

Inspector's Report ABP-316518-23

Development

600MW power plant, 120MW battery

energy storage system, above ground

installation and associated

development.

Location

Kilcolban Lower and Ralappane,

Tarbet, Co. Kerry.

Prospective Applicant

Shannon LNG Ltd.

Type of Application

SID Pre-application. Whether the

project is or is not strategic

infrastructure.

Planning Authority

Kerry County Council.

Date of Site Inspection

23rd August 2023.

Inspector

Deirdre MacGabhann.

Contents

1.0 S	ite Location and Description	3
2.0 D	escription of Proposal	3
3.0 P	lanning History	5
4.0 T	he prospective Applicant's Case	6
5.0 P	re-Application Consultation Meetings Held	8
6.0 L	egislation	9
7.0 P	recedent Decisions	.10
8.0 A	ssessment	.10
8.1	\$37A	.10
8.2	37A(2)(a)	.10
8.3	37A(2)(b)	.12
8.4	37A(2)(c)	.13
8.5.	Conclusion	.14
9.0 Environmental Impact Assessment14		
10.0	Appropriate Assessment	.14
11.0	Conclusion	.15
12.0	Recommendation	.15
13.0	Reasons and Considerations	15

1.0 Site Location and Description

- 1.1. The 110ha subject site is situated to the south of Shannon Estuary in County Kerry. It lies north of the coast road (L1010) between Tarbert and Ballylongford and comprises agricultural land in a 'L-shape' extending from the public road to the high water mark. The topography of the site rises away from the public road and then falls towards the estuary, with agricultural fields separated by hedgerows.
- 1.2. The site forms part of a larger landholding of 243ha which also comprises agricultural land. To the east of the site is a coniferous plantation and to the south, between it and the public road, is a farm complex. In the wider area is Money Point power station, c.3km to the north of the site, on the northern bank of the Shannon Estuary; Tarbert power station, c.5km to the east and the Rusal Aughinish Alumina refinery c.26k to the east at Foynes, where Shannon Foynes Port is also located. The Kilpaddoge 220kV substation and Kelwin-2 26MW battery energy storage system are located c.3km to the east of the site. The 18MW Leanamore Wind Farm is located c.2km to the south east.
- 1.3. The River Shannon adjoining the site is designated as River Shannon and River Fergus Estuaries SPA (site code 004077) and the Lower River Shannon SAC (site code 002165).

2.0 Description of Proposal

- 2.1. The proposed development comprises a power plant and battery storage facility, which includes:
 - Three blocks of Combined Cycle Gas Turbines (CCGT), each with a capacity
 of 200MW. The arrangement of each block will provide a fast acting response
 to support a high level of intermittent renewable power generation.
 - Each block will comprise two gas turbines with generators and two heat recovery steam generators with associated equipment.
 - 120 MW 1 hour, Battery Energy Storage System (BESS), to comprise 27 no.
 battery containers (c.4.5MWh each), containing lithium ion batteries and associated equipment.
 - High voltage 220kV substation.

- Auxiliary boiler.
- Raw water treatment facility.
- Firewater storage tanks and fire water pumps.
- Fuel storage.
- Ancillary buildings.
- 2.2. The Above Ground Installation (AGI) will facilitate the import of natural gas from the national transmission network via the already consented 26km Shannon Pipeline (PL08.GA0003 and PL08.DA0003). An indicative layout of the proposed power plant is shown in Figure 1-3 of the pre-application documents.
- 2.3. The development differs from that refused by the Board under ABP-311233-21 (see below) with the omission of three components (a) FSRU, vaporisation, tugs and jetty infrastructure, (b) LNG onshore facilities, and (c) AGI odorization facility. In addition, the proposed development includes a secondary fuel tank (11,000m³) and associated loading infrastructure (CRU mandated).
- 2.4. An Environmental Impact Assessment Report and Natura Impact Statement will be prepared in respect of the proposed development. Other licences will be required (slide 17/18 of applicant's presentation). These include an Industrial Emissions Licence. The subject development will also comprise an establishment for the purposes of the Chemicals Act (Control of Major Accident Hazards Involving Dangerous Substances) Regulations 2015, with the COMAH Regulations implementing the latest version of Seveso III Directive.
- 2.5. The prospective applicant has been awarded an electrical generation capacity contract from EirGrid to deliver a 400MW¹ power plant. Under the terms of the contract, all permits and consents must be approved by November 2024 and the plant must be operational by 2026. If approved by the Board, the applicant intends to submit an application by the end of Q4 for the development with a view to commencing operations by Q3, 2026.

¹ The applicant is seeking a power plant with a greater capacity that the awarded contract.

3.0 Planning History

- 3.1. Section 3.1 of the applicant's request for pre-application consultation meeting includes details of the planning history of the site. Of note, these include:
 - PL08.PA0002 Permission granted in 2008 by the Board for proposed LNG regasification terminal at Ralappane and Kilcolban Lower, Co. Kerry.
 Subsequent minor amendment granted in 2013.
 - PL08.GA0003 Approval granted by the Board in 2009 under section 182D of the Planning and Development Act, 2000 (as amended) for the construction of a 26km below ground natural gas pipeline with associated above ground infrastructure (AGIs) to connect the Shannon LNG Regasification Terminal at Ralappane, County Kerry to the existing natural gas network at Leahys, County Limerick.
 - PL08.DA0003 Order granted by the Board in 2009 for acquisition of relevant lands for the construction, operation and maintenance of gas pipeline, 'Gas Act, 1976, as amended, Shannon Pipeline Acquisition Order, 2009', to connect the Shannon LNG Regasification Terminal at Ralappane, County Kerry to the existing natural gas network at Leahys, County Limerick.
 - PL08.PA0028 Permission granted by the Board in 2013 for a combined cycle heat and power plant (500MW capacity, water cooled combined cycle gas turbine) on the site of the approved Shannon LNG Terminal on lands at Ralappane and Kilcolban Lower, County Kerry.
 - PC08.304007 Pre-application consultation in respect of proposed Shannon LNG regasification terminal, together with already permitted CHP Plant (PA00028). The Board decided, in 2021, that the subject development comprised strategic infrastructure development under the Planning and Development Act 2000, as amended.
 - ABP-311233-21 Application for 10 year permission, refused by the Board on the 13th September 2023, for Shannon Technology and Energy Park consisting of power plant, battery energy storage system and regasification unit, jetty, offshore receiving facilities, above ground installation and all ancillary structures/works. The development was refused on the grounds that

it would not be appropriate to permit or proceed with the development of any LNG terminals in Ireland pending the completion of the review of the security of energy supply of Ireland's electricity and natural gas systems.

4.0 The prospective Applicant's Case

- 4.1. In their correspondence to the Board dated 24th April 2023, the applicant sets out the following case:
 - <u>Location.</u> The site forms part of the Tarbert-Ballylongford Landbank (Figure 1-2), which is identified as a Strategic Development Location in the Shannon Integrated Framework Plan for the Shannon Region (SIFP) for its potential as an Energy Hub and for industrial development at a regional and national level.
 - Need for the development. There is a significant and urgent need for the development having regard to government policy in respect of security of electricity supply, the need for temporary emergency generation in particular, and the applicant's award of a capacity contract on the 28th March 2023 from EirGrid to deliver 400MW of electricity generation capacity at the proposed development site by no later than 1st October 2026. The need for such facilities is recognised by the Boad in recently fast tracked determinations for SEE Tarbet Power Station (EE08.315838) and ESB North Wall power plants (SA29N.313918).
 - Planning history. Under PC09.304007, the Board determined that the 600MW power plant proposed at the subject site was a SID in its own right, under section 37A(2)(a), (b) and (c) of the Planning and Development Act, 2000 (as amended).
 - Planning and Development Act, 2000. Section 37 and Seventh Schedule. The Seventh Schedule of the Act sets out classes of infrastructure development for the purposes of section 37A and 37B of the Act. These include in Class 1 'A thermal power station or other combustion installation with a total energy output of 300 megawatts or more'. The development is therefore a Seventh Schedule development.

- Planning and Development Act, 2000. Section 37A(2). The development satisfied the criteria (a), (b) and (c) set out in section 37A(2) of the Act as follows:
 - (a) The development would be of strategic economic or social importance to the State or the region in which it is situate.
 - (b) the development would contribute substantially to the fulfilment of the objectives in the National Spatial Strategy or in any regional spatial and economic strategy in force in respect of the area(s) in which it would be situate.
 - The requirement for continued generation of a proportion of the State's energy from gas is set out in the National Development Plan 2018-2027 (NSO 8) and in the Climate Action Plan 2023 (at least 2 GW of new flexible gas fired generation).
 - o The Policy Statement on Security of Electricity Supply 2021 states that ensuring continued security of electricity supply is considered a priority at national level and within the overarching EU policy framework in which the electricity market operates. By 2030 the majority of energy sources will be renewable. The varied nature of these sources will require a combination of conventional generation (typically powered by gas), interconnection to other jurisdictions, demand flexibility and other technologies e.g. energy storage, generation from renewable gases. Conventional generation will spend much of its time in reserve for when it is needed. It is anticipated that natural gas will form the vast majority part of conventional generation. In this context the Government supports the development of new conventional generation (including gas-fired and gasoil/distillate-fired generation), electricity storage and additional natural gas transmission and distribution.
 - EirGrid and SONI (the TSOs for Ireland and NI) have stated their view that CCGTs in multi-shaft configuration are what is required to fulfil the power system needs.

- The National Energy Security Framework 2022 notes that the level of dispatchable electricity generation capacity (i.e. capacity that does not rely on wind or solar) needs to increase significantly over the coming years.
- EirGrid's All-Ireland Generation Statement 2022-2031 states that further new electricity generation will be required to secure the transitional to high levels of renewable energy.
- The Shannon Integrated Framework Plan designates the proposed development site as a strategic development location (site 'H' in the SIFP).
- The development is supported by Regional Policy Objectives 79, 142 and 225(e) of the Regional Spatial and Economic Strategy for the Southern Region 2020. These policies support and promote the delivery of Strategic Development Locations as set out in the Strategic Integrated Framework Plan (SIFP) for the Shannon Estuary. Policy RPO 225(e) support strategic energy projects in the Region such as the Tarbert/Ballylongford landbank, a Strategic Development Location under the SIFP.
- (c) the development would have a significant effect on more than one planning authority.
 - The proposed development may give rise to a visual effect from Clare County Council.
- Conclusion. Given the need for the development, its nature and scale, the
 development would be strategic infrastructure within the meaning of the
 Planning and Development Act 2000 (as amended). Under ABP-304007 the
 subject development was considered in its own right to be strategic
 infrastructure and a designation of SID should apply to the current proposal as
 a standalone development.

5.0 Pre-Application Consultation Meetings Held

5.1. One pre-application consultation meeting was held with the prospective applicant on the 28th September 2023. As set out in the record of the meeting, the prospective applicant's presentation:

- Set out the urgent need for the development (Shannon LNG awarded electricity generation capacity contract from EirGrid to deliver a 400MW power plant, to be operational by 1st October 2026),
- Drew attention to the strategic location of the site on land zoned for marine and industrial development in local and regional development plans and proximate to high capacity gas and electricity networks,
- Explained the differences between the subject development and that refused by the Board under ABP-311233-21, and
- Set out their case in respect of the SID status of the subject development (summarised above).

6.0 Legislation

- 6.1. Section 37A of the Planning and Development Act 2000, as amended, requires that any development specified in the Seventh Schedule shall be made to the Board if the following are satisfied:
 - '(a) the development would be of strategic economic or social importance to the State or the region in which it would be situate,
 - (b) the development would contribute substantially to the fulfilment of any of the objectives in the National Planning Framework or in any regional spatial and economic strategy in force in respect of the area or areas in which it would be situate,
 - (c) the development would have a significant effect on the area of more than one planning authority'.
- 6.2. The Seventh Schedule of the Act includes, under Energy Infrastructure:
 - 'Development comprising or for the purposes of the following:
 - A thermal power station or other combustion installation with a total energy output of 300 megawatts or more'.

7.0 Precedent Decisions

7.1. As referred to by the prospective applicant and in the planning history above, under ABP-304007-19, the Inspector's report considered whether or not a LNG terminal and CCGT power plant at the subject site constituted strategic infrastructure. The report considered the 600MW power plant in its own right and concluded that it comprises a Seventh Schedule development and that the development (as a whole) would come within the scope of section 37(2)(a) to (c). The Board subsequently decided that the development comprised a Seventh Schedule development within the scope of Section 37(2)(a), (b) and (c) of the Planning and Development Act 2000, as amended.

8.0 Assessment

8.1. **S37A.**

Seventh Schedule

8.1.1. The Seventh Schedule of the Planning and Development Act 2000, as amended, sets out infrastructure development for the purposes of section 37A and 37B. In class 1, Energy infrastructure, this includes 'A thermal power station or other combustion installation with a total energy output of 300 megawatts or more'. The proposed development is a thermal power plant (heat is converted to electricity) with an output of 600MW, in excess of the 300MW threshold, and therefore is a Seventh Schedule development.

8.2. 37A(2)(a).

The development would be of strategic economic or social importance to the State or the region in which it would be situate.

8.2.1. Policies of the National Planning Framework 2018 aim to reduce the State's carbon footprint and promote the use and generation of renewables at appropriate locations, to meet national objectives towards achieving a low carbon economy (National Policy Objectives 54 and 55).

- 8.2.2. The National Development Plan 2018 provides strategic investment priorities to transition to a low carbon and climate resilient society (National Strategic Outcome 8). However, given the intermittent nature of a significant proportion of renewable power (including wind energy), the Plan recognises that 'a proportion of Ireland's electricity needs will likely continue to be generated from gas over the medium to longer term. It will therefore remain necessary for a certain level of gas fired generation to continue to be available to ensure continuity of supply and the integrity of the electricity grid during the transition towards a low-carbon energy system'.
- 8.2.3. Chapter 12 of the government's Climate Action Plan 2023 deals with electricity. It sets out the immense challenge to meet requirements under sectoral emission ceilings and targets for greater use of renewables. Alongside this, the Plan acknowledges the need for greater flexibility in the energy supply system to accommodate the fluctuating nature of renewables. Measures to provide flexibility include 'At least 2 GW of new flexible gas fired generation'.
- 8.2.4. The Department of Environment, Climate and Communication's Policy Statement on Security of Electricity Supply, 2021, in the context of transitioning to a greater proportion of electricity consumption coming from renewables, recognises the variable nature of renewable sources. It states that there will, therefore, be a requirement for 'other technologies to both support their operation and provide electricity supplies when they are not generating. This will require a combination of conventional generation (typically powered by natural gas), interconnection to other jurisdictions, demand flexibility and other technologies such as energy storage (e.g. batteries) and generation from renewable gases (e.g. biomethane and/or hydrogen produced from renewable sources)' (my emphasis).
- 8.2.5. The challenges posed by the greater use of renewables in the country and the need for additional dispatchable plant for generation is reflected in the EirGrid's All Ireland Generation Statement 2021-2031 which states 'New cleaner gas fired capacity will be part of the solution to manage future power system adequacy and security especially at times when the wind and solar output levels are low and for what may be extended periods of time'.
- 8.2.6. The proposed development comprises a power plant and energy storage facility.

 The power plant will comprise three combined cycle gas turbines, with a combined

capacity of up to 600MW. Battery storage will have a capacity of 120 MW 1-hour. The requirement for additional new cleaner, gas fired generation is clearly set out in national policy documents to support increased use of renewables and provide the necessary flexibility in the system to enable greater use of the variable supply. Having regard to the foregoing, I am satisfied therefore, that the proposed development would be of strategic economic or social importance to the State and the region in which it would be situated, by virtue of the contribution the development would make to the stability of the electricity supply.

8.3. **37A(2)(b).**

The development would contribute substantially to the fulfilment of any of the objectives in the National Planning Framework or in any regional spatial and economic strategy in force in respect of the area or areas in which it would be situate.

- 8.3.1. As stated above, the proposed development would substantially contribute to the fulfilment of objectives of the National Planning Framework, by facilitating greater use of renewable energy and achieving a low carbon economy (NPO 54 and 55).
- 8.3.2. In Chapter 4, the Regional Spatial Strategy for the Southern Region sets out strategic policies for 'A Strong Economy'. It refers to Marine and Coastal Assets in section 4.9 and to the Strategic Integrated Framework Plan (SIFP) for the Shannon Estuary as a good practice example of a land and marine based framework plan to guide future development and management of the Shannon Estuary. The RSES states that SIFP identifies prime sites for employment generating development (Strategic Development Locations) and 'The zoned lands at Tarbert/Ballylongford in North Kerry with extant planning for strategic energy and marine related industry including the Shannon Gas LNG project are a further example of the regional and national potential of the location'. RPO 79 supports and promotes the delivery of Strategic Development Locations as set out in the SIFP for the Shannon Estuary, subject to the implementation of mitigation measures outlined in the SEA and AA.
- 8.3.3. Policies in respect of the Environment are set out in Chapter 5. These include policies which support the transition to a low carbon economy and increase the use of renewable energy (RPO 87), regional decarbonisation (RPO 90) and the

upgrading of electricity and gas network infrastructure to integrate renewable energy sources (RPO 96). Similarly in Chapter 8, Water and Energy Utilities, policies support the development of new energy infrastructure to ensure future energy needs are met (RPO 219, RPO 222). RPO 225 refers to the Gas Network and RPO 225e supports 'progress in developing the infrastructures to enable strategic energy projects in the Region. An example is the Tarbert/Ballylongford landbank in Co Kerry which is a strategic development site under the Strategic Integrated Framework Plan for the Shannon Estuary'.

- 8.3.4. The Shannon Integrated Framework Plan is also outlined as a case study/example in the National Planning Framework, Chapter 7 'Realising our Island and Maritime Potential.
- 8.3.5. Having regard to the forgoing, I am satisfied that the proposed development, which would facilitate the integration of renewables into the electricity supply network and provide new energy infrastructure at a location which is identified in the RSES as a strategic development site and strategic energy hub, would contribute substantially to the fulfilment objectives in the National Planning Framework and regional spatial and economic strategy for the southeast.

8.4. 37A(2)(c).

Significant effects on the area of more than one planning authority.

- 8.4.1. The subject site lies on the southern shore of the Shannon Estuary. The proposed development is a large industrial structure and is likely to be visible from the north shore within County Clare.
- 8.4.2. In addition, the proposed development would be consistent with policies of the Strategic Integrated Framework Plan (SIFP) for the Shannon Estuary, which identify the site as a Strategic Development Location in the region. The SIFP has been incorporated in the adopted Clare County Development Plan 2023 2029 and is referenced and supported in the Kerry County Development Plan 2022 2028 (Policy KCDP 9-23 to 9-25). The proposed development has potential, therefore, to have significant economic effects on the area of more than one planning authority. It would also supply energy to more than one planning authority area.

8.5. Conclusion

8.5.1. Having regard to the foregoing, I am satisfied that the proposed development would, if carried out, fall within one or more of the paragraphs listed in section 37A(2) of the Planning and Development Act 2000 (as amended).

9.0 Environmental Impact Assessment

- 9.1. Section 37E(1) of the Planning and Development Act, 2000 as amended states that where an application for permission for development in respect of which a notice has been served under section 37B(4)(a), it shall be accompanied by an environmental impact assessment report.
- 9.2. Part 1 of Schedule 5 of the Planning and Development Regulations, 2001, as amended, includes in Class 2(a) 'A thermal power station or other combustion installation with a heat output of 300 megawatts' as a class of development that requires EIA.
- 9.3. If the Board conclude that the subject development is strategic infrastructure, an Environmental Impact Assessment Report is required to accompany any application. The prospective applicant has indicated in discussions that an EIAR will be completed.

10.0 Appropriate Assessment

10.1. The site of the proposed development adjoins the River Shannon where it is designated as a SAC and SPA, the River Shannon and River Fergus Estuaries SPA (site code 002165) and the Lower River Shannon SAC (site code 002165). Given the proximity of the site to these European sites, if the Board conclude that the subject development is strategic infrastructure, an assessment of likely effects on European sites is likely to be required. The prospective applicant has indicated in discussions that appropriate assessment surveys and assessments will be completed and an NIS prepared.

11.0 Conclusion

11.1. Based on the above assessment, it can be concluded that the proposed development would fall within a class of development set out in the Seventh Schedule of the Planning and Development Act, 2000, as amended, and would exceed the threshold stated and would therefore satisfy the requirements of section 37A(1) of the Act. It can also be determined that the development is of strategic importance by reference to the requirements of sections 37A(2)(a)(b) and (c) of the Act. Accordingly, the proposed development constitutes strategic infrastructure.

12.0 Recommendation

12.1. I recommend that the Board serve a notice on the prospective applicant, pursuant to section 37B(4) of the Planning and Development Act 2000, as amended, stating that it is of the opinion that the proposed development constitutes a strategic infrastructure development within the meaning of section 37A of the Act for the reasons and considerations set out below.

13.0 Reasons and Considerations

13.1. Having regard to the provisions of the Planning and Development Act, 2000, as amended and the nature of the proposed development as set out in the documentation and particulars submitted, which comprise a 600MW power plant and 120MW battery storage facility, it is considered that the proposed development constitutes development that falls within the definition of energy infrastructure in the Seventh Schedule of the Planning and Development Act 2000, as amended, thereby satisfying the requirements set out in section 37A(1) of the Act. The proposed development is also considered to be of strategic importance by reference to the requirements of sections 37A(2)(a), (b) and (c) of the Planning and Development Act 2000, as amended. An application for permission for the proposed development must therefore be made directly to An Bord Pleanála under section 37E of the Planning and Development Act 2000, as amended.

Deirdre MacGabhann

Planning Inspector

11th October 2023

Appendix - Prescribed bodies

- Department of Planning and Local Government and Heritage.
- Minister of Environment and Climate & Communications.
- Kerry County Council.
- Clare County Council.
- Transport Infrastructure Ireland/ National Transport.
- An Chomhairle Ealaion (Arts Council).
- The Heritage Council.
- Failte Ireland
- An Taisce.
- Southern Regional Assembly.
- Irish Water.
- Inland Fisheries.
- Waterways Ireland.
- Department of Agriculture, Food & Marine.
- EPA.
- Department of Tourism, Culture, Arts, Gaeltacht, Sports and Media.
- HSE.
- Health and Safety Authority.
- The Commission for Energy Regulation.
- Office of Public Works.
- ESB.
- EirGrid.

Site Location Map.

File No. ABP-316518-23

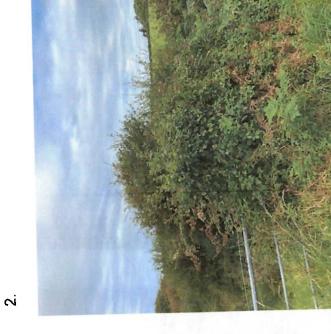


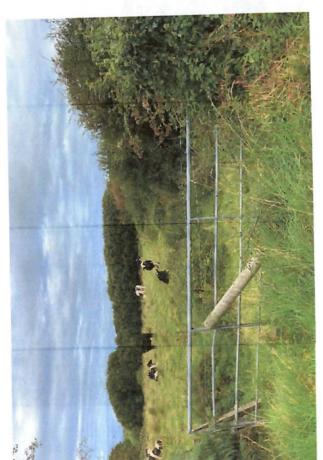
Pleanala

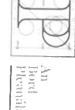




















6

