piling and penetrative ground improvements methods on land impacted by contamination. Furthermore, additional wording on managing unexpected contamination in the

oCEMP [APP-166]. The Applicant will address these points through the updated **oCEMP [APP-166]** at Deadline 1.

6.1.5 **ES Chapter 19 (Major Accidents and Disasters) [AS-014]** – that the EA noted a point on firewater runoff. JL clarified that appropriate mitigation measures regarding firewater runoff are in place and work 1(c)(xi) in the **dDCO [AS-003]** is a firewater retention basin.

*Natural England (**NE**)*

6.2 JA confirmed that the Applicant's position for NE is the same as for the EA. JA then provided updates on the following points:

6.2.1 Special Area of Conservation, Special Protection Area and Ramsar Site in the Humber Estuary – the Applicant has been having ongoing discussions with NE regarding these sites and met with NE on 11 December 2025 to discuss matters raised in NE's relevant representation (**RR**). The Applicant is preparing a detailed response to this RR as well an updated Habitats Regulations Assessment (**HRA**) Report to be submitted at Deadline 1. JA confirmed that NE's RR did not identify any fundamental concerns, and once the updated HRA Report is submitted, all identified matters will be resolved early in the Examination period.

6.2.2 Crowle Borrow Pits Site of Special Scientific Interest – that NE does not identify fundamental concerns, but requests further information and justification regarding a critical level for ammonia. The Applicant has used the same critical level as was agreed for the Keadby 3 DCO application and is providing evidence of this to NE, which is expected will resolve this point.

6.2.3 BNG – the Applicant has submitted an outline BNG assessment at Appendix D to the **oLBMEP [APP-161]**. The conclusion of that is that there will be net gains for biodiversity. As noted in paragraph D.6.12 of the **oLBMEP [APP-161]**, it is assessed that there will be gains of +10.08% for habitat units, +30.16% for hedgerow units, and +10.04 for watercourse units. Requirement 6 at Schedule 2 to the **dDCO [AS-003]** includes amongst other things for a BNG strategy to be submitted to the relevant planning authority for approval prior to commissioning of the authorised development. This is to be in accordance with Appendix D to the **oLBMEP [APP-161.** The habitats will be maintained for a minimum of 25 years, which is considered to be appropriate in this case as it aligns with the expected life cycle of the PD, as specified in the application documents, and noting that BNG is not a legal requirement for the PD.

6.2.4 **oCEMP [APP-166]** – that NE requested mitigation measures in respect of infilling drains on downstream watercourses. The Applicant will provide a full response at Deadline 1.

*Canal & River Trust (**CRT**)*

6.3 JA provided updates on the following as requested by the ExA:

6.3.1 **oCEMP [APP-166]** – that the CRT raised points on (i) the proposed process for warning mariners of closures, (ii) mitigation measures for silt mobilisation during the proposed cofferdam works within the canal, (iii) for the CRT to be a consultee on the final version of the CEMP that is to be submitted pursuant to Requirement 16 at Schedule 2 to the **dDCO [AS-003]**, and (iv) relating to proposed closures of Keadby Lock and unscheduled deliveries. The Applicant will develop appropriate measures to manage out of hours deliveries and this will be done in consultation with the CRT which is secured by Requirement 22(3)(c) at Schedule 2 to the **dDCO [AS-003]**. A shipping movement schedule will be maintained by the Applicant, rather than the contractor. The Applicant will be updating the wording of Requirement 16 at Schedule 2 to the **dDCO [AS-003]** to include the CRT as a consultee on the final CEMP. RL added that a meeting had recently been held between the Applicant and the CRT and conversations are ongoing.

6.4 The CRT subsequently summarised that it wanted the Applicant to address two elements. Firstly, the works near the cofferdam, where the application boundary extends 20 metres into the canal. To maintain safe navigation of the canal without closures, the CRT requires a distance of 20 metres free to the south. The CRT confirmed that they have been in discussion with the Applicant on this point, which is being reviewed. The CRT also highlighted that there are powers in Article 19 of the **dDCO [AS-003]**, regarding the closure of routes to enable the Applicant to carry out certain works, which could cause navigation safety issues. Secondly, on Keadby Lock, large vessels using Railway Wharf can lead to the blockage of Keadby Lock itself. The **oCEMP [APP-166]** does include mitigation including notice to mariners, but in the CRT's view, the main issue is health and safety as unplanned obstruction of the Keadby Lock gates can result in boaters being trapped in the river. This is not addressed in the **Navigational Risk Assessment [APP-075]** and the CRT's request is for the Applicant to include this as part of the assessment. The CRT acknowledged that it understands the Applicant's rationale with the outlined Wharf Management Plan, and that it would be helpful if the principles which will form this document can be shared with the CRT.

6.5 JA clarified that Article 19 of the dDCO [AS-003] is subject to Part 3 of Schedule 9 to the dDCO, which sets out protective provisions (PPs) in favour of the CRT which provide adequate safeguards to the CRT and its interests. MLA added that these PPs are being progressed, and that the Applicant is confident that agreement will be reached on these with the CRT. As an assurance, MLA explained that the ES **Appendix 12C Navigational Risk Assessment [APP-075]** shows how the Applicant has taken the required steps to assess the activities that have been subject to discussion. This covers the cofferdam works as well as the abnormal invisible load (**AIL**) movements. MLA highlighted that this assessment was carried out to identify navigational risks. The cofferdam and AIL movements were assessed as low risk post mitigation. The assessment results show that, post mitigation, no risk identified goes above 0.2. While the Applicant is working towards the PPs, this figure illustrates the level of risk involved. [Post-hearing note: the Applicant has amended the protective provisions to provide further control over the exercise of Article 19 thereby addressing the CRT's concern]

*National Highways (**NH**)*

6.6 JA provided updates on the following as requested by the ExA:

(a) outline Construction Traffic Management Plan **(oCTMP) [APP-167]** – JA clarified that the Applicant has had extensive positive engagement with NH. NH requested for the oCTMP to include details on staffing numbers and construction work traffic. These details will be provided by way of updated documents at Deadline 1. The Applicant has agreed with NH that the other information that NH has requested in relation to parking spaces and division of operational and administrative staff can be provided as part of the final CTMP that is to be submitted for approval pursuant to Requirement 22 at Schedule 2 to the dDCO [AS-003].

(b) outline Construction Workers Travel Plan **(oCWTP) [APP-168]** – NH had comments regarding financial commitments. These will be dealt by way of updated documents at Deadline 1, which now allows for appropriate sustainable travel targets.

6.7 The ExA opened the floor for questions, and in the absence of any, proceeded to the next agenda item.

7 Agenda item 2E – Draft DCO

7.1 The ExA flagged that the definition of 'materially new' and 'materially different' environmental effects are used inconsistently in the **dDCO [AS-003]**. The ExA flagged discrepancies in this wording across Article 2 (definition of maintain), Article 2(10), Article 40, Schedule 8 (2)(3), Schedule 8(2)(4)(a), and 8(2)(4)(b) and requested clarification on which approach the Applicant intends to use consistently. The ExA suggested that the wording used under the definition of maintain under Article 2 is preferred. It was agreed that the Applicant would update the dDCO

to provide consistent wording in regard to “materially new and materially different” and to use the wording “than those assessed in the ES” rather than “in comparison with” or similar wording by Deadline 1 **[EV3-010]**

7.2 The ExA then turned to Article 12(1) of the **dDCO [AS-003]** and questioned whether the power is too wide as drafted as it refers to ‘any street’. In contrast, Article 10 is limited to those streets only in Schedule 3 to the **dDCO [AS-003]**. MLA clarified that the distinction between these articles reflects the difference in powers sought by the Applicant. Article 10 has some permanent effects; Article 12 relates to a temporary power. Furthermore, appropriate controls on and limits in the use and exercise of the powers under Article 12 are provided through the **oCTMP [APP-167]**.

7.3 On Article 19 of the **dDCO [AS-003]**, the CRT, at the prompt of the ExA, flagged that there were certain commercial side agreements on Keadby 3 in addition to PPs and proposed a similar approach with the PD. MLA clarified that the deployment of negotiating side agreements depended on how negotiations on the PPs fared and if matters were resolved through the PPs, there would be no real need for separate side agreements and that no definitive commitments for side agreements would be appropriate at this stage.

7.4 Considering Article 31(10) of the **dDCO [AS-003]**, the ExA sought to understand why the carve out provisions are necessary and considered it repetitive. MLA clarified that in some DCOs there are plots which are mentioned in both the temporary possession schedule and the schedule in which rights and restrictive covenants are to be acquired. This seeks to deal with the situation where a plot which falls under both schedules does not have the effect of the restriction biting where new rights are to be acquired on the same plot. The ExA confirmed that there are four plots with overlap, 284, 293, 120, and 127 that sit within Schedules 5 and 7 to the **dDCO [AS-003]** and whether the approach should be to carve out these plots specifically. MLA added that Article 31 is subject to Article 25 and therefore restricted to those plots. Furthermore, this approach reflects a good faith measure before taking temporary possession, as put forward in previous DCOs. It was agreed that the Applicant would review Article 31(10) and whether plots 2-84, 2-93, 1-20 and 1-27 should be carved out by Deadline 1 **[EV3-010]** [Post-hearing note: please see the Annex to this note for a response] .

7.5 Considering Requirement 2 at Schedule 2 to the **dDCO [AS-003]**, the ExA questioned the need for a seven year commencement period rather than five years. MLA confirmed that part of this is related to earlier discussions on government policy, financial decisions, and to ensure all processes are completed this timing is required. It was agreed that the Applicant would provide further justification for the commencement period of seven years in Requirement 2 by Deadline 1 **[EV3-010]**.

7.6 For Requirements 8, 11, 12, and 37 at Schedule 2 to the **dDCO [AS-003]**, it was agreed that the Applicant would consider the EA’s request to be added as a consultee alongside the relevant planning authority and provide a response by Deadline 1 **[EV3-010]**.

7.7 For Requirement 27(i) at Schedule 2 to the **dDCO [AS-003]** it was agreed that the Applicant would consider the EA’s request for the Applicant to include Works 4A and 4B and provide a response by Deadline 1 **[EV3-010]**.

7.8 On Schedule 8(5)(2)(c) to the **dDCO [AS-003]** regarding the procedure for discharging requirements and appeals, the ExA expressed that it was not for the Applicant to provide a timeline for the SoS to determine appeals, wording to the effect of ‘as soon as practicable’ is preferred. MLA responded that the ExA’s point was understood, but that the Applicant is not imposing timelines on SoS or the appointed person for two reasons. Firstly, paragraphs 5(3) and 5(4) allow for a process to request further information and for the appointed person to set a date for responses. Secondly, the schedule and timelines are as contained in Keadby 3. It was agreed that the Applicant would consider the wording which stipulates timescales for determining appeals in Schedule 8(5)(2) and remove the word “his” in (5)(2)(e) by Deadline 1 **[EV3-010]**.

7.9 On Schedule 11 to the **dDCO [AS-003]** regarding certified documents, the ExA sought clarity on whether this comprehensive is list and whether it should include (i) the Schedule of

Commitments, and (ii) the climate change readiness and carbon capture readiness assessments, given their importance to the process. MLA clarified that the documents that been listed under this schedule are those secured by a provision in the order to distinguish their importance from the whole suite of documents, and to ensure these are maintained in an inspectable location. It was agreed that the Applicant would consider the certified documents in Schedule 11 and consider whether additional documents such as the Schedule of Commitments ought to be added to the list by Deadline 1 **[EV3-010]**.

7.10 The ExA opened the floor for questions, and in the absence of any, proceeded to the next agenda item.

8 Agenda item 3 – Any other business and closing

8.1 No matters were raised.

Annex 1: Action Points arising from ISH1

Action	Deadline	Applicant's response
AP1. The Applicant to provide further explanation on the control of operating hours for the scheme and comments on the Secretary of State not requiring similar controls on other granted Development Consent Orders.	2	To be provided at Deadline 2.
AP2. The Applicant to provide further information regarding timings for connection agreement and existing processes to explain works 4A & 4B.	2	To be provided at Deadline 2.
AP3. The Applicant to provide further information regarding the East Coast Hydrogen project. This should include information regarding functions surrounding repurposing and justification for the assumption for a 4-kilometre distance being an appropriate assessment for transportation of hydrogen within the Environmental Statement.	2	To be provided at Deadline 2.
AP4. The Applicant to submit a stand-alone plan identifying the retention and loss of trees within the order limits.	2	To be provided at Deadline 2.
AP5. The Applicant to provide further information regarding most appropriate mechanism for securing species enhancement measures on land owned by the applicant but outside of the order limits to ensure the works are deliverable and considered a benefit of the scheme.	2	To be provided at Deadline 2.
AP6. The Applicant to update the dDCO to provide consistent wording in regard to "materially new and materially different" and to use the wording "than those assessed in the ES" rather than "in comparison with" or similar wording.	1	The Applicant has made this change in the dDCO submitted at Deadline 1.
AP7. The Applicant to review Article 31(10) and whether plots 2-84, 2-93, 1-20 and 1-27 should be carved out.	1	The Applicant notes that a significant number of other plots are listed in both Schedules 5 and 7 of the dDCO. For example, plots 1-06, 1-07, 1-08, 1-12, 1-13, 1-14, 1-15, 1-16, 1-17, 1-18, 1-23 etc. The Applicant has not therefore updated Article 31(10) (now Article 31(9) in the updated dDCO submitted at Deadline 1) to specifically refer to the four plots identified by the ExA. Listing all the

		relevant plots in Article 31(9) would make it unwieldy. The existing drafting has extensive precedent in previous orders (for recent examples see Article 30(11) of the Tillbridge Solar Order 2025 and Article 37(9) of the Cory Decarbonisation Project Order 2025). As Article 31(9) refers to Article 25, which in turn refers to Schedule 5, it is not considered necessary to depart from precedent by listing all the relevant individual plots. The Applicant notes that it only allows compulsory acquisition "where permitted" and therefore considers the drafting is clear.
AP8.The Applicant to provide further justification for the commencement period of seven years in Requirement 2.	1	Requirement 2 (Commencement of the authorised development) in Schedule 2 to the draft Development Consent Order [AS-003] states that the authorised development can only be commenced within seven years of the date of the Order coming into force. In this case, the authorised development will be the first of its kind. Given the status of the Proposed Development as a pathfinder in enabling new technologies, efficiencies will plausibly emerge in the short to medium term, before the authorised development's detailed design is finalised. A seven-year commencement period provides a longer implementation timeline to support that aim. In addition, the National Energy System Operator's Connections Reform process is ongoing, so the timing of the authorised development's future connection to the grid will follow the making of the DCO (if the Secretary of State grants development consent). The seven year period is therefore justified in this case given those aspects which will be confirmed in due course. The Applicant would note that a seven year period is well-precedented (for example, in requirement 2 of Schedule 2 to Keadby 3 (Carbon Capture Equipped Gas Fired Generating Station) Order 2022; and in requirement 1 of Schedule 2 to both the Hornsea Four Offshore Wind Farm Order 2023 and the Sheringham Shoal and Dudgeon Extensions Offshore Wind Farm Order 2024). Whilst it is acknowledged that the dDCO should be justified on its own terms, the Applicant's position, for the reasons explained above, that the Proposed Development does not differ from the precedents in this regard. The imposition of a five year period would

		create an inconsistency in the time to make a final investment decision, which will ultimately turn on Government policy, between the DCO for the Proposed Development (if development consent is granted) and the Keadby 3 DCO.
AP9. The Applicant to provide an update on the addition of Environment Agency as a consultee for requirements 8, 11, 12 and 37.	1	The Applicant has added the Environment Agency (EA) as a consultee to these requirements in the dDCO submitted at Deadline 1 to address the points raised in the Environment Agency's Relevant Representation [RR-006]. In summary the EA will now be consulted on any proposed permanent means of enclosure that may affect accesses to main rivers pursuant to Requirement 8(3); the temporary and permanent surface water drainage systems under Requirement 11(1) and (3); the temporary foul water drainage system under Requirement 12(1) (the EA is already a consultee for the permanent foul water drainage system under Requirement 12(3)); and the Decommissioning Environmental Management Plan on measures relating to the water environment under Requirement 36(4).
AP10. The Applicant to consider Environment Agency's request for requirement 27(i) to include Works 4A and 4B	1	Requirement 27 relates to the control of works which relate to piling and penetrative foundation. The Applicant can confirm that Works 4A and 4B are cable connections which will not require piling, and there are no penetrative foundations associated with these works. The Applicant does not therefore consider it appropriate, or necessary, to add Works 4A and 4B to Requirement 27.
AP11. The Applicant to consider the wording which stipulates timescales for determining appeals in Schedule 8(5)(2) and remove the word "his" in (5)(3).	1	In relation to the use of "his", the Applicant has made this change to the dDCO submitted at Deadline 1. In relation to the timescales, they are considered to be reasonable timeframes that have recent precedent in other energy DCOs (see e.g. Schedule 16 of the Tillbridge Solar Order 2025 as well as the Keadby 3 DCO itself). The Secretary of State has the power to set the start date under paragraph 8(2) and can request further information under paragraph 8(3) should they deem that necessary. In considering the timescales in these paragraphs it should be kept in mind that by the time these provisions are engaged, the Applicant would have consulted pursuant to the requirement in question and the planning authority would

		have gone through its decision-making process prior to the subsequent appeal. The appeal process does not require the planning authority or other parties to make representations on something they have no prior knowledge of. In other words, the parties will already be familiar with the documents / issues that are the subject of the appeal process. It is important that the scheme is not at risk of undue delay being caused by a discharging authority failing or unreasonably refusing to discharge requirements. Although that is not expected to be the case for this scheme, there are examples of other projects where this has been an issue and where these appeal provisions have therefore proven to be very important. For these reasons, the Applicant considers the specified timeframes to be appropriate.
AP12. The Applicant to consider the certified docs in Schedule 11 and consider whether additional documents such as the Schedule of Commitments ought to be added to the list.	1	The Applicant considers that the documents which are secured, and which under the terms of the dDCO, are the appropriate documents to reference. However, in acknowledgment of the ExA's position that the Schedule of Commitments is a helpful document which should be capable of inspection, the Applicant has updated Schedule 11 to the dDCO to include that document. This has been provided in the updated dDCO submitted at Deadline 1.