

## Net Zero Teesside Project

Planning Inspectorate Reference: EN010103

Land at and in the vicinity of the former Redcar Steel Works site, Redcar and in Stockton-on-Tees, Teesside

### The Net Zero Teesside Order

Document Reference: 8.28 – Statement of Common Ground with Anglo American plc (Woodsmith Project)



Applicants: Net Zero Teesside Power Limited (NZN Power Ltd) & Net Zero North Sea Storage Limited (NZNS Storage Ltd)

Date: May 2022

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## GLOSSARY

<b>Abbreviation</b>	<b>Description</b>
Anglo American	Anglo American Crop Nutrients Limited (formerly Anglo American Woodsmith Limited formerly Sirius Minerals Plc and Anglo American Woodsmith (Teesside) Limited (formerly York Potash Processing & Ports Limited)
Anglo American DCO	The York Potash Harbour Facilities Order 2016 SI No. 772
Applicants	Together NZT Power and NZNS Storage
Application (or DCO Application)	The application for a DCO made to the SoS under Section 37 of PA 2008 in respect of the Proposed Development, required pursuant to Section 31 of the PA 2008 because the Proposed Development is a NSIP under Section 14(1)(a) and Section 15 of PA 2008 by virtue of being an onshore generating station in England or Wales of electrical capacity of more than 50 megawatts, and which does not generate electricity from wind, and by the Section 35 Direction
CCP	Carbon capture plant
DCO	A Development Consent Order made by the relevant Secretary of State pursuant to the PA 2008 to authorise a NSIP. A DCO can incorporate or remove the need for a range of consents which would otherwise be required for a development. A DCO can also include powers of compulsory acquisition
ExA	Examining Authority
Land Plans	The plans showing the land that is required for the Proposed Development, and the land over which interests or rights in land are sought as part of the Order

NWL Bran Sands	Northumbrian Water Limited Bran Sands Wastewater Treatment Plant
NZT Power	Net Zero Teesside Power Limited
NZNS Storage	Net Zero North Sea Storage Limited
NZT	Net Zero Teesside - the name of the Proposed Development.
OLC	Overland conveyor – for the transport of polyhalite
Order	The Net Zero Teesside Order, being the DCO that would be made by the Secretary of State authorising the Proposed Development, a draft of which has been submitted as part of the Application
Order Land	The land which is required for, or is required to facilitate, or is incidental to, or is affected by, the Proposed Development and over which powers of compulsory acquisition are sought in the Order
Order Limits	The limits of the land to which the Application relates and shown on the Land Plans and Works Plans within which the Proposed Development must be carried out and which is required for its construction and operation
PCC Site	Power, Capture and Compression Site - the part of the Site that will accommodate the Electricity Generating Station, along with the CCP and high-pressure compressor station
PPs	Protective Provisions
Proposed Development (or Project)	The development to which the Application relates and which requires a DCO, and as set out in Schedule 1 to the Order
Sembcorp	Sembcorp Utilities (UK) Limited
Site (or Proposed Development Site)	The land corresponding to the Order Limits which is required for the construction and operation of the Proposed Development
SoCG	Statement of Common Ground
RBT	Redcar Bulk Terminal
STDC	South Tees Development Corporation
Work No.	Work number, a component of the Proposed Development, described at Schedule 1 to the Order
Works Plans	Plans showing the numbered works referred to at Schedule 1 to the Order and which together make up the Proposed Development

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## 1.0 INTRODUCTION

### 1.1 Overview

1.1.1 This Statement of Common Ground (Document Ref. 8.29) has been prepared by Net Zero Teesside Power Limited and Net Zero North Sea Storage Limited (the 'Applicants') in conjunction with Anglo American plc (Woodsmith Limited) and York Potash Processing & Ports Limited (for ease to be referred to as 'Anglo American') in respect of the Net Zero Teesside Project (the 'Proposed Development').

1.1.2 The SoCG sets out the matters agreed between the Applicants and Anglo American and also explains those matters which, at the time of writing, remain to be agreed between the parties.

1.1.3 The agreements to date have been reached through consultation and continuing discussions between the parties.

### 1.2 Anglo American Interests

1.2.1 Anglo American land interests relate to:

- Freehold ownership of Bran Sands, comprising river frontage lagoon, pipeline corridor and corridors to the north and east of NWL. The pipeline corridor to the south of Bran Sands is leased from Anglo American by Sembcorp (Land Plan Plots [252a, 253, 256, 257, 263, 277, 278, 281, 284, 285, 286, 294, 301, 302, 303, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 324, 325, 328, 329, 330, 332, 333, 343, 345, 347, 541])
- Crown Estate option land (Land Plan Plots [ 219, 220 and 221])
- Lease and easements over land owned by RBT (Land Plan Plots [222, 223])
- Leasehold interest over land owned by NWL (Land Plan Plots [303, 313, 314, 315, 317, 318, 320, 321, and 322])
- Agreement for OLC easement and option for storage land over land owned by STDC (Land Plan Plots [384, 395, 397, 418, 419, 428, 435, 436, 439, 441, 443])
- Option for OLC easement over land owned by Sembcorp (Land Plan Plots [370, 373, 374 and 376])
- Option for OLC easement over land owned by Network Rail (Land Plan Plots [ 437])
- Option for OLC easement over land owned by Redcar and Cleveland Borough Council (Land Plan Plots [ No direct plot overlap])
- Tod Point connection agreement with National Grid (540a-d)

1.2.2 Anglo American has the benefit of the Anglo American DCO which authorises the construction and operation of harbour facilities on the Bran Sands frontage and an overland conveyor linking those facilities to the Material Handling Facility currently under construction at Wilton International. Anglo American has also obtained

planning permission for other development connected with the harbour facility. Some of the above development is to be constructed within the Applicant's Order Limits.

- 1.2.3 The land which is subject to land interests held by Anglo American, and which is the subject of the Anglo American DCO and has the benefit of other planning permissions, is collectively shown coloured blue on the plan in Appendix A1. That plan also shows the degree of overlap between that area and the Applicant's Order Limits.
- 1.2.4 The Applicants are seeking rights over parts of the above areas of Anglo American land interests to deliver the following elements of the Proposed Development. Those elements also affect, or have the potential to affect, the delivery and/or operation of the Anglo American DCO:
- the natural gas connection from the existing Sembcorp pipeline along the corridor to the east of NWL Bran Sands (Works No. 2A & 2B)
  - CO<sub>2</sub> gathering network on the south bank of the River Tees along the Sembcorp pipeline corridor and the Anglo American corridor to the east of NWL Bran Sands including the option of HDD drilling installation; (Works No 6)
  - the optional Effluent treatment pipeline between the PCC site and NWL Bran Sands along the Anglo American corridor to the east of NWL (Works No 5C)
  - the 275 kV electrical power export cable located on the STDC Teesworks site (Works No 3A)
  - the use of the RBT quayside for delivery of AILs and access arrangements for construction, operation and maintenance along the corridors generally (Works No. 10)
- 1.2.5 Anglo American's position is to ensure that the construction and operation of its project is not compromised, including:
- the use of the RBT for the export of bulk product both prior to and after the construction of the new quay by Anglo American;
  - the ability to construct and operate the overland conveyor connecting the material handling facility with RBT and the Anglo American new harbour development;
  - construction and operation of Anglo American's quay and ship loaders at Bran Sands
  - Access during construction and operation;
  - compliance with the environmental permit for the landfill site at Bran Sands (ex ICI industrial tip - permit number EPR/FB3601GS (formerly Waste Management Licence EAWML60092)). Monitoring boreholes are located within the areas of Works No 2A, 5C, 6 and 10;
  - Dredging operations within the Crown Estate dredge pocket easement area if Option 2 of Works No. 6 pursued.

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### **1.3 The Purpose and Structure of this Document**

- 1.3.1 The purpose of this document is to summarise the agreements reached between the parties on matters relevant to the Examination of the Application and to assist the ExA. It also explains the matters which remain to be agreed at the time of writing, but which both parties are working positively toward agreeing. As such, it is expected that further iterations of the SoCG will be submitted to the ExA throughout the Examination and prior to the making of any DCO for the Proposed Development.
- 1.3.2 The SoCG has been prepared with regard to the guidance in 'Planning Act 2008: examination of application for development consent' (Department for Communities and Local Government, March 2015).
- 1.3.3 The SoCG is structured as follows:
- Section 2 – sets out consultation and related discussions held between the Applicants and Anglo American
  - Section 3 – sets out the matters discussed and agreed to date.
  - Section 4 – sets out matters to be agreed and the proposed way forward.

## 2.0 SUMMARY OF CONSULTATION AND DISCUSSIONS

### 2.1 Overview

2.1.1 This section provides a summary of how the Applicants have consulted Anglo American on the Proposed Development and also sets out the discussions that have taken place between the parties.

### 2.2 Consultation

2.2.1 **Table 2.1** (below) provides a summary of how the Applicants have consulted Anglo American and how Anglo American have responded to that consultation.

**Table 2.1: Summary of Consultation**

Consultation Stage/Date	Anglo American Response
Stage 1 Consultation (non-statutory) – 2 <sup>nd</sup> October to 19 <sup>th</sup> November 2019	The first contact from the Applicant was on 22 June 2020 (email introduction) Request for Information received. First meeting then scheduled for 25 June 2020
Stage 2 Consultation (statutory) – 7 <sup>th</sup> July to 18 <sup>th</sup> September 2020	Anglo American saw the advantage of being located in proximity to the NZT facility and hoped to work positively with The Applicant. Anglo American’s response raised concerns as to the level of detail available specifically: overlaps and interfaces, the extent of the DCO boundary, corridor widths and potential “pinch points”
Section 42 Update Consultation – 7 <sup>th</sup> December 2020 to 25 <sup>th</sup> January 2021 (further targeted consultations held 12 <sup>th</sup> February to 16 <sup>th</sup> March 2021 & 26 <sup>th</sup> March to 3 <sup>rd</sup> May 2021)	An objection was raised, pending appropriate information being made available. Anglo American identified 13 specific questions that they would like to be addressed. Anglo American requested a copy of the draft DCO, Works Plans, Land Plans and BoR. Anglo American specified the need for Protective Provisions
Consultation on proposed changes to DCO Application – 10 <sup>th</sup> March to 14 <sup>th</sup> April 2022	Ongoing discussions took place between the parties regarding scheme changes and issues arising from interfaces as per table below

### 2.3 Discussions

2.3.1 A summary of the discussions that have taken place between the parties is set out in **Table 2.2**. Where appropriate, email follow-up has taken place to provide each party with information to support the progression of discussions. The table includes the majority of the meetings but not all. There have also been meetings between Anglo American and direct contractors and subcontractors. Generally, there have been interface meetings once a fortnight for approximately the last 6 months.



**Table 2.2: Summary of Discussion**

<b>Meeting Date</b>	<b>Meeting Type</b>	<b>Topics Discussed</b>
22 June 2020	Email	First contact of Anglo American by the Applicant (Request for Information)
July 2020	Introduction	General Project Background and Introductions
Sept 2020	Site Visit, Teesside	Project Overview - Bran Sands Lagoon, NWL Corner, Tees Crossing options assessment
Jan 2021	Catch-up call	Project Update and initial HoTs and technical interfaces discussion
Feb 2021	Interfaces – Remote	Project Update and further technical interfaces discussion
Mar 2021	Interfaces on-site	Project Update, bp Team going forward, proposed working relationship(s)
June 2021	Interfaces on-site HoTs - Remote	Project Update, Schedule, Pipeline Route Options, NZT DCO discussion, Interface register Review of draft Heads of Terms (HoTs)
July 2021	Interfaces on-site	Interface Register Actions
August 2021	HoTs - Remote	Progression of HoTs
Sept 2021	Interface - Remote	Interface Register Actions
Oct 2021	Interfaces on-site	Land parcels in common areas
Oct 2021	Interfaces - Remote	Interface Register Actions, Site Visit Prep.
Oct 2021	Site Visit	Bran Sands Lagoon & Environmental permit, NWL Corner, Tees Crossing options, and other technical interfaces
Nov 2021	Interfaces on-site	Project Update, Action items, future working arrangements proposal
Jan 2022	Interfaces on-site	Project Update & Action items recap
Feb 2022	Interfaces on-site	Project Update & Tod Point interfaces
Feb 2022	Pre-Consultation	Potential DCO Changes, Protective Provisions and next steps
Mar 2022	Interfaces on-site	Detailed Common Area Interfaces discussion and proposed approach
April 2022	HoTs - Remote	Progression of HoTs
April 2022	Interfaces - Remote	Common Area Approach
April 2022	Site Visit	Gathering System Line walk and Contractor Interfaces
April 2022	Interfaces	
May 2022	Meeting	Discussing detailed drafting of side agreement and protective provisions

## **3.0 MATTERS AGREED**

### **3.1 Overview**

3.1.1 This section sets out the matters agreed between the parties.

### **3.2 Principle of the Proposed Development**

3.2.1 Anglo American do not have an objection to the principle of the Proposed Development Applicant's and Anglo American Interfaces

### **3.3 Shared Areas**

3.3.1 The areas which are likely, at the time of writing, to be subject to interfaces between the Applicant's DCO and the Anglo American DCO, have been identified by the parties. Both parties agree that appropriate provisions should be included within the DCO in order to ensure that the two nationally significant projects can be delivered and neither one prejudices the other.

3.3.2 The areas identified to date are:

Shared Area 1 – RBT Port Interface

Shared Area 2 - Sembcorp pipeline corridor

Shared Area 3 – NWL South Corner

Shared Area 4 - MWL North Corner

Shared Area 5 – NZT Power Cable

Shared Area 6 – Tod Point

Shared Area 7 - Tees Frontage

Shared Area 8 - Lagoon in the event of Option 2 of Works No. 6 being pursued

3.3.3 Each of the Shared Areas have been discussed in detail and the approach to manage the interfaces within those areas during construction and operations is the subject of continuing discussions. Mechanisms to safeguard the ability of both parties to deliver and operate their developments have been discussed and it has been agreed that these will be secured through protective provisions and a side agreement both of which are currently under discussion.

3.3.4 It will be necessary for the Applicant to obtain rights over land in which Anglo American has interests and there is intended to be an option agreement providing the Applicant with the right to acquire the necessary rights for the Applicant in respect of the Anglo American legal interests in land. Heads of Terms for the option agreement are being negotiated between the parties.

### **3.4 Protective Provisions**

3.4.1 It is appropriate to include protective provisions in the NZT Draft Order both for the benefit of Anglo American and for the benefit of the Applicants.

3.4.2 The latter is achieved through Article 9 and Schedule 3, with the latter containing the relevant protective provisions which would be inserted into the York Potash Harbour

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Facilities Order 2016. These provisions can be included in the Draft Order pursuant to section 120(5) Planning Act 2008.

## **4.0 MATTERS TO BE AGREED**

### **4.1 Overview**

4.1.1 This section sets out matters to be agreed between the parties and the proposed way forward.

### **4.2 Documents to be agreed**

4.2.1 Anglo American will review the DCO submitted on 28 April and comment on its contents by Deadline 3 as requested by the ExA.

4.2.2 The protective provisions for the benefit of Anglo American to be included in the Order have yet to be agreed.

4.2.3 The protective provisions for the benefit of the Applicant to be inserted in the Anglo American DCO have yet to be agreed.

4.2.4 The Side Agreement and related property agreements have yet to be agreed.

## 5.0 APPENDIX A1:

### Comparison of NZT DCO Order Limits and Anglo American Overlapping Interests

