Meeting note

Project name The Net Zero Teeside Project

File reference EN010103

Status Final

Author The Planning Inspectorate

Date 16 October 2020

Meeting with OGCI

Venue Microsoft teams **Meeting** Project update

objectives

Circulation All attendees

Summary of key points discussed and advice given

The Applicant and The Planning Inspectorate (the Inspectorate) Case team introduced themselves and their respective roles. The Inspectorate advised that a note of the meeting would be taken and published on its website in accordance with section 51 of the Planning Act 2008 (the PA2008). Any advice given under section 51 would not constitute legal advice upon which applicants (or others) could rely.

The Inspectorate explained that the publication of the meeting note could be delayed up to six months, or until a formal scoping request had been submitted (if requested by an Applicant for commercial reasons.

Project update

A Section 35 Direction was granted by the Secretary of State for Business, Energy and Industrial Strategy on 17 January 2020. The Development Consent Order (DCO) application is anticipated to be submitted in quarter one 2021. The NZT Project was previously scoped for up to three combined cycle gas turbine (CCGT) trains with carbon capture and also a CO_2 gathering network to facilitate the future capture of CO_2 from industrial sources on Teesside. The captured CO_2 is to be compressed and exported. The Project has been revised with the difference being that it now includes one CCGT train with carbon capture as opposed to three. The Applicant is in discussion with the Department for Business, Energy and Industrial Strategy (BEIS) about potential funding frameworks in relation to the Project.

The Applicant is working with National Grid (NG) and The Crown Estate (TCE) to ensure leases and licenses are in place for the offshore storage site (since the meeting the Applicant has entered into a licence with NG and TCE). A Saline Aquifer has been identified as the most suitable storage method. The Applicant intends to demonstrate approval is in place for the whole Project prior to the final investment decision.

The Inspectorate queried the potential complications between the Project and the Hornsea Project Four offshore wind farm scheme. The Applicant is in contact with Ørsted and the Crown Estate to try and resolve issues relating to the crossover of the projects.

The Applicant identified the key changes to the Project:

- Reduction from three CCGT trains to one CCGT train.
- Refinement to the red line boundary (to be further discussed during stage three consultation).
- Consideration of existing pipeline use (with an option to re-use existing decommissioned infrastructure).

There are ongoing discussions regarding grid connection to avoid overlap with other schemes.

Stage two consultation update

Stage 2 consultation was completed between June – September 2020. Due to the current restrictions relating to Covid-19, the Applicant extended the consultation period. The Applicant is currently reviewing responses.

The Applicant intends to define the red line boundary in a third round of consultation. Stage 3 consultation is anticipated to commence in late November 2020 and continue into late January 2021.

The Inspectorate advised it was good practice to use the third consultation to reach a more amenable position with affected parties regarding land boundaries.

The Inspectorate queried whether the Teeside Valley Mayoral Authority had been treated as a Section 42 Statutory Authority for the purposes of the statutory consultation. The Applicant confirmed regular contact with the Mayoral Authority but not on the same basis as a section 42 consultee. The Inspectorate advised the Applicant may wish to make a discretionary decision to treat the Mayoral Authority as a Section 42 Statutory Authority, however, this is not a compliance point because the Mayor is not a prescribed consultee for the purposes of the Planning Act 2008.

Status of Environmental Impact Assessment (EIA)

The Applicant is liaising with the Marine Management Organisation (MMO) in relation to the Environmental Impact Assessment (EIA) and will be able to provide more information about this in the coming weeks.

The Applicant identified emissions to air as a key consideration for the EIA, including impacts on designated sites. During stage two consultation the Environment Agency (EA) have provided feedback on the Preliminary Environmental Information Report (PEIR). There is currently no Best Available Techniques (BAT) guidance relating to carbon capture technology. Evaluation guidelines need to be developed and the Applicant is currently engaging with the EA and their Air Quality Modelling and Assessment Unit (AQMAU) to develop this, specifically relating to the emissions of ammonia from the carbon capture, utilisation and storage (CCUS) process. The EA are working towards

finalising the guidance by the end of 2020. The implications of the overlapping timeline for the development of the guidance and the preparation of the Applicants Environmental Statement (ES) were discussed.

Areas of the Teesmouth and Cleveland Coast Special Protection Area (SPA), Ramsar Site and Site of Special Scientific Interest (SSSI) are within the Project red line boundary. The Applicant is in early discussions with Natural England about these areas, which the CO_2 export pipeline is required to cross. At present an open cut construction method is identified as the preferred option for the CO_2 export pipeline based on successful implementation for other projects, although directional drilling is also being considered as an option. The Applicant is conducting geophysical surveys, unexplored ordinance (UXO) appraisal and evaluation to inform its approach. The Applicant noted that it was considering reusing existing pipeline infrastructure to reduce the impact of the proposals on the River Tees.

For its stage three consultation, the Applicant intends to present an addendum document to the PEIR. This will focus primarily on consideration of likely significant environmental effects that differ from the information shared during the Stage 2 consultation. Where the revised proposals result in a reduction in the scale or magnitude of impact within the Rochdale Envelope, this will simply be discussed in the ES rather than the addendum.

The Inspectorate discussed current initiatives to streamline the planning process, particularly in relation to digital EIA. The Inspectorate noted that it was keen to engage with Applicants regarding any planned digital approaches to submissions.

Specific decisions/ follow-up required

The Applicant anticipates at least one key document review, around January 2021, prior to the submission of the application.

The Inspectorate advised draft submissions of the Draft DCO, Explanatory Memorandum, land and works plans, Habitats Regulations Assessment (HRA) and the planning policy statement or needs statement/report are useful documents to submit when using the draft document review service. The latter would be helpful due to the uniqueness of this project. The Inspectorate can provide the opportunity for a meeting to discuss feedback if any draft documents are submitted.

The Inspectorate advised to liaise with the case team regarding the submission date for Q1, 2021.

Both parties agreed the next meeting should take place in January 2021.

The following actions were agreed:

- Applicant to liaise with the Inspectorate regarding key document review.
- Applicant to liaise with the Inspectorate regarding submission date.
- Finalisation of arrangements for the next meeting.

Post meeting note

Since the meeting the Applicant has confirmed that the Mayor/Mayoral Authority was treated in the same way as a Section 42 party for the Stage 2 consultation and that the same approach will be taken for the Stage 3 consultation.