INDEPENDENT EXAMINATION OF THE CHESHIRE EAST LOCAL PLAN SITE ALLOCATIONS AND DEVELOPMENT POLICIES DOCUMENT SEPTEMBER 2020

HEARING POSITION STATEMENT PREPARED BY AXIS PED LIMITED ON BEHALF OF EDF ENERGY

MATTER 8

Matters, Issues and Questions for the Examination

Matter 8 – Natural Environment, Climate Change and Resources

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1. AXIS PED Ltd (Axis) has been instructed by EDF Energy (EDF) to prepare and submit Hearing Position Statement(s) to the Examination of the Cheshire East Local Plan Site Allocations and Development Policies Document (September 2020). This Statement should be read in conjunction with the previous representations made on behalf of EDF in September 2019 and December 2020. In accordance with the Inspectors Examination Guidance Notes, this Hearing Position Statement only deals with the relevant question in the Inspectors Matters, Issues and Questions for the Examination (MIQs) relevant to our original representations. Accordingly, it does not provide new responses or fresh evidence, rather seeks to provide our view on the matters raised by the Inspector.

117. Is Policy ENV1 positively prepared, justified based on proportionate evidence, effective and consistent with the LPS and national policy etc?

2. Policy ENV1 provides a policy derived strategy for ecological protection and enhancement based upon a pre-defined network. The Inspector has asked whether or not, in the absence of up-to-date site-specific ecological assessments, there is adequate evidence to demonstrate the value, or potential value, within the identified ecological network components? LPS Policy SE3 requires that areas of high biodiversity and geodiversity value be protected and enhanced (criterion 1); and specifically seeks to protect designations from development that might adversely affect their integrity (criteria 2, 3 and 4). Furthermore, all development should positively contribute to conservation and enhancement of bio and geodiversity (criterion 5); and that development likely to have significant impacts on non-

designated assets (in the SADPD) demonstrate suitable mitigation and/or compensation (criterion 6). Policy ENV1 goes beyond that set out within SE3 and does so without the benefit of contemporary survey data or supportive ecological assessment. The NPPF (paragraph 174) requires plans to contribute and enhance the natural and local environment by, amongst other things, protecting and enhancing valued landscapes and minimising impacts on and providing net gains for biodiversity. The Supporting Information to ENV1 states that the policy seeks to deliver benefits for biodiversity, but without apparent justification of those areas that it deems of greater 'value'.

3. The boundaries of the respective wildlife designations, and the supporting justification for them are not clearly represented on the Polices Map making it very difficult to determine how one particular site may or may not be subjected to the requirements of the policy in order to ensure policy compliance.

4. The requirements on developers to comply with the policy are set out under criterion 4. As drafted, the criteria under 4(i) (a, b and c) are inclusive (i.e. it is not a case of compliance with one or other of the three sub-criteria, but rather all three). It refers to the need for 'proportionate' opportunities to protect, conserve and enhance the network, without a clear explanation as to what the decision maker may reasonably deem as 'proportionate', and it is not consistent with LPS Policy SE3.

5. Sub criteria 4(i)(a) requires development within 'core areas' to increase the size of the (respective) core area, irrespective of the fact that the development may not be necessarily resulting in a net reduction in the overall biodiversity value of the core area. Consequently, and despite the fact that the supporting information suggests that the intention of the policy is not to stifle or preclude development, that is precisely what it could end up doing. A developer could enhance and improve (and deliver significant overall net biodiversity benefit) within a core area without necessarily increasing the size of the core area, yet still be viewed as being contrary to the policy. This is neither positively prepared, justified, or effective. Use of 'or' after sub-criteria (a) and (b) would help overcome this concern.

118. Is Policy ENV2 consistent with national policy?

6. Policy ENV2 requires that all development must deliver an overall net gain for biodiversity. The NPPF (2021) encourages developers to incorporate biodiversity improvements and the need to secure measurable net gains for biodiversity but does not go so far as to require all development to deliver net gain. That said, it is acknowledged that the Environment Bill, which is currently making its way through

Parliament, indicates the Government's intentions to require development to deliver at least 10% improvement in biodiversity value. As of September 2021, the Bill was at report stage in the House of Lords, but the Bills movement through parliament has been delayed multiple times. Until such time as the Bill becomes law, and the detail on how the transition period and what the requirements on developers are to meet any mandatory requirement are clear, then a policy that explicitly requires net gain is considered inconsistent with national policy.

132. (ENV8) Should the boundaries of district heating network priority areas be defined?

7. As identified in the MIQs, Regulation 9(1)(c) of the TCP(Local Planning)(England) Regulations 2012 requires that the adopted policies map must be comprised of, or contain a map, which illustrates geographically the application of the policies in the adopted plan. For this reason, and to assist developers, stakeholders, community and decision makers, the boundaries of DHNP areas should be defined on the policies map.

133. Is Policy ENV9 (Wind) consistent with national policy and the LPS etc.

8. LPS Policy SE8 (Renewable and Low Carbon Energy) states that planning permission for wind energy development involving one or more wind turbines will only be granted if (i) the development site is in an area identified as suitable for wind energy development in the SADPD…Reference is made in Policy ENV9 to areas identified on the adopted policies map as being highly sensitive to wind energy development (exclusive criteria), but not to areas suitable for wind energy development (inclusive criteria).

9. The Ministry of Housing, Communities & Local Government Planning Practice Guidance (PPG) 'Renewable and Low Carbon Energy' (June 2015) states that (Para 005 Reference ID: 5-005-20150618); *"In the case of wind turbines, a planning application should not be approved unless the proposed development site is in an area identified as suitable for wind energy development in a Local or Neighbourhood Plan…"* Para 032 Reference ID: 5-032-150618) goes further stating that; *"Suitable areas for wind energy development will need to have been allocated clearly in a Local or Neighbourhood Plan. Maps showing the wind resource as favourable to wind turbines or similar will not be sufficient."*

10. In light of the above the policy is not consistent with national policy or the LPS.

135. Is Policy ENV10 (Solar) consistent with national policy and the LPS etc?

11. Policy ENV10 provides a number of criteria against which applications for ground mounted solar energy developments would be considered. Criterion 1 states that proposals should be sited on previously developed land (PDL) 'wherever possible', the implication being that applicants could be expected to undertake some form of sequential assessment to demonstrate that there are no previously developed sites available or deliverable prior to developing non PDL.

12. PPG Renewable and Low Carbon Energy (June 2015), states that (paragraph 013); that, in respect of large-scale ground-mounted solar photovoltaic farms, a local planning authority will need to consider 'encouraging' the effective use of land by focussing large scale solar farms on PDL, provided it is not of high environmental value. PPG 'Renewable and Low Carbon Energy' Paragraph 012 recognises that one of the particular planning considerations relevant to active solar technology is the need for solar modules to produce the required energy output from the system, and consequently they need to be a size and scale that can generate the power necessary to help decarbonise the economy. The ability for large scale commercial solar arrays to come forward on PDL of sufficient size is limited. Sites of a sufficient size to make solar commercially viable are invariably more commercially attractive to higher yield uses (residential, commercial etc.), squeezing out realistic opportunities for solar.

13. Notably the recent proposed amendments to EN-3 (Renewable Energy) NPS, that large-scale solar panel generation is specifically listed in the scope of renewable energy NPS, also makes clear that, while a preference remains for siting farms on contaminated brownfield or poor-quality agricultural land over high grade farming land; *"land type should <u>not</u> be a predominating factor in determining the suitability of the site location."*

14. Whilst the use of PDL should undeniably be 'encouraged', the expectation within the policy that sites should always come forward ahead of all non-PDL sites does risk a failure to deliver the renewable solar we need as a country at a commercial scale. The policy should explain more clearly what the expectation is on developers bringing forward development on non-PDL sites in order to help de-risk projects.

15. In the event that the Inspector concludes that 'wherever possible' provides sufficient flexibility, we would ask that clarity is put within either the policy or the supporting information as to what might reasonably be expected of a developer in justifying non-PDL sites ahead of PDL.

136. Is Policy ENV11 (Battery Energy Storage Systems) consistent with national policy and LPS etc.

16. Policy ENV11 is the only policy within the plan that directly relates to energy storage. It states that, in line with LPS SE8 (Renewable and Low Carbon Energy), proposals for battery energy storage systems will be supported where they assist with balancing the grid and support renewable sources, subject to a number of criteria. LPS SE8 along with policies ENV9, ENV10 and ENV11 are the only local plan policies that represent Cheshire East's contribution to the critical need to balancing the grid, decarbonise our energy sector, and moving the country towards meeting our net zero obligations.

17. In July 2021 the Department for Business Energy and Industrial Strategy (BEIS) published the 'Smart Systems and Flexibility Plan 2021' in conjunction with Ofgem. The plan sets out a vision, analysis and work programme aimed towards delivering flexible electricity systems that will underpin energy security and the transition to net zero 2050. The plan is broken down into five sections. Notably; *"Chapter 2: Removing barriers to flexibility on the grid: electricity storage and interconnection"* which sets out methods to addressing policy and regulatory barriers to electricity storage.

18. Page 5 of the plan notes that BEIS and Ofgem analysis shows around 30GW of carbon flexible capacity could be needed as early as 2030, and 60GW by 2050. There is a clear need for increased electricity storage to achieve these targets as page 40 notes a total of 4GW of electricity storage was operational in Great Britain as of the publication date, of which just 1GW was made lithium-ion battery storage.

19. Electricity storage, put simply, stores electricity for when it is needed. It is essential to a net zero system as it can store electricity when it is abundant (e.g., when it is windy or sunny) for periods when it is needed. This balances the energy system nationally, manages local constraints, and maintains the resilience and stability of the grid. The need for electricity storage will inevitably rise as the volume of variable, non-dispatchable renewables on the system increases (which is essential to meet net zero obligations).

20. The Smart Systems and Flexibility Plan 2021 recognises that there are a range of technologies that can provide electricity storage, each with unique characteristics that collectively will be needed to come forward to provide flexibility in the energy system and protect the UK from external factors which could affect one or more storage solutions. Lithium-ion battery storage is fiscally viable and typically operates at

durations of 30 minutes to 4 hours and can provide rapid response to changes in system needs (hence and important component of the storage that the UK will need). Storage over longer periods of time, for example across days, weeks, and months, can help manage variations in generation and demand, such as extended periods of low wind or cold weather. Such technologies are typically larger in size, and can include pumped hydro storage, compressed air (CAES), gravitational and the conversion of power to hydrogen and back to electricity. Long duration storage is critical to support the wider decarbonisation of the energy system, optimising the output from renewables.

21. The UK is fortunate in that there are naturally occurring beds of halite (salt) in deep stable formations. Halite is useful in that it is soluble and has extremely low permeability, meaning that cavities formed within the strata can be used to contain, store and trade (amongst other things) natural gas. Cheshire East is one of only a few areas in the country where this happens on a commercial scale through the creation of cavities using solution mining techniques, and the resultant cavities being used for the storage of gas. This has taken place at the Warmingham Brine Field since the mid-1990s.

22. Importantly, solution-mined cavities in deep, thick, stable salt deposits can be used to store excess wind and solar energy through the compression of air in them (CEAS). Energy can be stored in this way for longer periods and with greater reliability than traditional batteries. In addition, cavities can be used for the storage of hydrogen and then 'blended' and fed into the gas network for domestic use, electricity generation or as a fuel cell.

23. The Government Energy White Paper and Ten Point Plan see large scale energy storage as critical in off-setting our carbon footprint and meeting net zero obligations. The Government does not see energy / electricity storage as singularly limited to battery storage. Coincidently, The Infrastructure Planning (Electricity Storage Facilities) Order 2020 amended Section 15 of the Planning Act 2008 by withdrawing electricity storage facilities that form part of a generating station from the NSIP (DCO) regime. The exclusion was not specific to battery storage, but electricity storage generally, part in recognition of the fact that the storage required to decarbonise our energy supply will need to take numerous forms.

24. The National Grid Future Energy Scenarios July 2021 again, does not isolate electricity storage scenarios solely to that of battery storage. It states (page 233) that: *"Electricity storage will become increasingly important as levels of renewable*

generation increase. Nevertheless, the degree of storage varies significantly across our net zero scenarios as its need is affected by flexibility demands on the system and the update of other flexible technologies such as interconnection capacity, vehicle to grid and hydrogen production and generation...Hydrogen storage is necessary to support whole energy system security of supply as well as to accommodate electrolysed hydrogen at times of excess wind or solar. A strategic approach is required to bring forward investment given the likely lead in times involved"

25. In light of all of the above, it is clear that large scale energy / electricity storage systems will play an increasingly important role us being able to meet our climate change obligations. Given this and given the role that Cheshire East can play as a consequence of having existing (and potentially future) deep salt cavities, we believe it is important that Policy ENV11 provides for more than just battery storage. It should help provide the policy basis on which all forms of energy storage can come forward, particularly those on a large-scale commercial basis. As set out above, this is particularly pertinent given that this is the only policy in the development plan that provides for energy storage.

26. On that basis, it follows that the requirement at Criterion 1 that energy storage schemes should be located on PDL and/or existing industrial areas where possible, would need to be edited to reflect the fact that the fundamental site selection criteria for energy storage within mineral deposits, is where that mineral is found and can be/has been viably worked, and not whether or not it is PDL and/or existing industrial areas.