

Planning Act 2008

Nationally Significant Infrastructure Projects

Keuper Gas Storage Project (KGSP)

1.0 Legislation background

1.1 The Planning Act 2008 introduced a new system of planning control for projects deemed to relate to nationally significant infrastructure (NSIPs).

1.2 These projects are taken out of the control of local planning authorities and determined by the Secretary of State. Instead of applying for a planning permission (often to a number of local planning authorities) the permission takes the form of a Development Consent Order.

1.3 The procedure for obtaining a Development Consent Order is set out both in the 2008 Act and in a number of regulations.

2.0 The Keuper Gas Storage Project (KGSP)

2.1 Keuper Gas Storage Limited (KGSL) is seeking consent to construct and operate an underground gas storage facility and associated infrastructure ('the Project') on and under land at the southern end of the Holford Brinefield and surrounding area, north of Middlewich, Cheshire.

2.2 The proposals are known as the Keuper Gas Storage Project (KGSP) and constitute a Nationally Significant Infrastructure Project (NSIP) under the terms of the Planning Act 2008. Section 47 of the Act requires KGSL to prepare a Statement of Community Consultation (SoCC) that sets out its plans to consult with people who live in, work and use the local area.

2.3 Keuper Gas Storage Limited (KGSL) is a wholly owned subsidiary of INEOS Enterprises Group Limited which consists of a number of chemical manufacturing and related businesses. INEOS Enterprises and its predecessors have been solution mining brine for the manufacture of chlor-alkali (chlorine and caustic soda), sodium carbonate (soda ash) and white salt from Cheshire's natural salt deposits for more than 80 years. Chlorine and caustic soda are used in the manufacture of a diverse range of everyday products including PVC, bleach and disinfectants, soap, solvents and pharmaceuticals.

2.4 The proposed KGSP development would involve using purpose built underground salt cavities, created through solution mining, to store natural gas, helping to further secure a flexible supply of energy in the UK. The Project includes the construction and operation of up to 19 underground caverns with capacity to store up to 500 standard million cubic meters (mcm) of natural gas, having an import and export capability of up to 34 mcm per day.

2.5 Solution mining produces brine (a concentrated salt water solution), which is used in the chemical industry. Among other things, brine is used as a raw material to make everyday essentials such as washing powder, toothpaste and table salt and is used to produce chlorine, which makes our drinking water safe. INEOS has an ongoing demand for brine to meet the needs of its operations across Cheshire.

2.6 All of the new gas storage cavities will be located at the southern end of the Holford Brinefield and surrounding area, north of Middlewich, Cheshire. The site is about 3km due West of the M6 and 1 approximately 3km North of Junction 18. It is bounded to the West by the A530 (King Street) and to the East by the B5081. The nearest village is Byley which is to the East. The site entrance proposed for construction and operation is on King Street at Drakelow Farm. The surrounding area is generally open countryside and land used for farming.

2.7 Cheshire's geology means it is one of the few places in the UK where gas can be stored underground and there are a number of existing gas storage facilities already operating in the Holford Brinefield area. The site is immediately adjacent to two existing underground gas storage facilities. The Holford Gas Storage facility, operated by E.ON, was approved by the Secretary of State in 2004 and is now fully operational. The Stublach Gas Storage Project, approved by the local planning authority in 2006, operated by Storengy, is currently being solution mined with the commencement of gas storage having started in the first few cavities.

2.8 The site falls within part of INEOS Enterprises' minerals working area known as Holford Brinefield. INEOS Enterprises has planning permission to win and work salt deposits within the area. Some of the proposed underground gas storage cavities are on land that is not owned by INEOS. KGSL is currently in discussions with the landowners concerned.

2.9 The site boundary includes proposed new gas storage and processing development, in the Holford Brinefield, and extends northwest to Weston Point in Runcorn and south to Ravenscroft to facilitate connection to and upgrade of existing solution mining, water abstraction and brine discharge infrastructure. Other aspects of development will include two new brine processing tanks on the Lostock Works site, Northwich and the refurbishment of the existing Whitley Pumping Station, Whitley. At Runcorn, the development will involve a new brine outfall pipeline located at the main INEOS ChlorVinyls site. The existing brine pipeline (which runs from the Lostock Brine Purification Plant in Northwich to Runcorn) will continue to be used to transport brine to INEOS' operations in Runcorn. This pipeline will not be used to transport gas. As far as the operation in Runcorn is concerned the impact is minimal.

2.10 This requires an application for a Development Consent Order (DCO) to be submitted to the Planning Inspectorate, which processes and examines the application before making a recommendation to the Secretary of State for Energy who will make the final decision on the application.

2.11 Any decision will be made with regard to the relevant National Policy Statement (NPS). The relevant NPSs are EN-1 Overarching National Policy Statement for Energy and EN-4 Gas Supply Infrastructure and Gas and Oil Pipelines. The NPS for Energy states that the UK is highly dependent on natural gas and it will continue to play an important part in the UK's fuel mix for many years to come. It also states that the UK needs a diverse mix of gas storage and supply infrastructure to respond effectively to daily and seasonal changes.

2.12 When considering whether to accept an application for examination, the Planning Inspectorate must be satisfied that the applicant has undertaken effective pre-application consultation.

2.13 Pre-application consultation is essential in allowing KGSL to understand and take account of the effects of the proposed development and to allow a thorough examination by the Planning Inspectorate. KGSL will be required to submit a Consultation Report with its application for a DCO. This report will include details of the local community feedback received, during non-statutory and statutory stages of consultation, and explain how KGSL has had regard to the feedback received and complied with the consultation requirements of the Planning Act 2008.

3.0 The request for delegated authority

3.1 There has never been an application under the 2008 Act which involved the Borough of Halton and consequently, the Council's Constitution is silent of the subject of NSIPs, other than assigning responsibility to the Committee.

3.2 It is reasonable to assume that most NSIPs would have significant implications for the Borough and that substantive decisions would be dealt with by the Committee despite the fact that time-scales under the 2008 Act are sometimes quite tight.

3.3 Nevertheless, procedural matters ought to be delegated in the interests of good managements on all occasions with the Committee deciding on substantive matters.

3.4 The Keuper Gas Storage Project is so minor in natures in so far as it affects Halton that the entire response of the Council ought to be delegated.

Recommendation

IT IS RECOMMENDED THAT:

- (1) In respect of the Keuper Gas Storage Project all matters under the Planning Act 2008 be delegated to Operational Director – Policy, Planning and Transportation.
- (2) In respect of future matters coming within the Planning Act 2008 relating to Nationally Significant Infrastructure Projects all matters up to the stage of acceptance of applications under section 55 of the 2008 Act be delegated to Operational Director – Policy, Planning and Transportation.