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**THE CADENT GAS LIMITED
(WHASSETT TO BARROW HIGH PRESSURE GAS PIPELINE DIVERSION)
COMPULSORY PURCHASE ORDER 2023**

STATEMENT OF CASE

RULE 7(1) OF THE COMPULSORY PURCHASE (INQUIRIES PROCEDURE) RULES 2007

CADENT GAS LIMITED

**THE GAS ACT 1986
AND
THE ACQUISITION OF LAND ACT 1981**

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1. INTRODUCTION

- 1.1 This document is the Statement of Case of Cadent Gas Limited (“**Cadent**”) prepared in connection with The Cadent Gas Limited (Whassett to Barrow High Pressure Gas Pipeline Diversion) Compulsory Purchase Order 2023 (the “**Order**”) (CD D.1), which was made by Cadent on 25 July 2023.
- 1.2 If confirmed by the Secretary of State for Energy Security and Net Zero (the “**Secretary of State**”), the Order will authorise Cadent to purchase compulsorily the new rights in land required for the construction, operation and maintenance of an 850-metre diversion of the 300 Nominal Bore Whassett to Barrow High Pressure (HP) Gas Pipeline (the “**HPGP**”) located within the embankment / towpath adjacent to the canal on the east side of Ulverston in Cumbria (the “**Project**”).
- 1.3 Cadent is the holder of a gas transporter licence (the “**Transporter Licence**”), granted pursuant to section 7 of the Gas Act 1986 (the “**1986 Act**”) (CD A.4).
- 1.4 Cadent owns, operates and maintains the gas distribution network in the North-West, West Midlands, the East of England and North London.
- 1.5 Cadent is promoting and has developed proposals for the Project. The HPGP forms part of Cadent’s North-West gas distribution network.
- 1.6 The primary objective of the Project is the continued safe operation of the HPGP in order to maintain and secure the gas network and continue supply to parts of Ulverston and the town of Barrow in Furness as well as gas supply in the long term. This is to be achieved through diverting the HPGP by installing 850 metres of steel pipe in parallel with the existing pipe, but outside of a canal embankment area affected by ground movement, prior to decommissioning the affected section. This is required because it is a single source of supply to Ulverston and the whole of the Whassett to Barrow pipeline (including the Ulverston above ground installation (“**AGI**”)) being shut down would cause a loss of 64 district governors, 113 direct connections and circa 60,000 properties.
- 1.7 The need for the Project is long and well established given the risk posed by the HPGP in the event of a catastrophic failure. Cadent has been monitoring the condition of the HPGP since 2008 and has implemented mitigation measures alongside regular monitoring since then. In parallel, over a number of years, Cadent has developed a sound pipeline diversion proposal in the form of the Project. Cadent has therefore sought to engage with affected landowners and discussions and negotiations have been ongoing for several years. The various components required to carry out the Project are now aligned except for the voluntary acquisition of all new rights required. Therefore, Cadent has needed to make the Order and seek its confirmation in order to bring forward the Project.
- 1.8 Cadent has made the Order pursuant to section 9 of (CD A.4) and Schedule 3 to the 1986 Act (CD A.4). The Order has been made to facilitate the compulsory acquisition of rights necessary to deliver the Project. In summary, the Order will authorise the acquisition of the rights required to construct, operate and maintain the Project.
- 1.9 Following the making of the Order, three objections were submitted to the Secretary of State. The Secretary of State has caused an Inquiry to be held in accordance with The Compulsory Purchase (Inquiries Procedure) Rules 2007 (the “**CPO Inquiries Rules**”) (CD A.9).
- 1.10 This is the Statement of Case for the Order pursuant to Rule 7(1) of the CPO Inquiries Rules (CD A.9). This Statement of Case has been prepared in accordance with Sections 36 and 12 of the

Department for Levelling Up, Housing & Communities': Guidance on Compulsory Purchase Process and The Crichel Down Rules dated July 2019 (the "**CPO Guidance**") (CD B.3), which provides guidance on the content of a Statement of Reasons and a Statement of Case and recognises that the Statement of Reasons should be used as a basis for the Statement of Case.

- 1.11 Powers of compulsory acquisition pursuant to the Order will only be justified where it can be demonstrated that there is a compelling case in the public interest for the exercise of such powers of compulsory acquisition.
- 1.12 This Statement of Case sets out Cadent's justification for seeking compulsory purchase powers within the Order. This Statement of Case also demonstrates that the public benefits of the Project outweigh the private rights affected and that there is a compelling case in the public interest for the exercise of the powers of compulsory acquisition included within the Order.
- 1.13 Section 11 of this Statement of Case sets out Cadent's detailed response to the objections made to the Order.
- 1.14 Cadent will submit proofs of evidence in due course in compliance with the CPO Inquiries Rules.
- 1.15 In this Statement of Case, the land which is the subject of compulsory purchase powers is referred to as the "**Order Land**". The Order Land is described in paragraph 5 of this Statement of Case and is shown coloured light blue and yellow on maps which form part of the Order (the "**Order Maps**") (CD D.2).

2. CADENT'S REGULATORY POSITION & ENABLING POWER

- 2.1 As noted at paragraph 1.3, Cadent is the holder of the Transporter Licence, granted pursuant to section 7 of the 1986 Act (CD A.4). Cadent owns, operates and maintains four of the eight gas distribution networks in England.
- 2.2 The Order is made pursuant to section 9(3)(a) (CD A.4) and Schedule 3 to the 1986 Act (CD A.4) and Part 2 of the Acquisition of Land Act 1981 (CD A.3).
- 2.3 Section 9(3)(a) of the 1986 Act provides that Schedule 3 to the 1986 Act has effect in relation to the holder of a gas transporter licence. Section 9(3)(a) and Schedule 3 of the 1986 Act empower Cadent to compulsorily acquire land.
- 2.4 Paragraph 1(1) of Schedule 3 to the 1986 Act provides that "*The Secretary of State, after consultation with [the Authority], may authorise a gas transporter to purchase compulsorily any land*".
- 2.5 The words "the Authority" in square brackets in paragraph 1(1) of Schedule 3 to the 1986 Act substituted the words "the Director" by virtue of section 3(2) of the Utilities Act 2000 (the "**Utilities Act**") (CD A.8). Section 3(1) of the Utilities Act provides that the functions of the Director General of Gas Supply and the Director General of Electricity Supply ("the Directors") are transferred to the Authority. Section 3(2) of the Utilities Act confirms that any enactment, which relates to a function of either of the Directors and was in force immediately before the transfer of functions referred to above, shall have effect after the transfer as if references to the Director were references to the Authority.
- 2.6 Section 66 of the 1986 Act provides the definition of "the Authority" to mean the Gas and Electricity Markets Authority, which operates through the Office for Gas and Electricity Markets ("**Ofgem**") (CD A.4).

- 2.7 Paragraph 1(2) of Schedule 3 to the 1986 Act makes it clear that Cadent can compulsorily acquire any right over land in addition to the compulsory acquisition of land, and that this extends to the creation of new rights as well as the acquisition of existing rights. This includes the creation of rights equivalent to an easement and “restrictive rights” akin to a restrictive covenant.
- 2.8 Therefore, Cadent may be authorised to purchase compulsorily new rights required to enable it to carry on the activities authorised by the Transporter Licence, and all the rights in the Order Land proposed to be acquired under the Order are needed for those purposes.
- 2.9 In order for the Secretary of State to comply with its obligations in the 1986 Act it must consult with Ofgem, but the legislation does not extend to obtaining consent from or the approval of Ofgem before making its decision.
- 2.10 The Secretary of State notified Ofgem of the submission of the Order by Cadent to the Secretary of State with reference to the legislative provisions under the 1986 Act and provided Ofgem with a copy of the Order and the accompanying Statement of Reasons (D.4). The Secretary of State afforded Ofgem a period (of not less than 21 days) to provide any views or comments to the Secretary of State. This ensured that Ofgem were in no different a position than that of affected landowners and provided an appropriate amount of time for comments (if any) to be addressed at any inquiry (if needed).
- 2.11 Ofgem submitted its formal consultation response to the Secretary of State on 13 August 2023 (CD D.6). Ofgem have not raised any objections to the Order. Ofgem have confirmed that Cadent will have sufficient funding to meet the implementation and land acquisition/compulsory purchase compensation costs associated with the Project as and when required (including any advance payments).
- 2.12 The requirement to consult Ofgem before confirming the Order pursuant to paragraph 1(1) of Schedule 3 to the 1986 Act has therefore been discharged.
- 2.13 Unlike other industries, the gas industry does not have alternative powers of compulsory acquisition. For example, in the electricity industry there is the potential to use the wayleave process pursuant to the Electricity Act 1989 and in the water industry there is the potential to use statutory powers to access land and undertake works pursuant to legislation such as the Land Drainage Act 1991. Therefore, Cadent has adopted a proportionate approach where it has sought to acquire new rights voluntarily and promote the Order in parallel.
- 2.14 The access powers granted to Cadent pursuant to Schedule 2B of the 1986 Act (CD A.4) do not authorise the construction of the Project; the access powers pursuant to Schedule 2B of the 1986 Act extend to placing a new pipe in place of an existing pipe (or repairing or altering that pipe) where that existing pipe has already been lawfully placed.
- 2.15 Cadent is regulated by its economic regulator, Ofgem, which carries out price control reviews to set Cadent’s permitted revenues. These reviews limit the amount of money that can be earned by Cadent from charges to use the gas transporter network. Therefore, Cadent is incentivised to be more efficient in managing its infrastructure.
- 2.16 Each price control is set for a particular period, after which a new one replaces it. The current price control period is known as ‘RIIO-2’, which is more commonly referred to as Gas Distribution 2 (“**GD2**”). GD2 took effect on 1 April 2021 and will run for five years. GD2 required that Cadent submit a business plan to Ofgem setting out its proposed expenditure during GD2. Cadent’s business plan was assessed and consulted upon by Ofgem, and a final determination was published on 3 February 2021.

- 2.17 The RIIO model (Revenue = Incentives + Innovation + Outputs) places a greater focus on incentives to drive the innovation that is necessary to deliver a sustainable energy network, combined with value for money for consumers, now and in the future.

3. THE PROJECT

- 3.1 Cadent has an overarching statutory obligation under section 9 of the 1986 Act to develop and maintain an efficient and economical pipeline system for the conveyance of gas.
- 3.2 As described in more detail in paragraph 1 above, the Project is required to ensure the continued safe operation of the HPGP with the need being long and well established.
- 3.3 The existing HPGP has a maximum operating pressure of 17.2 bar gauge and was commissioned in 1973.
- 3.4 The canal embankment in which the existing HPGP is located has a history of settlement. The HPGP section to be diverted also has a history of leakages linked to stress corrosion cracking (“SCC”) and therefore any effects of future settlement pose a threat to the HPGP’s integrity. Cadent (up to 2016 its statutory predecessor National Grid Gas Plc) has undertaken a series of investigations, monitoring and remedial works over the last 15 years to assess and mitigate the impacts of ground movement on the structural integrity of the HPGP. As a result of the SCC (associated with the existing HPGP’s operational history) the HPGP is identified as one where additional precaution is to be taken when working on or close to its girth welds (i.e., Cadent procedure GD/PM/P/18 Oct 2020 applies (CD F.8). This procedure is adopted to reduce the risk of girth weld failure when working on the HPGP. For each girth weld exposed as part of the Project a thorough examination of the girth weld is undertaken and an assessment is made to determine if the girth welds are acceptable to Cadent procedure GD/SP/P/2 Aug 2020 (CD F.7).
- 3.5 Cadent commissioned residual stress measurements at two locations on the existing HPGP in 2008 to determine the actual stresses within the HPGP. Following ongoing monitoring at a wider range of locations and review of the existing HPGP stresses, it was recommended at that time that remedial action be carried out to protect 5 individual welds to mitigate the impact of the stress levels being imposed on the HPGP. In 2011, DNV GL Oil & Gas Integrity Solutions (“**DNV GL**”) recommended that the pipeline be diverted.
- 3.6 Over time further monitoring has been undertaken and the options available have been assessed. In 2018, Cadent commissioned DNV GL to undertake ground investigations to determine the condition of the embankment and carry out a Soil / Pipeline Interaction Analysis (“**SPIA**”) to predict the stresses induced within the existing HPGP from the settlement (CD F.3). The results of the SPIA indicated that the HPGP was operating above the previously established axial stress limits at a number of locations. As part of previous remedial works, 5 epoxy repair shells were installed on the HPGP to mitigate the effect of significant stress loading on girth welds. Whilst these shells partially mitigate some of the stress issues, they will not counter any stress increases at the large number of welds where no shells are installed.
- 3.7 The Ulverston Canal Optioneering Report (Report No. 119H8FGN-8, Rev. A) dated 20 December 2018 and prepared by DNV GL on behalf of Cadent (the “**Optioneering Report**”) (CD F.2) considered a range of options, which are explored further below. The Optioneering Report recommended that the pipeline section affected by the ongoing ground movement be diverted to reposition it away from the canal embankment.
- 3.8 In 2022, Cadent commissioned DNV GL (Report number 10325560/01, Rev.0 dated 18 August 2022) (the “**2022 Report**”) (CD F.15) to measure the current strain gauge values and to assess

the stress levels within the HPGP, in order for Cadent to manage any risk to the pipeline integrity until the diversion could be completed. The findings of the 2022 Report indicated that the HPGP stress regime continued to be above the recommended limits previously set out in 2008. DNV GL concluded that any effects of SCC would have now become apparent, if any were present, which suggests that the condition of the pipeline can accommodate the current stress regime. However, the 2022 Report stated that should the stresses increase above those seen previously or the bending stress profiles change, then the integrity of the HPGP cannot be guaranteed in the long term. Based upon the findings of the 2022 Report, a number of recommendations were provided in order to monitor the risks to the HPGP integrity until the Project could be undertaken.

- 3.9 In 2023, Cadent requested that DNV GL obtain and analyse a new set of strain gauge measurements in order to provide short term recommendations to help manage any perceived risk to the HPGP integrity until the diversion can be undertaken. DNV GL produced a Report No.: 10428658/01, Rev. A dated 2 June 2023 (the “**2023 Report**”) (CD F.16). The 2023 Report confirms that the following hazards have been identified in relation to the HPGP in its current operating condition:
- 3.9.1 circumferential bending of the pipeline due to surface loading on the towpath from heavy vehicles tracking above the pipeline;
 - 3.9.2 longitudinal bending of the pipeline along the embankment due to surface loading from heavy vehicles tracking above the pipeline;
 - 3.9.3 longitudinal bending of the pipeline along the embankment due to ground settlement;
 - 3.9.4 pipelines with defective girth welds or welds of unknown quality (P/18);
 - 3.9.5 fatigue crack growth leading to rupture/leak due to cyclic stresses;
 - 3.9.6 unplanned excavations to install street furniture adjacent to the pipeline.
- 3.10 The risks associated with the hazards at 3.9.1 and 3.9.2 could not be determined without additional soil/pipeline interaction analysis, which was outside of the scope of the 2023 Report. However, the 2023 Report confirms that the risks associated with the remaining hazards are the premise of the strain gauge monitoring and cannot be eliminated in the pipeline’s current position, due to the potential of ongoing settlement and the nature of the embankment structure. The 2023 Report further confirms that the risks from the associated hazards at 3.9.3 to 3.9.6 can only be eliminated through the proposed diversion.
- 3.11 The 2023 Report makes a number of recommendations to monitor the risks to the pipeline integrity until the diversion can be undertaken. It confirms that stresses at:
- 3.11.1 chainage 170 m are similar to those previously measured in winter months and is within expected operating conditions. The maximum calculated longitudinal tensile stresses are above the lower bound limit of 50 N/mm² and within the upper bound limit of 100 N/mm² (these limits relate specifically to the HPGP in this location as detailed in the 2008 Report as opposed to a general set of parameters); and
 - 3.11.2 chainage 570 m are similar to those previously measured in winter months and is within expected operating conditions. The calculated maximum longitudinal tensile stress is 119.2 N/mm², which is above the upper bound limit (these limits relate specifically to the HPGP in this location as detailed in the 2008 Report as opposed to a general set of parameters).

- 3.12 This section 3 demonstrates that the consistent advice that Cadent has received from its technical consultants has been to divert the HPGP. When considering a typical mitigation hierarchy, the optimal solution is to avoid the risks associated with or the negative impacts of a particular issue. The second step is usually to reduce or manage the risk/impacts. Cadent’s actions to date have centred around managing the risks identified with the integrity of the HPGP whilst in parallel taking steps towards achieving the optimal solution. The opportunity to avoid those risks can be achieved by delivering the Project, which should be the preference and has been supported by the technical evidence Cadent has received.
- 3.13 The delivery of the Project has been delayed as a result of the Covid-19 pandemic and engagement with landowners as detailed in paragraph 6 below. This delay has resulted in ongoing annual monitoring costs for strain gauges of approximately £10,000. The construction costs for the Project have also increased on an annual basis, which include main works contractor, project management, environmental, land and consents and material and risk elements):
- 3.13.1 financial year 2021/2022: £5,531,000;
 - 3.13.2 financial year 2022/2023: £6,411,000;
 - 3.13.3 financial year 2023/2024: £7,651,000; and
 - 3.13.4 financial year 2024/2025: £8,200,000.
- 3.14 The delivery of the Project will return the network to safe operational conditions and minimise the risk of loss of supply to 64 district governors, 113 direct connections and circa 60,000 properties in the Ulverston and Barrow areas supplied by the downstream network, which is a single source of supply.
- 3.15 If the Project was not undertaken then there is a serious risk of loss of supply to those 64 district governors, 113 direct connections and circa 60,000 properties in the Ulverston and Barrow areas supplied by the downstream network.
- 3.16 The Project comprises the following components:
- 3.16.1 diversion of approximately 850 metres of 300 Nominal Bore steel pipeline;
 - 3.16.2 connecting the diverted pipework into the existing pipework at Ulverston (AGI);
 - 3.16.3 opening cut crossing of back drain;
 - 3.16.4 opening cut crossing underneath railway viaduct arch;
 - 3.16.5 opening cut installation through fields to the north of Ulverston canal;
 - 3.16.6 trenchless crossing of back drain tributary (Newland Drain) and existing 600 Nominal Bore 19 bar United Utilities pipeline, to be installed by guided Auger Bore;
 - (a) The term “auger boring” refers to a trenchless technique in which a steel casing pipe is horizontally bored through the earth from a main launch shaft to a reception shaft. Spoil is removed from inside the encasement by means of a rotating auger. These rotating augers carry the spoil back through the casing pipe to the main shaft for removal.
 - 3.16.7 trenchless crossing (Microtunnel) to cross under Ulverston canal;
 - (a) A Microtunnel (also known as pipe jacking) is a trenchless method of installing pipes, conduits, and utility corridors by applying a force which

pushes the pipe through the ground while controlled excavation takes place at the face.

- (b) The pipe jacking process begins with excavating relatively small entry and exit pits at the beginning and end of the pipe installation. These pits are just large enough to accommodate the tunnelling equipment and construction personnel. Once the pits are excavated, the hydraulic jacking rig and microtunnelling machine are put into position.
- (c) The hydraulic jacking rig then applies a force that “pushes” the tunnelling machine through the wall of the entrance pit and into the ground. Once the machine reaches a predetermined position in the soil, a segment of pipe is lowered into the entrance pit behind the jacking rig and the microtunnelling machine. An adaptor ring is typically used to link the pipe segment and the tunnelling machine.

- 3.16.8 connecting the diverted pipework into the existing pipework south of the canal;
- 3.16.9 capping off and grout filling the abandoned pipeline; and
- 3.16.10 full reinstatement of all working areas.

4. LAND TO BE ACQUIRED

- 4.1 Cadent has taken a proportionate approach to its land acquisition strategy. As such, Cadent does not require compulsory acquisition of any plots of land on a permanent basis.

5. RIGHTS TO BE CREATED

- 5.1 The approach taken by Cadent is to only acquire the interests that it requires in respect of the various plots within the Order Land.
- 5.2 Cadent’s land rights strategy has been to acquire easements for the pipeline as the infrastructure is situated underground and permanent acquisition of the land is not required. Therefore, the Order creates new rights in land compulsorily, as opposed to permanently acquiring the relevant land. Cadent’s approach to the creation of rights follows a proportionate approach in the use of its powers of compulsory acquisition.
- 5.3 Not all plots comprising the Order Land require the same rights, and so Cadent’s strategy has been to compulsorily acquire different classes of rights over different plots to ensure that it only compulsorily acquires the rights that are necessary for the relevant plot. The classes of rights are set out in the table below and in full at **Appendix 1**. Cadent’s approach to the categorisation of these rights follows a proportionate approach (with those plots required on a permanent basis shown in light blue and those plots required on a temporary basis shown in yellow).

Name of Rights Package	Rights	Colour on Order Maps
Access Rights	Rights necessary to access the Order Land and adjoining land.	Light blue
Construction Compound Rights	Rights necessary for the purposes of or incidental to the establishment, use and removal of works compounds associated	Yellow

	with the construction, commissioning and decommissioning of the pipeline and associated infrastructure.	
Pipeline Construction Rights	Rights necessary for the purposes of or incidental to the construction and commissioning of the pipeline and associated infrastructure on the adjoining land.	Yellow
Pipeline Rights	Rights necessary for the purposes of or incidental to the construction, retention, commissioning, operation, protection, maintenance, surveying, repair, renewal, replacement, removal and decommissioning of the pipeline and associated infrastructure.	Light blue
Temporary Access Rights	Rights necessary to access the Order Land and adjoining land for the purposes of constructing, commissioning and decommissioning the pipeline and associated infrastructure and/or the establishment, use and removal of works compounds, and carrying out de-watering and drainage works and installing, altering or reinstating land drainage systems, with or without vehicles, plant, machinery, apparatus, equipment, materials and personnel.	Yellow
Temporary Caravan Park Access Rights	Rights necessary to access the adjacent caravan park.	Yellow

5.4 For completeness, the size, description, owner of each plot and the rights to be acquired are identified in the table in **Appendix 2**.

6. ENGAGEMENT WITH AFFECTED PARTIES

6.1 The schedule to the Order identifies those persons with an interest in the Order Land. Cadent has attempted to engage constructively in meaningful discussions with all known owners and occupiers of the Order Land, with a view to acquiring the new rights needed for the Project by agreement, if at all possible, in accordance with the CPO Guidance.

6.2 Following the optioneering exercise, Cadent identified the relevant landowners through land referencing, which commenced in October 2020. Cadent has undertaken a programme of engagement with each landowner and their professional advisors through written correspondence, telephone communication and face-to-face meetings where appropriate.

6.3 Two of the owners whose land forms part of the Order Land have passed away in the last 18 months. In relation to the first landowner, Mr Richard Robinson, Cadent had negotiated an agreed form Deed of Easement to secure the permanent easement for the Project prior to Mr Robinson's passing. Although the estate of Mr Robinson is being dealt with by his appointed Executors and Cadent have been in communication with them, the Grant of Probate was delayed and has only been granted on 9 November 2023.

6.4 Cadent had also engaged in continued negotiations with the second landowner, Mr Daniel Lowther, who passed away in December 2022. However, prior to his passing, Mr Lowther did in fact execute the agreed Deed of Easement to secure the permanent easement required for the

Project. The deed was not legally completed before Mr Lowther’s passing. Cadent has not been able to obtain formal legal confirmation that either Executors or Administrators (as appropriate) have been appointed in relation to Mr Lowther’s estate. Cadent has been seeking written confirmation as to the identity of any appointed representatives through its land agents. Cadent has been dealing with the appointed land agent, who has stated that he acts on behalf of the Executors of the estate of Mr Daniel Lowther. Nevertheless, Cadent is willing to seek to conclude a voluntary agreement with the appropriate parties once these are legally appointed. Cadent has also erected notices at the site of the land owned by Mr Daniel Lowther on 1, 7, 15 and 22 June 2023 to identify whether any other interests exist in relation to the land.

Land to be Acquired

6.5 As indicated at paragraph 4.1, Cadent does not require the permanent acquisition of land.

Rights to be Acquired

6.6 A summary of the status of negotiations in respect of the voluntary agreements is set out below:

Plots	Plot Owner	Status of Negotiations
1, 2, 6, 9a, 9b, 9c, 13, 19, 20, 21, 27, 30, 32, 38 & 39	Ulverston Canal Co Ltd	Temporary licence still subject to negotiation. Deed of Easement completed. Variation required to the Deed of Easement to include Plot 13.
3 & 7	Tritech International Limited	Temporary licence completed on 14 November 2023. Deed of Easement completed on 28 April 2022.
7 & 8	Network Rail Limited	Licence for Gas Pipelines and Agreement for Standard Conditions dated 7 March 2014. Basic Asset Protection Agreement dated 24 August 2020. Supplementary Easement to the Master Agreement subject to negotiation.
11, 12, 14 to 18	The Personal Representative of Daniel Lowther (Deceased)	Deed of Easement executed by Daniel Lowther but not completed. Communication ongoing with David Lowther (son of Daniel Lowther).
25a, 25b, 26, 28, 29	Martin Oates and Derek Pearce as The Executors of Richard Robinson (Deceased)	Temporary licence in substantially agreed form. Mark Woods to be party to the agreement. Deed of Easement in substantially agreed form. Mark Woods to be party to the agreement.
33 to 37, 40 to 44	Westmorland & Furness Council (formerly South Lakeland District Council)	Temporary licence still subject to negotiation. Deed of Variation to Deeds of Easement completed on 8 December 2022.

- 6.7 As part of Cadent’s attempts to engage constructively on a voluntary basis, an incentive payment was offered to remaining landowners for signed Deeds of Easement to be returned within 12 weeks of issue. Following these offers, Eversheds on behalf of Cadent, have continued to actively negotiate with parties that have engaged, and Fisher German have issued follow-up correspondence seeking a response where engagement has been limited. Cadent have retained a flexible approach to the incentive period in situations where landowners have been unable to meet the specified periods as a result of factors beyond their control.
- 6.8 The passing of two landowners occurred prior to the conclusion of voluntary negotiations with those landowners. Although probate has now been granted in relation to one landowner, a voluntary agreement has yet to be completed. There remains uncertainty as to the time that probate will take to progress in respect of the other landowner and so in order to progress the Project powers of compulsory acquisition are required. If probate does complete, then Cadent will seek to conclude the voluntary agreements.
- 6.9 In addition to deeds of easement, Cadent has also sought voluntary licences in respect of the construction works, associated access and compound construction, which are required for a temporary period.

Land in Unknown Ownership

- 6.10 Cadent has sought to identify the ownership of land where the ownership is currently unknown. The table below identifies land where the ownership is currently unknown.

Plot	Size	Description	Ownership	Rights
22	41 square metres	Watercourse north of the Ulverston Canal	Unknown	Pipeline Construction Rights
23	36 square metres	Watercourse north of the Ulverston Canal	Unknown	Pipeline Rights
24	3 square metres	Watercourse north of the Ulverston Canal	Unknown	Pipeline Construction Rights

- 6.11 Cadent has taken active steps to identify the owners (or reputed owners) of any unregistered plots. This has included the erection of site notices on or close to the land in question and the serving of Request for Information forms on all landowners asking for them to clarify the extent of their land ownerships.
- 6.12 Cadent’s appointed land agents erected a site notice regarding the unregistered plots on 21 February 2023. They then undertook a site visit on 9 March 2023 to ensure that the notice remained in situ however, a new notice was required to be erected. A further site visit was undertaken on 20 March 2023 at which point the notice remained in situ. Cadent’s land agents have not received any responses to these site notices.

Next Steps

- 6.13 Cadent will continue to seek to voluntarily acquire rights over plots where there are known landowners and will continue to seek to agree heads of terms with those landowners that are yet to agree heads of terms. Cadent will do this in parallel with the promotion of the Order, as the Order is its last resort to ensure that it has acquired all the rights that it requires to deliver the Project in accordance with the Project programme.

- 6.14 Notwithstanding Cadent’s ongoing commitment to voluntary negotiations with known landowners, Cadent must have certainty in respect of the rights that it requires in order to ensure the comprehensive delivery of the Project. Therefore, Cadent has made the Order because:
- 6.14.1 Cadent has sought to obtain rights by agreement. The compulsory purchase powers provide a fall-back should the voluntary agreements fail, for example if a landowner is unwilling to grant the relevant rights;
 - 6.14.2 of the circumstances following the passing of two landowners prior to the conclusion of voluntary negotiations and uncertainty as to the time that probate will take to progress in respect of one landowner;
 - 6.14.3 including all interests in a compulsory purchase order enables a complete set of consistent rights to be compulsorily acquired in the same way and through one process;
 - 6.14.4 compulsory purchase powers encourage landowners to negotiate, and to negotiate realistically in the context of a compulsory acquisition programme; and
 - 6.14.5 powers of compulsory acquisition are more readily enforceable.
- 6.15 The CPO Guidance recognises that, whilst compulsory purchase should be a last resort, valuable time would be lost if Cadent waited until voluntary negotiations have broken down before initiating the compulsory purchase process and that it is often sensible for formal procedures to be initiated in parallel. Due to circumstances outside of Cadent’s control, Cadent is in a position where it has had to initiate the compulsory purchase process for safety reasons and as a result of the failure to conclude voluntary negotiations. Cadent has also had to initiate this process as a result of the passing of two landowners prior to the conclusion of voluntary negotiations.
- 6.16 The CPO Guidance further recognises the benefit of Cadent initiating compulsory purchase procedures in signalling the seriousness of its intention to landowners which may help to facilitate more meaningful negotiations.
- 6.17 Cadent will continue to negotiate actively with landowners in parallel with the compulsory acquisition process.
- 6.18 Cadent’s approach to voluntary negotiations and compulsory acquisition is in accordance with the CPO Guidance.

7. ASSESSING ALTERNATIVE WAYS OF REALISING THE PRIMARY OBJECTIVE

- 7.1 Cadent’s approach to assessing alternatives is set out in the Optioneering Report.
- 7.2 The primary objective of the Project is the continued safe operation of the HPGP in order to secure a safe and economic gas supply in the long term.
- 7.3 As a gas transporter under the 1986 Act, Cadent has numerous statutory duties, which it must consider in developing and maintaining its network. Please see paragraph 8 below.
- 7.4 The Optioneering Report outlines the steps that Cadent have taken during its development of the Project, which have been summarised in the following sections.

Options Identification

- 7.5 Based upon the findings of a ground investigation report and soil / pipeline interaction analysis, the Optioneering Report considered a range of engineering solutions to meet the primary objective of the Project. These were:

- 7.5.1 *do nothing*: allowing the pipeline and embankment to remain in its current state and condition but continuing to monitor it;
- 7.5.2 *existing pipeline remediation*: inspection of all welds and fitting epoxy repair sleeves where required;
- 7.5.3 *embankment remediation*: reviewing the stability of the embankment and undertaking selective inspection and epoxy repair; and
- 7.5.4 *pipeline diversion*: diverting the pipeline outside of the embankment.

Do Nothing

- 7.6 The Optioneering Report concluded that ongoing monitoring of the pipeline without carrying out any remediation was not an option to be considered in the long term given the level of stress corrosion cracking identified in previous weld inspections and the potential for ongoing ground movements increasing the potential risk of loss of containment. This would not achieve the primary objective.

Existing Pipeline Remediation

- 7.7 This option, whether undertaken as one or multiple workstream phases would have increased the resilience of the pipeline allowing the straight section of the pipeline within the embankment to accommodate higher levels of settlement in the future.
- 7.8 However, this approach would have required the agreement of the embankment owner as well as working with local stakeholders due to access requirements on the road. Furthermore, the feasibility of this option would have been contingent on the outcome of investigations given the large number of welds requiring inspection and potential repair resulting in a longer lead time.
- 7.9 Residual hazards would remain as follows:
 - 7.9.1 the pipeline would remain within the embankment, which may result in access issues in the future;
 - 7.9.2 the pipeline will still be subjected to regular surface loading from vehicles;
 - 7.9.3 a large number of excavations along the embankment to facilitate the works would raise temporary works hazards and could lead to additional instability of the embankment in the future;
 - 7.9.4 as the ongoing stability of the embankment could not be guaranteed, the unknown condition of the pipeline bends at the canal crossing would need to be investigated. Any issues at this location would be harder to mitigate; and
 - 7.9.5 the condition of the pipeline underneath the canal is unknown.

Embankment Remediation

- 7.10 The Optioneering Report concluded that reviewing the stability of the embankment and carrying out necessary remediation to stabilise and minimise/prevent future stresses in the pipeline would control the increase in bending stresses in the pipeline. Ongoing monitoring of the privately owned northern embankment was recommended.
- 7.11 However, this option would have been dependant on any future mechanism of ground movement and whether it could be controlled. A risk from third party interaction with the embankment; for example, ongoing repair works to the road surface and loading from vehicles would remain.

Furthermore, this approach would have required the agreement of the embankment owner as well as working with local stakeholders due to access requirements on the road.

- 7.12 Similar residual hazards to those set out at paragraph 7.9 would have been relevant in this scenario.

Pipeline Diversion

- 7.13 The purpose of the diversion routes was to bypass the section of existing pipeline within the northern embankment.

- 7.14 Three diversion routing options were considered:

7.14.1 Diversion Route 1: This route utilised the existing canal crossing and eastern tie in just beyond the existing sheet pile cap by the crossing bends. The pipeline is then diverted down the embankment and into the adjacent field on the northern side of the canal. The western tie in is at the AGI;

7.14.2 Diversion Route 2: This comprised a completely new route including a new canal crossing adjacent to the AGI, followed by routing the new pipeline beneath one of the main roads towards the western boundary of the former GlaxoSmithKline (“GSK”) complex;

7.14.3 Diversion Route 3: This route follows the similar path as Route 1; however, a new canal crossing would be constructed and the eastern tie in would be near to the GSK offtake. This diversion removes the pipeline completely from the north embankment and also eliminates the needs for any street works.

- 7.15 Optioneering Matrix

- 7.16 As part of the Optioneering Report, a qualitative optioneering matrix was created to assess the engineering options identified at paragraph 7.5. The matrix was developed using assumptions based upon engineering judgment.

- 7.17 The optioneering matrix considered the following factors and weighted their importance: technical, constructability, maintenance, health & safety, sustainability, cost and residual risk.

- 7.18 Based upon the optioneering matrix and the findings within the Optioneering Report, the preferred engineering option to achieve the primary objective of the Project was to divert the pipeline. It was considered that the ongoing resilience of the pipeline was the overriding factor.

- 7.19 The preferred route of the Project was identified as Diversion Route 3, based upon the residual risk following construction and the capital expenditure involved.

Reconsideration of options

- 7.20 In April 2022, Cadent revisited the alternatives set out in the Optioneering Report to assess whether diversion and then Diversion Route 3 was still considered to be the preferred route for the Project.

- 7.21 In respect of Options 1 (existing pipeline remediation) and 2 (embankment remediation), the same conclusions were reached as detailed in the Optioneering Report.

- 7.22 In respect of Option 3 (pipeline diversion), Cadent reconsidered the three diversion routes outlined at paragraph 7.14 as well as two further routes referred to as Cap D Route Option 1 and Cap D Route Option 2.

7.22.1 Diversion Route 1

Cadent identified a number of challenges involved with pursuing this diversion route. Firstly, the stoppling arrangement within the canal footpath and embankment. A stopple is a piece of equipment that stops the flow of gas within the pipeline. A pipeline stopple is a specialised device designed to temporarily block or isolate the flow of gas in a section of a pipeline. These stopples are typically used for maintenance activities; for example, inspections, repairs etc. However, for this Project the stopples are used to seal off a section of the pipeline without disrupting the flow of gas in the rest of the system. Secondly, the stress condition of the bends is unknown, and this option would require a significant amount of temporary works and deep excavations. Furthermore, the back drain is classed as a river, which would require consideration of associated environmental issues and the route proposed travels through a flood plain therefore a high-water table is expected.

7.22.2 Diversion Route 2

Similarly, a number of challenges were identified in connection with diversion route 2. Since the conceptual design study was written in 2016, a Premier Inn hotel has been built on the south side. Furthermore, stoppling arrangements would be in heavily populated areas and a significant amount of street works would be required. The proposed route is already congested due to the presence of Medium Pressure (MP) and Low Pressure (LP) gas mains.

7.22.3 Diversion Route 3

Cadent identified the following challenges involved with pursuing diversion route 3. Firstly, this route involved two trenchless crossings via Micro Tunnel and Auger Bore. In addition, deep excavations would be required for the Micro Tunnel crossing. Furthermore, this proposed route travels through a flood plain therefore a high-water table is expected.

7.22.4 Cap D Route Option 1

- (a) This route predominantly followed the recommendations made by DNV GL with a change to the tie-in location and crossing of the railway line. The proposal was to cross the railway line and United Utilities water main by horizontal directional drilling (approximately 250m) and move the tie-in away from the AGI.
- (b) Although this option avoided the need to secure new rights over one parcel of land, discussions would need to take place with a separate landowner to secure the new western tie-in location. This proposed route would also involve three trenchless crossings (Micro Tunnel and Auger Bore), deep excavations for the Micro Tunnel crossing and travel through a flood plain with a high-water table expected.

7.22.5 Cap D Route Option 2

- (a) Similarly, this route predominantly followed the DNV GL recommendations with a further change to the tie-in location and crossing of the railway line. The proposal would involve crossing the railway line using horizontal directional drilling and moving the tie-in away from the AGI.
- (b) Cadent identified similar challenges involved with pursuing Cap D Route Option 2 as those identified in respect of Cap D Route Option 1.

Qualitative Optioneering Decision Matrix

- 7.23 As part of the reconsideration of options, Cadent created a qualitative optioneering decision matrix. The optioneering matrix considered the following factors and weighted their importance: technical, constructability, land/legal, programme, maintenance, health & safety, sustainability, cost and residual risk.
- 7.24 Based upon the optioneering decision matrix, the preferred engineering option to achieve the primary objective of the Project was to divert the pipeline following Diversion Route 3.

Consultation

- 7.25 No consultation outside of Cadent has been undertaken in connection with the Project.

8. PUBLIC BENEFIT OF THE PROJECT

The Need for the Project

- 8.1 The primary objective of the Project is to reinforce the gas network and maintain supplies to parts of Ulverston and the town of Barrow in Furness. This is required in order to continue to provide security of supply to up to 64 district governors, 113 direct connections and circa 60,000 properties.
- 8.2 Cadent is also aware of its duties to the wider public and given that the pipeline is currently located in a publicly accessible area the risk of further subsidence causing a catastrophic failure poses a risk to the health and safety of the wider public.

Cadent's Statutory Duties

- 8.3 Section 9(1) of the 1986 Act imposes a duty on Cadent to develop and maintain an efficient and economical pipeline system for the conveyance of gas.
- 8.4 The Project is required so that Cadent can comply with its statutory duty. If Cadent does not implement the Project, it will not be maintaining an efficient and economical pipeline system and it risks a catastrophic failure which could lead to the suspension of supply to 64 district governors, 113 direct connections and circa 60,000 properties.
- 8.5 Cadent is also subject to ongoing safety requirements pursuant to the Pipelines Safety Regulations 1996 (the "**Pipelines Safety Regulations**") (CD A.5). This includes an obligation to ensure that pipelines are maintained in an efficient state, in efficient working order and in good repair.

National Energy Policy

- 8.6 The British Energy Security Strategy dated April 2022 ("**BESS**") (CD B.4) is focussed on securing energy security and security of supply. Whilst set out in the context of offshore wind, the BESS identified that the Government intends to strengthen the renewable national policy statements to reflect the importance of energy security.
- 8.7 Following on from the BESS, the Government has also introduced an Energy Security Bill in order to boost the UK's energy security and better protected consumers.
- 8.8 National energy policy continues to support the security of supply of gas infrastructure, and in the context of the cost-of-living crisis Cadent's duty to maintain this security of supply and maintain an economical and efficient network is critical.
- 8.9 Furthermore, the Powering Up Britain: Energy Security Plan ("**ESP**") (CD B.5) sets out the steps that the Government is taking "*to ensure the UK is more energy independent, secure and*

resilient". The ESP acknowledges that gas will continue to play a significant role in our energy system and that it is essential action is taken to strengthen the security of the UK's gas supplies.

- 8.10 The Government intends to implement measures to ensure the provision of supplies needed in the long term and increase resilience in the gas system to withstand supply shocks if they occur. Within the ESP, the Government sets out how this will be achieved by "*maximising supply of UK gas, maintaining and securing our gas import and export capacity, increasing system resilience and ensuring long term investment in gas networks*".

National Planning Policy

- 8.11 Whilst the Project is not a nationally significant infrastructure project, the following National Policy Statements ("NPSs") are material to, and demonstrate national policy support for, the Project:

- 8.11.1 Overarching National Policy Statement for Energy 2011 (EN-1) dated July 2011 ("**EN-1**") (CD B.1);
- 8.11.2 National Policy Statement for Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4) dated July 2011 ("**EN-4**") (CD B.2);
- 8.11.3 Overarching National Policy Statement for Energy (EN-1) dated November 2023 ("**2024 EN-1**") (CD B.6); and
- 8.11.4 National Policy Statement for Natural Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4) dated November 2023 ("**2024 EN-4**") (CD B.7).

EN-1

- 8.12 EN-1 is one of a suite of energy NPSs designated by the Secretary of State for Energy and Climate Change under the Planning Act 2008. EN-1 is the overarching NPS providing policies for the whole energy system.
- 8.13 It is explicitly recognised in EN-1 that the "*UK is highly dependent on natural gas*" and that "*gas will continue to play an important part in the UK's fuel mix for many years to come*" (EN-1 Section 3.8.1).
- 8.14 EN-1 recognises the need for gas infrastructure to meet domestic gas demand and associated infrastructure. EN-1 explains that: "*Great Britain's gas supply infrastructure must amongst other things, be sufficient to: meet peak demand...allow for a sustained delivery of large volumes of gas...provide access to the most competitive gas supplies*" (EN-1 Section 3.8.5).
- 8.15 2024 EN-1, which is scheduled to be designated in early 2024, identifies the key role that gas plays in the UK energy landscape (at Section 3.4.1) and identifies (at Section 3.4.4) a need for gas infrastructure to be sufficient to:
- 8.15.1 meet 'peak' demand for gas. Gas market participants may aim to have some "redundancy" in their supply arrangements, above the minimum amount to meet peaks, to manage the risk that other capacity may not be available (for example, where undergoing maintenance); and
- 8.15.2 allow for a sustained delivery of large volumes of gas, for example, demand over a particularly cold winter.
- 8.16 EN-1 also identifies that the UK is highly dependent on natural gas (particularly in relation to domestic households).

8.17 EN-1 concludes, at Section 3.8.19, that: “*Gas is the cleanest and most reliable fossil fuel. It is likely to continue to be a central part of GB’s energy mix during the transition to a low carbon economy...*”

8.18 The Project will contribute to providing security of supply to circa 60,000 customers by securing gas supply infrastructure.

EN-4

8.19 It is also recognised within Section 1.1.1 of EN-4 that “*The efficient import, storage and transmission of natural gas and oil products is crucial to meeting our energy needs during the transition to a low carbon economy.*”

8.20 Section 2.19.4 of EN-4 (and Section 2.21.9 of 2024 EN-4, which is scheduled to be designated in early 2024) recognise that the Pipelines Safety Regulations require that pipelines are designed, constructed and operated so that the risks are as low as is reasonably practicable.

8.21 Section 2.19.7 of EN-4 (and Section 2.21.15 to Section 2.21.50 of 2024 EN-4) identifies factors that should influence site selection. The Project takes account of these factors and is designed to avoid constraints and activities which could have an effect on the integrity and safety of the pipeline.

Construction

8.22 If Cadent were to take the Do-Nothing option and there was a catastrophic failure with the pipeline that would cause a loss of supply, then the costs associated with diverting the pipeline and restoring the loss of supply would be significantly greater than the costs of the planned diversion. This is in addition to the potential safety consequences as a result of any such failure.

Maintenance

8.23 The maintenance costs for the relevant section of the HPGP in situ totals £13,600 per annum comprising £150 per annum for line walking, £3,250 per annum for aerial surveys, £200 per annum for CP test and post reading and £10,000 per annum in relation to strain gauges monitoring.

8.24 Following diversion of the HPGP, the estimated ongoing maintenance costs for the relevant section of the HPGP under a normal maintenance regime would be approximately £3,600 per annum.

8.25 Furthermore, the delay encountered in carrying out the Project means that it will be subject to significant increases in construction costs if there is continued delay in carrying out the Project.

Conclusion

8.26 There is strong policy support for the Project. The Project is supported by national energy policy and national planning policy and will help deliver key objectives of national and local importance.

8.27 The need for the Project, and the associated public benefits, is that it will reinforce the gas network and maintain supplies to parts of Ulverston and the town of Barrow in Furness. This is required in order to continue to provide security of supply to up to circa 60,000 customers.

8.28 This section of the Statement of Case has made it clear that there is a compelling case in the public interest for the confirmation of the Order.

9. THE PLANNING POSITION FOR PROJECT

9.1 As described in paragraph 1.2, the Project comprises an 850-metre diversion of the 300 Nominal Bore Whasset to Barrow High Pressure (HP) Gas Pipeline located within the embankment /

towpath adjacent to the canal on the east side of Ulverston in Cumbria. This comprises the construction of a section of underground pipeline as set out at section 3.16.

Overview

- 9.2 The Project does not require planning permission on the basis that it is permitted pursuant to the Town and Country Planning (General Permitted Development) (England) Order 2015 (the “**GPDO**”) (CD A.11).
- 9.3 Article 3(1) of the GPDO grants planning permission for certain developments comprised in Schedule 2 to the GPDO, subject to any exception, limitation or condition specified in Schedule 2 to the GPDO. Permitted development rights are also subject to general restrictions specified within Article 3 and Article 4 of the GPDO.
- 9.4 None of the general restrictions specified in Article 3 or Article 4 of the GPDO apply to the Project.

Pipeline diversion

- 9.5 Class A(a) of Schedule 2 to the GPDO (the “**Class A(a) PD Right**”) permits development by a gas transporter required for the purposes of its undertaking consisting of the laying underground of mains, pipes or other apparatus.
- 9.6 No limitations apply to the Class A(a) PD Right.
- 9.7 The Class A(a) PD Right is subject to one condition, which provides that not less than 8 weeks before the beginning of operations to lay a notifiable pipeline, Cadent must give notice in writing to the local planning authority of its intention to carry out that development, identifying the land under which the pipeline is to be laid. Cadent will comply with this condition.
- 9.8 Therefore, the Class A(a) PD Right will grant planning permission for the Project.

Environmental Impact Assessment (“EIA”) Status

- 9.9 The relevant EIA regulations for the Class A(a) PD Right are the Public Gas Transporter Pipeline Works (Environmental Impact Assessment) Regulations 1999 (as amended) (the “**PGTP EIA Regulations**”) (CD A.7). The PGTP EIA Regulations reference the old version of the GPDO, but the intention of the PGTP EIA Regulations remains clear.
- 9.10 Pursuant to the PGTP EIA Regulations, a gas pipeline with a diameter of more than 800 millimetres and a length of more than 40 kilometres (or an extension to a pipeline which in itself meets the thresholds)¹ **must** be accompanied by an environmental statement (“**Part 1 Development**”). Part 1 Development cannot commence without Cadent first giving the Secretary of State a notice of preparation of an environmental statement². The Project does not meet this threshold.
- 9.11 Pursuant to the PGTP EIA Regulations, a gas pipeline:
- 9.11.1 the whole or any part of which, or the whole or any part of any working width for which, will be within a sensitive area **may** need to be accompanied by an environmental statement; or
 - 9.11.2 which will have a design operating pressure exceeding 7 bar gauge **may** need to be accompanied by an environmental statement (“**Part 2 Development**”).

¹ Part 1 of Schedule 3 to the GTP EIA Regulations

² Regulation 3 of the GTP EIA Regulations

- 9.12 Part 2 Development cannot commence without:
- 9.12.1 the Secretary of State making an environmental determination (confirming that there are no likely significant effects) which has not at the time of commencement of such works ceased to have effect in accordance with Regulation 6(8) below (i.e., those works have not commenced within 5 years); or
- 9.12.2 the Secretary of State determining that an environmental statement is required.

9.13 Any gas diversion which does not fall within the meaning of Part 2 Development (for example a pipeline which has an operating pressure below 7 bar gauge and which is not located in a sensitive area) does not need to go through any formal approval process under the PGTP EIA Regulations. However, Regulation 6 of the PGTP EIA Regulations does acknowledge that Cadent can still make requests in respect of such development.

9.14 The Project has been screened out as EIA development by the Secretary of State (formerly the Secretary of State for Business, Energy & Industrial Strategy (“**BEIS**”)) pursuant to the PGTP EIA Regulations following consultation with South Lakeland District Council (now Westmorland & Furness Council). This was confirmed in the BEIS decision letter dated 5 May 2021 (CD C.2) and South Lakeland District Council’s consultation response dated 16 March 2021 (CD C.1).

Habitats Regulation Assessment (“HRA”) Status

9.15 The Project does not have a likely significant effect on any European site for the purposes of the Conservation of Habitats and Species Regulations 2017 (the **Habitats Regulations**) (CD A.12).

Conclusion

9.16 The Project will benefit from planning permission granted under the GPDO. None of the general limitations to permitted development rights are applicable to the Project.

10. SPECIAL CATEGORY LAND AND OTHER SPECIAL CONSIDERATIONS

10.1 Paragraph 4 of Schedule 3 to the Acquisition of Land Act 1981 (the “**1981 Act**”) contains restrictions which apply to the acquisition of rights over “special kinds of land”. This section deals with those parts of the Order Land.

Crown Land

10.2 The Order does not include the compulsory acquisition of any Crown interest in the Order Land.

Statutory Undertakers Land

10.3 Section 16 and paragraph 3 of Schedule 3 to the 1981 Act relates to land acquired by a statutory undertaker for the purposes of its undertaking. Section 8(1) of the 1981 Act defines “statutory undertakers” to include any person authorised by any enactment to construct, work or carry on any railway and/or canal undertaking amongst others.

10.4 There are plots of the Order Land that are owned by statutory undertakers. The table below details those plots and the status of negotiations with the relevant statutory undertaker.

Statutory Undertaker	Plot	Status of voluntary negotiations
Network Rail Limited	7 and 8	Licence for Gas Pipelines and Agreement for Standard Conditions dated 7 March 2014.

		Basic Asset Protection Agreement dated 24 August 2020. Supplementary Easement to the Master Agreement subject to negotiation.
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10.5 Network Rail Limited has not objected to the Order.

10.6 A number of undertakers are noted in Table 2 of the Order as being other qualifying persons under section 12(2A)(b) of the 1981 Act. The Project may cross or be in proximity with those undertakers' apparatus.

10.7 None of these undertakers have objected to the Order.

Local Authority Land

10.8 Section 17 and paragraph 4 of Schedule 3 to the 1981 Act relates to land which is the property of a local authority.

10.9 Several plots within the Order Land are owned by a local authority as set out in the table below.

Local Authority	Plot	Status of voluntary negotiations
Westmorland & Furness Council (formerly South Lakeland District Council)	33, 34, 35, 36, 37, 40, 41, 42, 43 and 44	Temporary licence still subject to negotiation. Deed of Variation to Deeds of Easement completed on 8 December 2022.

10.10 Section 17(2) of the 1981 Act provides that for an order acquiring land owned by a local authority, if that authority objects, any confirmation would be subject to special parliamentary procedure.

10.11 However, paragraph 4(3) of Schedule 3 to the 1981 Act confirms that a compulsory purchase order shall not be subject to special parliamentary procedure where the person acquiring the interest is a statutory undertaker. As Cadent holds the Transporter Licence, it is a statutory undertaker for the purposes of the 1981 Act (by virtue of section 7 to the 1986 Act). Accordingly, special parliamentary procedure does not apply to the Order.

10.12 Westmorland & Furness Council have not objected to the Order.

Open Space Land

10.13 Section 19 and paragraph 6 of Schedule 3 to the 1981 Act relates to the purchase of any land forming part of a common, open space or fuel or field garden allotment. None of the Order Land falls within the definition of "common" or "fuel or field garden allotment" as set out in section 19(4) of the 1981 Act.

10.14 However, the provisions of the 1981 Act also apply to the acquisition of rights over land.³ The following plots fall within the definition of "open space", which means any land laid out as a public garden or used for the purposes of public recreation, or land being a disused burial ground.

Open Space	Plot	Status of voluntary negotiations
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³ by virtue of Paragraph 6 of Schedule 3 to the 1981 Act.

Ulverston Canal Co Ltd	1, 2, 6, 21, 32	Temporary licence still subject to negotiation. Deed of Easement completed. Variation required to the Deed of Easement to include Plot 13.
Westmorland & Furness Council (formerly South Lakeland District Council)	33, 34, 35, 36, 37, 40, 41, 42, 43 and 44	Temporary licence still subject to negotiation. Deed of Variation to Deeds of Easement completed on 8 December 2022.

- 10.15 In respect of land over which rights are sought to be acquired, there is a separate test which must be considered. This test considers if the land, when burdened with the right, will be no less advantageous to those persons in whom it is vested and other persons, if any, entitled to rights of common or other rights, and to the public, than it was before (the “**Rights Test**”). If the Rights Test is satisfied, the Secretary of State for Levelling Up, Communities and Housing may issue a certificate to that effect.
- 10.16 Plots 1, 2, 6, 21, 32, 33, 34, 35, 36, 37, 40, 41, 42, 43 and 44 comprise informal public open space (the “**Informal Open Space**”). This area totals 13,411 square metres. These parcels of land are described in Appendix 1 to the Public Open Space Statement (CD D.5).
- 10.17 The Informal Open Space will be subject to various rights to enable the construction and operation of the Project.
- 10.18 The use of the Informal Open Space, when burdened with the rights pursuant to the Order, will be no less advantageous to those persons in whom it is vested and other persons, if any, entitled to rights of common or other rights, and to the public, than it was before. This is because, following construction of the Project, the permanent infrastructure will be situated below ground and public access will remain available over the entirety of the Informal Open Space. Any disturbance caused by the exercise of the rights will be temporary.
- 10.19 Cadent has requested that the Secretary of State for Levelling Up, Communities and Housing (“**DLUCH**”) certify under paragraph 6(1)(a) of Schedule 3 to the 1981 Act that the Informal Open Space, when burdened with the relevant rights for each parcel of land, will be no less advantageous to those persons in whom it is vested and other persons, if any, entitled to rights of common or other rights, and to the public, than it was before.
- 10.20 DLUCH directed Cadent to issue notice of its intention to issue the certificate pursuant to paragraph 6(1)(a) of Schedule 3 to the 1981 Act. Cadent issued the relevant notices in the prescribed form and in accordance with the 1981 Act. Cadent first issued the relevant notices on 16 November 2023 (CD D.15) and allowed an objection period, which expired on 8 December 2023. Cadent received confirmation from DLUCH that it had not received any objections in this respect. On 15 December 2023, DLUCH issued a certificate under paragraph 6(1)(a) of Schedule 3 to the 1981 Act in respect of the Informal Open Space (CD D.20).

Land held inalienably by the National Trust

The Order does not include land held inalienably by the National Trust for the purposes of Section 18 and paragraph 5 of Schedule 3 to the 1981 Act.

11. OBJECTIONS TO THE ORDER

11.1 This section of the Statement of Case sets out Cadent’s detailed response to the objections made to the Order.

11.2 In total, there were three objections to the Order, two of which can be grouped by the land agent representing the relevant objectors as they make several substantially similar points:

11.2.1 Obj1, which is submitted by a party listed in Table 2 to the Order;

11.2.2 Obj2 and Obj3, which are submitted on behalf of the relevant landowners by Whittaker & Co.

11.3 Nevertheless, Cadent has set out a detailed response to each objection in this section of the Statement of Case.

11.4 Obj1 (CD D.9)

11.4.1 Obj1 was an objection made by Ulverston Town Council (the “**Town Council**”).

11.4.2 Obj1 was submitted on grounds of insufficient information regarding the impact that the Order would have on the Town Council and the exercise of its rights. The Town Council were noted as a qualifying person under section 12(2A)(b) of the 1981 Act and were included in Table 2 of the Order.

11.4.3 Since making the Order, Cadent and the Town Council engaged to ensure that the Town Council had sufficient information to understand the implications of the Project and the Order for it.

11.4.4 On 20 September 2023, Cadent met with the Town Council to discuss the Project and the information identified in Obj1, relating to a:

(a) Conveyance dated 5th April 1948 (the “**1948 Conveyance**”);

(b) Conveyance dated 4th April 1950 (the “**1950 Conveyance**”); and

(c) Deed of Easement dated 10th January 1974 (the “**1974 Deed**”).

11.4.5 Cadent identified that the Town Council does not have the benefit of any of the rights or restrictions identified in the 1948 Conveyance, the 1950 Conveyance or the 1974 Deed.

11.4.6 The Town Council was satisfied that it did not have the benefit of any rights or restrictions identified in the 1948 Conveyance, the 1950 Conveyance or the 1974 Deed.

11.4.7 The Town Council has therefore withdrawn Obj1 (CD D.10).

11.4.8 The Town Council supports the confirmation of the Order and the delivery of the Project.

11.5 Obj2 (CD D.11)

11.5.1 Obj2 is an objection made by The Executors of Daniel Lowther. The Personal Representatives of Mr Daniel Lowther are noted as having an interest as an owner in respect of Plots 11, 12, 14, 15, 16, 17 and 18.

11.5.2 Cadent has not been able to obtain formal legal confirmation that either Executors or Administrators (as appropriate) have been appointed in relation to Mr Lowther’s estate. Cadent has been seeking written confirmation as to the identity of any appointed representatives through its land agents. Cadent has been dealing with the appointed land

agent Whittaker & Co, which has stated that it acts on behalf of the Executors of the estate of Mr Daniel Lowther.

- 11.5.3 Obj2 is based on insufficient details regarding pre-entry and post-construction drainage, fencing of the land, rights of access during the period of construction to retained land to the north, stockproof fencing, crossing points that will be required and details regarding the length of the Project and planned re-instatement.
- 11.5.4 In respect of the points made in Obj2 regarding pre-entry and post-construction drainage, fencing of the land, rights of access during the period of construction to retained land to the north, stockproof fencing and crossing points that will be required, there has been significant engagement on points of detail during the course of negotiations throughout 2021 and 2022. Cadent has responded to all questions raised to date, notably in September 2021 when Cadent provided the details requested to address these points. Cadent has continued to engage throughout 2023 to progress matters (CD D.13).
- 11.5.5 Cadent has previously provided its specification for undertaking works such as the Project and detailed plans of the expected extent of works. This has included the provision of:
- (a) working area and drainage layouts (CD E.1);
 - (b) Cadent's Specification for General Pipelining Designed to Operate at Pressures Greater than 7 Barg GD/SP/P/10 dated July 2020 (CD F.6);
 - (c) plans detailing the proposed works (CD E.4, E.5 & E.6);
 - (d) details of a typical right of way required during construction (CD E.2-E.3); and
 - (e) detailed responses to questions raised regarding issues such as drainage and reinstatement, including details of:
 - (i) the approach to be taken during pre-construction and post-construction drainage, including details of proposed contractors and machinery to be used (CD E.1);
 - (ii) the type of fencing to be installed (CD F.6);
 - (iii) details of topsoil storage (CD E.3) and reinstatement including drawings (CD F.6); and
 - (iv) details of proposed reinstatement timings.
- 11.5.6 In respect of the points made in Obj2 regarding the length of the proposed Project, works are expected to last a period of approximately 9 months with this period comprising mobilisation, construction and reinstatement.
- 11.5.7 Furthermore, Cadent representatives and its appointed land agent attended a site meeting with Mr David Lowther and his appointed land agent, Mr Colin Whittaker on Wednesday 25 October 2023. At the site meeting, Cadent re-provided all the information it had previously supplied and talked through each item set out in Obj2.
- 11.5.8 Cadent understood that at the end of the meeting, Mr Daniel Lowther was content to withdraw the Objection provided that the fees position was settled, which has now been addressed (CD.16). A joint statement was subsequently prepared and issued to Mr Colin

Whittaker by Cadent's appointed land agent to secure that withdrawal. However, a response to this correspondence on these matters has not been received to date.

11.5.9 The objector's appointed land agent confirmed at the pre-inquiry meeting on 12 December 2023 that Cadent had provided hard copy documents to him and his client and that these were acceptable to his client. The objector's land agent also confirmed that, based on the information supplied by Cadent to the objector to date, the objector is agreeable to withdrawing the objection in principle. The objector's appointed land agent noted that the objector only required confirmation of the financial payments that will be made to it and the timings of such payments. This information was provided to Mr Whittaker in a letter dated 13 December 2023 (CD D.18). Discussions are ongoing in relation to financial matters.

11.5.10 Cadent understands that all of the technical matters raised in Obj2 have been addressed, and that the outstanding matters relate to matters of valuation and compensation. To the extent that Obj2 relates to compensation, Cadent's position is that the objection can be disregarded pursuant to Section 13(4) of the 1981 Act.

11.6 Obj3 (CD D.12)

11.6.1 Obj3 is an objection made by Mr Mark Woods. Mr Mark Woods is noted as having an interest as an occupier in respect of Plots 22, 23, 24, 25a, 25b, 26, 28 and 29.

11.6.2 Obj3 is based on insufficient details regarding pre-entry and post-construction drainage, fencing of the land, rights of access during the period of construction to retained land to the north, stockproof fencing, crossing points that will be required and details regarding the length of the Project and planned re-instatement.

11.6.3 In respect of the points made in Obj3 regarding pre-entry and post-construction drainage, fencing of the land, rights of access during the period of construction to retained land to the north, stockproof fencing and crossing points that will be required, there has been significant engagement on points of detail during the course of negotiations throughout 2021 and 2022. Cadent has responded to all questions raised to date, notably in September 2021 when Cadent provided the details requested to address these points. Cadent has continued to engage throughout 2023 to progress matters (CD D.14).

11.6.4 Cadent has previously provided its specification for undertaking works such as the Project and detailed plans of the expected extent of works. This has included the provision of:

- (a) working area and drainage layouts (CD E.1);
- (b) Cadent's Specification for General Pipelining Designed to Operate at Pressures Greater than 7 Barg GD/SP/P/10 dated July 2020 (CD F.6);
- (c) plans detailing the proposed works (CD E.4, E.5 & E.6);
- (d) details of a typical right of way required during construction (CD E.2-E.3);
and
- (e) detailed responses to questions raised regarding issues such as drainage and reinstatement, including details of:

- (i) the approach to be taken during pre-construction and post-construction drainage, including details of proposed contractors and machinery to be used (CD E.1);
 - (ii) the type of fencing to be installed (CD F.6);
 - (iii) details of topsoil storage (CD E.3) and reinstatement including drawings (CD F.6); and
 - (iv) details of proposed reinstatement timings.
- 11.6.5 In respect of the points made in Obj3 regarding the length of the proposed Project, works are expected to last a period of approximately 9 months with this period comprising mobilisation, construction and reinstatement.
- 11.6.6 Furthermore, Cadent representatives and its appointed land agent attended a site meeting with Mr Mark Woods and his appointed land agent, Mr Colin Whittaker on Wednesday 25 October 2023. At the site meeting, Cadent re-provided all the information it had previously supplied and talked through each item set out in Obj3.
- 11.6.7 Cadent understood that at the end of the meeting, Mr Mark Woods was content to withdraw the Objection provided that the fees position was settled, which has now been addressed (CD.17). A joint statement was subsequently prepared and issued to Mr Colin Whittaker by Cadent's appointed land agent to secure that withdrawal. However, a response to this correspondence on these matters has not been received to date.
- 11.6.8 The objector's appointed land agent confirmed at the pre-inquiry meeting on 12 December 2023 that Cadent had provided hard copy documents to him and his client and that these were acceptable to his client. The objector's land agent also confirmed that, based on the information supplied by Cadent to the objector to date, the objector is agreeable to withdrawing the objection in principle. The objector's appointed land agent noted that the objector only required confirmation of the financial payments that will be made to it and the timings of such payments. This information was provided to Mr Whittaker in a letter dated 13 December 2023 (CD D.19). Discussions are ongoing in relation to financial matters.
- 11.6.9 Cadent understands that all of the technical matters raised in Obj3 have been addressed, and that the outstanding matters relate to matters of valuation and compensation. To the extent that Obj3 relates to compensation. Cadent's position is that the objection can be disregarded pursuant to Section 13(4) of the 1981 Act.

12. MINES AND MINERALS

- 12.1 Parts 2 and 3 of Schedule 2 to the 1981 Act are expressly incorporated within the Order. These Parts of Schedule 2 to the 1981 Act concern the 'Mining Code', and they are incorporated in order to safeguard and protect all apparatus and other equipment which will be constructed and/or installed by Cadent and its contractors for the purposes of the Project.

13. THE FUNDING POSITION

- 13.1 The RIIO-2 framework took effect on 1 April 2021 and will run for five years.
- 13.2 Cadent has anticipated the Project and funding (circa £200,000) was included within the GD1 business plan to enable design works to be progressed prior to GD2. The remaining funding for the Project comprising procurement of material and construction is included within Cadent's

business plan for GD2. Cadent's forecast allocated approximately £7.7 million (excluding any Order costs) if it had mobilised in May/June 2023 resulting in approximately £7.5 million being spent in GD2 in this scenario. However, this was increased to £8.2m in July 2023 and has now been increased to £8.765m as of December 2023.

- 13.3 Cadent has secured internal approval for the Project through sanctioning by its investment committee. Detailed design works were sanctioned in June 2020, with initial design work funded through the previous GD1 price control period. Construction works were sanctioned in March 2021 and re-sanctioned in March 2022 and July 2023.
- 13.4 This non-rechargeable project is to be considered for the Diversions Uncertainty Mechanism under GD2. As the Project is not part of the baseline allowance for diversions in the Ofgem RIIO-GD2 price control period, the ability to recover the costs will need to be through the diversions re-opener, which is referred to as the Diversions Uncertainty Mechanism.
- 13.5 Cadent intends to include the costs of the Project within its diversions re-opener application in January 2024 as set out in Cadent's Transporter Licence and will be engaging with Ofgem in advance of the re-opener window. A separate approval request will need to be made for Ofgem's consideration.
- 13.6 Therefore, funding will be available by the time that the Order enables the exercise of powers of compulsory acquisition. This will be in place in respect of both construction costs and land compensation costs.
- 13.7 Ofgem has been consulted on the Order. Ofgem submitted its formal consultation response to the Secretary of State on 13 August 2023 (CD D.6). Ofgem have not raised any objections to the Order. Ofgem have confirmed that Cadent will have sufficient funding to meet the implementation and land acquisition/compulsory purchase compensation costs associated with the Project as and when required (including any advance payments).
- 13.8 The requirement to consult Ofgem before confirming the Order pursuant to Paragraph 1(1) of Schedule 3 to the 1986 Act has been discharged.
- 13.9 Cadent has significant financial standing. Given Cadent's working capital and strong credit rating, the requisite funds are available to meet the costs of creation of the new rights, compulsory purchase compensation costs and implementation costs associated with the Project as and when required (including any advance payments). Accordingly, Cadent considers that the criteria in paragraphs 13 and 14 of the CPO Guidance are satisfied.

14. TIMETABLE / PROGRAMME

- 14.1 The intention was for the Project to secure voluntary rights (or confirmation of the Order if required) and commence enabling works in January 2024 to February 2024, with Cadent's contractor ready to mobilise in March 2024 for construction on 2 April 2024.
- 14.2 However, as Cadent has been unable to secure voluntary rights (or confirmation of the Order) in time to commence construction in March 2024 then it is likely to implement its powers pursuant to the Order, once confirmed, and commence enabling works in December 2024 to February 2025 and construction in March 2025.
- 14.3 As set out in section 3.12 of this Statement of Case, every year of delay in undertaking the Project increases the construction costs associated with the Project. As set out in section 8.23 to 8.25 of this Statement of Case, every year of delay also leads to the payment of maintenance and monitoring costs.

15. RELATED ORDERS OR APPLICATIONS

- 15.1 There are no related applications save for the request for a certificate pursuant to Schedule 3 to the 1981 Act in respect of the rights to be acquired over the Informal Open Space.
- 15.2 It is not considered that there will be any requirement for a joint inquiry in relation to the Order and any other application for consent unless an inquiry is held in respect of the request for a certificate pursuant to Schedule 3 to the 1981 Act.

16. NO SCHEME WORLD

- 16.1 Section 6A of the Land Compensation Act 1961 (CD A.2) (the “**LCA 1961**”) states that “*the no scheme principle is to be applied when assessing the value of land in order to work out how much compensation should be paid by the acquiring authority for the compulsory acquisition of land.*”
- 16.2 There is a requirement to state the extent of the scheme to be disregarded for the purposes of assessing compensation and applying the no scheme principle set out in Section 6A of the LCA 1961. This is known as the “No Scheme World”.
- 16.3 In respect of the No Scheme World, the scheme is the entirety of the Project. Therefore, the Project is to be disregarded.

17. HUMAN RIGHTS CONSIDERATIONS

Human Rights

- 17.1 The Order should only be made if there is a compelling case in the public interest. Various rights under the European Convention on Human Rights (the “**ECHR**”) may be engaged in the process of making and considering a compulsory purchase order, including those under Articles 6, 8 and Article 1 of the First Protocol (CD A.1). Cadent recognises that the rights over land sought in the Order interfere with the human rights of those with an interest in the land affected, particularly rights under Article 1 of the First Protocol to the ECHR. As such, Cadent recognises that the Order should be necessary and proportionate and that the purposes for which the rights are sought in the Order must be sufficient to justify this interference with human rights.
- 17.2 The European Court of Human Rights has recognised in the context of Article 1 of the First Protocol that “*regard must be had to the fair balance that has to be struck between the competing interests of the individual and of the community as a whole*”, i.e., compulsory purchase must be proportionate and in pursuing the public interest the objective to be achieved in making the Order must outweigh the interference with any private rights. Both public and private interests are to be taken into account in the exercise of the acquiring authority’s powers and duties. Similarly, any interference with Article 8 rights must be “*necessary in a democratic society*”, i.e., proportionate.
- 17.3 In pursuing the Order, Cadent has carefully considered the balance to be struck between individual rights and the wider public interest. Interference with Convention rights, to the extent that there is any, is considered to be justified in order to secure the reinforcement of the gas distribution network necessary to secure the supply of gas to existing and future residential properties and businesses.

Entitlement to a Fair and Public Hearing

- 17.4 Such rights require a fair and public hearing in the determination of a person’s several and political rights (ECHR, Article 6). This includes property rights and can include opportunities to be heard in a consultation process. The statutory procedures, taken with the right to object and the availability of statutory challenge, satisfy the requirements of Article 6.

Rights to Respect for Private and Family Life and Home

- 17.5 Such rights may be restricted if the infringement is in accordance with the law, has a legitimate aim and is fair and proportionate in the public interest (ECHR, Article 8). It is considered that such interferences as may occur as a result of the Order are in accordance with the law, pursue a legitimate aim and are proportionate having regard to the public interest in the project referred to in this statement.

Peaceful Enjoyment of Possessions (including Property)

- 17.6 Article 1 of the First Protocol does not impair the right to enforce such laws as the State considers necessary to control the use of property in accordance with general interest. It is considered that the Order strikes a fair balance between the public interest in the implementation of the Project and those private rights which will be affected by the Order. Compensation will be available to those who can prove they have a legitimate claim arising from the exercise of compulsory purchase powers.
- 17.7 Cadent has sought to minimise interference with the rights of those with an interest in the land subject to the Order. No land is to be compulsorily acquired and the rights over land to be acquired have been kept to the minimum necessary to permit the comprehensive delivery of the Project.
- 17.8 This Statement of Case demonstrates that the public benefits of the Project outweigh the private rights affected, the Order is necessary and proportionate, and that there is a compelling case in the public interest for the exercise of the powers of compulsory acquisition included within the Order.

18. FURTHER INFORMATION

- 18.1 A list of Core Documents is set out in Appendix 3 and may be inspected at <https://cadentgas.com/ulverston>. Cadent reserves the right to add to this list of documents.
- 18.2 Hard and electronic copies of the Order Documents are available on request from Cadent's land agent, Fisher German, via the following contact details:
- 18.2.1 Email: Ellie-May.Craddock@fishergerman.co.uk;
- 18.2.2 Telephone: 0845 013 2653;
- 18.2.3 Address: Fisher German, The Estates Office, Norman Court, Ashby de la Zouch, LE65 2UZ.

19. EVIDENCE

- 19.1 As presently advised, Cadent intends to call witnesses on the following issues:
- 19.1.1 the need for the Project;
- 19.1.2 land acquisition matters; and
- 19.1.3 technical and engineering matters.
- 19.2 Cadent reserves its right to submit evidence in relation to further matters in the event that it is necessary.

20. CONCLUSION

- 20.1 Section 9 and Schedule 3 of the 1986 Act empower Cadent *"to purchase compulsorily any land (including rights in land) required for any purpose connected with the carrying on of the activities*

which (Cadent) is authorised by (its) licence to carry on.” The rights to be acquired pursuant to the Order are also required for the purposes connected with the carrying on of the activities which Cadent is authorised to carry out by the Transporter Licence.

- 20.2 The public benefits of the Project substantially outweigh the private rights affected. The construction and operation of the Project is in the public interest and is fully supported by UK energy planning policy.
- 20.3 Cadent is creating new rights compulsorily as opposed to permanently acquiring land. Cadent’s approach to the creation of rights follows a proportionate approach in the use of Cadent’s powers of compulsory acquisition.
- 20.4 Cadent’s approach is to only acquire the interests that it requires over the various plots within the Order. Not all plots require the same rights, and so Cadent will compulsorily acquire different classes of rights over different plots. This also follows a proportionate approach to the use of Cadent’s powers of compulsory acquisition.
- 20.5 There is a compelling case in the public interest for the exercise of the powers of compulsory acquisition included within the Order.
- 20.6 There are no impediments to the implementation of the Order.
- 20.7 Ofgem has been consulted and has submitted its formal consultation response to the Secretary of State on 13 August 2023. Ofgem have not raised any objections to the Order. Ofgem have confirmed that Cadent will have sufficient funding to meet the implementation and land acquisition/compulsory purchase compensation costs associated with the Project as and when required (including any advance payments).
- 20.8 The Secretary of State should confirm the Order.

APPENDIX 1
CLASSES OF RIGHTS

Term	Definition
Access Rights	<p>All rights necessary to access the Order Land and adjoining land including to:</p> <ul style="list-style-type: none"> a) access the Order Land and adjoining land for the purposes of constructing, installing, commissioning, inspecting, surveying, maintaining, repairing, altering, renewing, replacing and removing or decommissioning the pipeline and associated infrastructure, and carrying out de-watering and drainage works and installing, altering or reinstating land drainage systems, with or without vehicles, plant, machinery, apparatus, equipment, materials and personnel; b) to carry out works to facilitate such access including to construct, lay down, use and remove access roads including any necessary bridging, culverting or diversion of water courses and drains, modifying road verges and junctions and installing, using, altering, diverting, and removing services and utilities; c) to access the Order Land and adjoining land to use horizontal directional drilling, where appropriate, for the installation of the cables; d) to fell, trim or lop trees, shrubs, hedges and bushes and to clear and remove any and all vegetation which may damage, obstruct or interfere with the exercise of these Access Rights; e) to prevent and remove any works or use of the land which may interfere with or obstruct such access or the exercise of the Access Rights; f) to make good any damage caused in connection with the exercise of these Access Rights; and g) to carry out any activities ancillary or incidental thereto.
Construction Compound Rights	<p>All rights necessary for the purposes of or incidental to the establishment, use and removal of works compounds associated with the construction, commissioning and decommissioning of the pipeline and associated infrastructure, including to:</p> <ul style="list-style-type: none"> a) erect, create, use and remove a works compound which may include portable cabins and offices, and welfare facilities including portable toilets and electricity generators; b) store, stockpile and where necessary use, manage and process plant, machinery, apparatus, materials (including excavated material) and/or equipment; c) access the land and adjoining land with or without vehicles, personnel and plant, machinery, apparatus, equipment and materials for such purposes; d) fence, erect hoardings or signage or otherwise secure the compound; e) carry out de-watering and drainage works and install, alter or reinstate land drainage systems; f) discharge water into existing drains and watercourses; g) install, use and remove artificial lighting; h) park cars; i) protect and prevent damage to or interference with the operation and maintenance of any works constructed pursuant to these Construction Compound Rights;

	<ul style="list-style-type: none"> j) fell, trim or lop trees, shrubs, hedges and bushes and to clear and remove any and all vegetation which may damage, obstruct or interfere with the exercise of these Construction Compound Rights; k) prevent and remove any works or use of the land which may interfere with or obstruct the exercise of these Construction Compound Rights; l) install, use, alter, divert and remove services and utilities; m) make good any damage caused in connection with the exercise of these Construction Compound Rights; and n) carry out any activities ancillary or incidental thereto.
Pipeline Construction Rights	<p>All rights necessary for the purposes of or incidental to the construction and commissioning of the pipeline and associated infrastructure on the adjoining land, including to:</p> <ul style="list-style-type: none"> a) enter the land and carry out surveys and investigations, including aerial surveys (including the right to fly an unmanned aircraft over the land and to enter and retrieve and recover any such unmanned aircraft from the land); b) carry out archaeological works and environmental and/or ecological mitigation; c) carry out works required or permitted by a planning permission and/or consent or licences; d) erect and remove fencing; e) store and stockpile and where necessary use, manage and process plant, machinery, apparatus, and materials (including excavated material) and/or equipment; f) access the land and adjoining land with or without vehicles, personnel and plant, machinery, apparatus, equipment and materials for such purposes; g) construct, lay down, use and remove access roads including any necessary temporary bridging, culverting or diversion of water courses and drains, modifying road verges and junctions and installing, using, altering, diverting, and removing services and utilities; h) carry out de-watering and drainage works and install, alter, reinstate or remove land drainage systems; i) discharge water into existing drains and watercourses; j) protect and prevent damage to or interference with the pipeline and the construction of the same; k) fell, trim or lop trees, shrubs, hedges and bushes and to clear and remove any and all vegetation which may damage, obstruct or interfere with the exercise of these Pipeline Construction Rights; l) prevent and remove any works on or use of the land that may interfere with or obstruct the exercise of the Pipeline Construction Rights; m) erect, create, use and remove welfare facilities including portable toilets, portable cabins and offices and electricity generators; n) install, use and remove artificial lighting; o) install, use, alter, divert and remove services and utilities; p) make good any damage caused in connection with the exercise of these Pipeline Construction Rights; and q) carry out any activities ancillary or incidental thereto.
Pipeline Rights	<p>All rights necessary for the purposes of or incidental to the construction, retention, commissioning, operation, protection, maintenance, surveying, repair, renewal, replacement, removal and decommissioning of the pipeline and associated infrastructure, including to:</p>

	<ul style="list-style-type: none"> a) enter the land and carry out surveys and investigations, including aerial surveys (including the right to fly an unmanned aircraft over the land and to enter and retrieve and recover any such unmanned aircraft from the land); b) carry out archaeological works and environmental and/or ecological mitigation; c) carry out works required or permitted by a planning permission and/or consent or licences; d) erect and remove fencing; e) store and stockpile and where necessary use, manage and process plant, machinery, apparatus, and materials (including excavated material) and/or equipment; f) access the land and adjoining land with or without vehicles, personnel and plant, machinery, apparatus, equipment and materials for such purposes; g) construct, lay down, use and remove access roads including any necessary temporary bridging, culverting or diversion of water courses and drains, modifying road verges and junctions and installing, using, altering, diverting, and removing services and utilities; h) carry out de-watering and drainage works and install, alter, reinstate or remove land drainage systems; i) discharge water into existing drains and watercourses; j) protect and prevent damage to or interference with the pipeline and the construction of the same; k) fell, trim or lop trees, shrubs, hedges and bushes and to clear and remove any and all vegetation which may damage, obstruct or interfere with the exercise of these Pipeline Rights; l) prevent and remove any works on or use of the land that may interfere with or obstruct the exercise of the Pipeline Rights; m) erect, create, use and remove welfare facilities including portable toilets, portable cabins and offices and electricity generators; n) install, use and remove artificial lighting; o) install, use, alter, divert and remove services and utilities; p) construct and install the pipeline and associated infrastructure in, on, under or over the land, including using trenchless techniques such as horizontal directional drilling; q) test and commission the pipeline and associated infrastructure installed in, on, under or over the land and to remedy initial faults and defects in it at any time prior to the date on which it is energised and ready for commercial operation; r) access the Order Land and adjoining land with or without vehicles, personnel and plant, machinery, apparatus, equipment and materials for such purposes; s) protect and prevent damage to or interference with the operation and maintenance of the pipeline and associated infrastructure; t) prevent changes to the use, or level of the surface of, the land; u) make good any damage caused in connection with the exercise of these Pipeline Rights; and v) carry out any activities ancillary or incidental thereto.
<p>Temporary Access Rights</p>	<p>All rights necessary to access the Order Land and adjoining land for the purposes of constructing, commissioning and decommissioning the pipeline and associated infrastructure and/or the establishment, use and removal of works compounds, and carrying out de-watering and drainage works and installing, altering or reinstating land drainage systems, with or without</p>

	<p>vehicles, plant, machinery, apparatus, equipment, materials and personnel, including to:</p> <ul style="list-style-type: none"> a) access the Order Land and adjoining land to use horizontal directional drilling, where appropriate, for the installation of the cables; b) carry out works to facilitate such access including to construct, lay down, use and remove access roads including any necessary temporary bridging, culverting or diversion of water courses and drains, modifying road verges and junctions and installing, using, altering, diverting, and removing services and utilities; c) fell, trim or lop trees, shrubs, hedges and bushes and to clear and remove any and all vegetation which may damage, obstruct or interfere with the exercise of these Temporary Access Rights; d) prevent and remove any works or use of the land which may interfere with or obstruct such access or the exercise of the Temporary Access Rights; e) make good any damage caused in connection with the exercise of these Temporary Access Rights; and f) carry out any activities ancillary or incidental thereto.
<p>Temporary Caravan Park Access Rights</p>	<p>All rights necessary to access the adjacent caravan park including to:</p> <ul style="list-style-type: none"> a) carry out works to facilitate such access including to construct, lay down, use and remove access roads including any necessary temporary bridging, culverting or diversion of water courses and drains, modifying road verges and junctions and installing, using, altering, diverting, and removing services and utilities; b) fell, trim or lop trees, shrubs, hedges and bushes and to clear and remove any and all vegetation which may damage, obstruct or interfere with the exercise of these Temporary Caravan Park Access Rights; c) prevent and remove any works or use of the land which may interfere with or obstruct such access or the exercise of the Temporary Caravan Park Access Rights; d) make good any damage caused in connection with the exercise of these Temporary Caravan Access Rights; and e) carry out any activities ancillary or incidental thereto.

**APPENDIX 2
PLOT DESCRIPTIONS**

Plot	Size	Plot Description	Plot Owner(s)	Right(s) to be Acquired
1	1205 square metres	Towpath north of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Access Rights
2	89 square metres	Green space situated north of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Access Rights
3	2755 square metres	Agricultural land north of the Ulverston Canal	Tritech International Limited Boughton Estates Limited	Construction Compound Rights
4	Not used			
5	Not used			
6	339 square metres	Towpath north of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Access Rights
7	181 square metres	Agricultural land north of the Ulverston Canal	Tritech International Limited Boughton Estates Limited	Pipeline Rights
8	229 square metres	Agricultural land north of the Ulverston Canal	Network Rail Limited Boughton Estates Limited	Pipeline Rights
9a	179 square metres	Agricultural land north of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Access Rights Pipeline Construction Rights
9b	91 square metres	Agricultural land north of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Pipeline Construction Rights
9c	534 square metres	Agricultural land north of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Pipeline Construction Rights

Plot	Size	Plot Description	Plot Owner(s)	Right(s) to be Acquired
10	Not used			
11	97 square metres	Agricultural land north of the Ulverston Canal	The Personal Representative of Daniel Lowther (Deceased) Boughton Estates Limited	Pipeline Construction Rights
12	376 square metres	Agricultural land north of the Ulverston Canal	The Personal Representative of Daniel Lowther (Deceased) Boughton Estates Limited	Pipeline Rights
13	57 square metres	Agricultural land North of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Pipeline Rights
14	221 square metres	Agricultural land north of the Ulverston Canal	The Personal Representative of Daniel Lowther (Deceased) Boughton Estates Limited	Pipeline Construction Rights
15	33 square metres	Agricultural land north of the Ulverston Canal	The Personal Representative of Daniel Lowther (Deceased) Boughton Estates Limited	Pipeline Construction Rights
16	2977 square metres	Agricultural land north of the Ulverston Canal	The Personal Representative of Daniel Lowther (Deceased) Boughton Estates Limited	Pipeline Construction Rights
17	1910 square metres	Agricultural land north of the Ulverston Canal	The Personal Representative of Daniel Lowther (Deceased) Boughton Estates Limited	Pipeline Rights

Plot	Size	Plot Description	Plot Owner(s)	Right(s) to be Acquired
18	265 square metres	Agricultural land north of the Ulverston Canal	The Personal Representative of Daniel Lowther (Deceased) Boughton Estates Limited	Pipeline Construction Rights
19	21 square metres	Towpath north of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Access Rights
20	101 square metres	Green space north of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Pipeline Construction Rights
21	2018 square metres	Towpath north of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Access Rights
22	41 square metres	Watercourse north of the Ulverston Canal	Unknown	Pipeline Construction Rights
23	36 square metres	Watercourse north of the Ulverston Canal	Unknown	Pipeline Rights
24	3 square metres	Watercourse north of the Ulverston Canal	Unknown	Pipeline Construction Rights
25a	5925 square metres	Agricultural land north of the Ulverston Canal	Martin Oates and Derek Pearce as the Executors of Richard Robinson (Deceased) Boughton Estates Limited	Pipeline Rights
25b	107 square metres	Agricultural land north of the Ulverston Canal	Martin Oates and Derek Pearce as the Executors of Richard Robinson (Deceased) Boughton Estates Limited	Access Rights Pipeline Construction Rights

Plot	Size	Plot Description	Plot Owner(s)	Right(s) to be Acquired
26	117 square metres	Agricultural land north of the Ulverston Canal	Martin Oates and Derek Pearce as the Executors of Richard Robinson (Deceased) Boughton Estates Limited	Pipeline Construction Rights
27	17 square metres	Towpath north of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Access Rights
28	10,312 square metres	Agricultural land north of the Ulverston Canal	Martin Oates and Derek Pearce as the Executors of Richard Robinson (Deceased) Boughton Estates Limited	Pipeline Construction Rights
29	555 square metres	Agricultural land north of the Ulverston Canal	Martin Oates and Derek Pearce as the Executors of Richard Robinson (Deceased) Boughton Estates Limited	Pipeline Construction Rights
30	122 square metres	Green space north of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Pipeline Construction Rights
31	Not used			
32	567 square metres	Green space north of the Ulverston Canal	Ulverston Canal Co Ltd Boughton Estates Limited	Pipeline Rights
33	2557 square metres	Green space south of the Ulverston Canal	Westmorland and Furness Council Boughton Estates Limited	Construction Compound Rights
34	393 square metres	Green space south of the Ulverston Canal	Westmorland and Furness Council Boughton Estates Limited	Pipeline Rights

Plot	Size	Plot Description	Plot Owner(s)	Right(s) to be Acquired
35	185 square metres	Green space south of the Ulverston Canal	Westmorland and Furness Council Boughton Estates Limited	Pipeline Construction Rights
36	4146 square metres	Green space south of the Ulverston Canal	Westmorland and Furness Council Boughton Estates Limited	Construction Compound Rights
37	1156 square metres	Access track north of N Lonsdale Road	Westmorland and Furness Council Boughton Estates Limited	Temporary Caravan Park Access Rights Access Rights
38	Not used			
39	Not used			
40	316 square metres	Open public space to the south of the Ulverston Canal	Westmorland and Furness Council Boughton Estates Limited	Construction Compound Rights Temporary Access Rights
41	172 square metres	Green space south of the Ulverston Canal	Westmorland and Furness Council Boughton Estates Limited	Temporary Caravan Park Access Rights
42	66 square metres	Green space south of the Ulverston Canal	Westmorland and Furness Council Boughton Estates Limited	Pipeline Rights
43	18 square metres	Green space south of the Ulverston Canal	Westmorland and Furness Council Boughton Estates Limited	Pipeline Rights
44	184 square metres	Green space south of the Ulverston Canal	Westmorland and Furness Council Boughton Estates Limited	Pipeline Rights Temporary Caravan Park Access Rights

**APPENDIX 3
CORE DOCUMENTS LIST**

**THE CADENT GAS LIMITED
(WHASSETT TO BARROW HIGH PRESSURE GAS PIPELINE DIVERSION)
COMPULSORY PURCHASE ORDER 2023**

CORE DOCUMENTS LIST

RULE 15 OF THE COMPULSORY PURCHASE (INQUIRIES PROCEDURE) RULES 2007

CADENT GAS LIMITED

**THE GAS ACT 1986
AND
THE ACQUISITION OF LAND ACT 1981**

CMS Cameron McKenna LLP
Cannon Place
78 Cannon Street
London
EC4N 6AF
T +44 20 7367 3000
F +44 20 7367 2000
cms.law

Core Documents

A. Legislation (*note – excerpts to be provided for most rather than full legislation*)

1. European Convention on Human Rights 1953 [Articles 6, 8 and Article 1 of the First Protocol]
2. Land Compensation Act 1961 [section 6A]
3. Acquisition of Land Act 1981 [sections 8, 12, 13, 16, 17, 18, 19 and Schedules 2 and 3]
4. Gas Act 1986 [sections 7, 9 and 66 and Schedules 2B and 3]
5. The Pipelines Safety Regulations 1996
6. Human Rights Act 1998
7. The Public Gas Transporter Pipe-line Works (Environmental Impact Assessment) Regulations 1999 [Regulations 3 and 6 and Schedule 3]
8. Utilities Act 2000 [section 3]
9. The Compulsory Purchase (Inquiries Procedure) Rules 2007
10. Equality Act 2010
11. The Town and Country Planning (General Permitted Development) (England) Order 2015
12. The Conservation of Habitats and Species Regulations 2017

B. Guidance and Policy (International, National and Policy)

1. Overarching National Policy Statement for Energy 2011 (EN-1) (July 2011)
2. National Policy Statement for Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4) (July 2011)
3. The Department for Levelling Up, Housing & Communities Guidance on Compulsory Purchase process and The Crichel Down Rules (July 2019)
4. HM Government: British Energy Security Strategy (April 2022)
5. HM Government: Powering Up Britain Energy Security Plan (March 2023)
6. Overarching National Policy Statement for Energy (EN-1) (November 2023)
7. National Policy Statement for Natural Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4) (November 2023)

C. Planning permission and related planning application documents

1. Letter from South Lakeland District Council to Department for Business, Energy & Industrial Strategy dated 16 March 2021
2. Screening Opinion issued by Department for Business, Energy & Industrial Strategy dated 5 May 2021

D. Compulsory Purchase Order and related documents

1. CPO (25 July 2023)
2. CPO Maps (25 July 2023)
3. CPO Notice (27 July 2023)

4. Statement of Reasons (25 July 2023)
5. Public Open Space Statement (25 July 2023)
6. Ofgem consultation response (13 August 2023)
7. Public Notice of Intention in relation to open space
8. Statement of Case
9. Obj1 dated 29 August 2023
10. Withdrawal of Obj1 dated 6 October 2023
11. Obj2 dated 7 August 2023
12. Obj3 dated 7 August 2023
13. Letter from CMS to Mr Whittaker in respect of Obj2 dated 6 September 2023
14. Letter from CMS to Mr Whittaker in respect of Obj3 dated 6 September 2023
15. Notice of Intention published in Westmorland Gazette (16 November 2023)
16. Letter from Cadent Gas Limited to Mr Whittaker in respect of Obj2 dated 17 November 2023
17. Letter from Cadent Gas Limited to Mr Whittaker in respect of Obj3 dated 17 November 2023
18. Letter from Cadent Gas Limited to Mr Whittaker in respect of Obj2 dated 13 December 2023
19. Letter from Cadent Gas Limited to Mr Whittaker in respect of Obj3 dated 13 December 2023
20. Public Open Space Certificate dated 15 December 2023

E. Additional plans

1. Pre/Post Drainage (Drawing No. UPD 001 01, Rev. B)
2. Typical Right of Way (Row) Cross-Section (A-A)
3. Typical Right of Way Detail (Drawing No. 1359-ULVE-ME-X-007), Rev.5) dated 15 October 2020
4. Plan & Profile Sheet 1 of 3 (Drawing No. 1359-ULVE-ME-R-001, Rev. 8) dated 3 November 2020
5. Plan & Profile Sheet 2 of 3 (Drawing No. 1359-ULVE-ME-R-002, Rev. 8) dated 3 November 2020
6. Plan & Profile Sheet 3 of 3 (Drawing No. 1359-ULVE-ME-R-003, Rev. 8) dated 3 November 2020
7. Temporary Flumed Crossing Details DX3 (Drawing No. 1359-ULVE-CI-C-002, Rev. 6) dated 18 January 2021

F. Miscellaneous

1. Institution of Gas Engineers and Managers Steel and PE Pipelines for Gas Distribution IGEN/TD/3 Edition 5 dated July 2015
2. Ulverston Canal Optioneering Report (Report No. 119H8FGN-8, Rev. A) dated 20 December 2018 and prepared by DNV GL

3. Ulverston Canal Soil / Pipeline Interaction Analysis (Report No. 119H8FGN-7, Rev. 0) dated 22 January 2019 and prepared by DNV GL
4. Cadent Gas Limited Procedure GD/SP/CE/2 dated July 2019
5. Cadent Gas Limited Procedure GD/SP/P/10 dated July 2020
6. Cadent Gas Limited Specification for General Pipelining Designed to Operate at Pressures Greater than 7 Barg GD/SP/P/10 dated July 2020
7. Cadent Gas Limited Procedure GD/SP/P/2 August 2020
8. Cadent Gas Limited Procedure GD/PM/P/18 October 2020
9. Cadent Gas Limited Procedure CAD/PM/MAINT/5 dated February 2021
10. Ecology Update Note - Ulverston Hedgerow Removal dated May 2021 and prepared by Alder Ecology UK Limited
11. Ulverston Gas Pipeline Scheme Historic Hedgerows Assessment (Document No. PO1) dated May 2021 prepared by Jacobs U.K. Limited
12. Letter to Cadent Gas Limited dated 10 May 2021 from the Environment Agency granting permit reference EPR/SB3150LZ
13. Environment Agency Permit with introductory note (Permit number EPR/SB3150LZ) dated 10 May 2021
14. Heads of Terms for an Agreement for Deed of Easement dated 16 July 2021
15. DNV GL (Report number 10325560/01, Rev.0) dated 18 August 2022
16. Strain Gauge Monitoring Summary Q1 2023 (Report No.: 10428658/01, Rev. A) dated 2 June 2023 and prepared by DNV GL
17. Copy of the email issued to South Lakeland Council from Derfel Owen dated 13 November 2023
18. Institution of Gas Engineers and Managers Steel Pipelines for High Pressure Gas Transmission IGEM/TD/1 Edition 6

G. Expert evidence

1. [*Individual proofs and supporting documentation to be added in due course*]