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Tees CCPP Project



The Tees Combined Cycle Power Plant Project
Land at the Wilton International Site, Teesside

Statement of Common Ground with National Grid

The Planning Act 2008

Applicant: Sembcorp Utilities UK
Date: May 2018

DOCUMENT HISTORY

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GLOSSARY

Abbreviation	Description
AGI	Above Ground Installation
CCPP	Combined Cycle Power Plant
CHP	Combined Heat and Power
CCS	Carbon Capture Storage
DCO	Development Consent Order
ES	Environmental Statement
MW	Megawatt
NGET	National Grid Electricity Transmission Plc
NGG	National Grid Gas Plc
NSIP	Nationally Significant Infrastructure Project
NTS	National Transmission System
RCBC	Redcar and Cleveland Borough Council
SCU	Sembcorp Utilities (UK) Limited
SoCG	Statement of Common Ground
SoS	Secretary of State

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1 INTRODUCTION

OVERVIEW

- 1.1 This Statement of Common Ground ('SoCG') has been prepared on behalf of Sembcorp Utilities (UK) Limited ('SCU' or the 'Applicant') in respect of its application (the 'Application') for a Development Consent Order (a 'DCO'). The Application was accepted for examination by the Secretary of State (the 'SoS') for Business, Energy and Industrial Strategy on 18 December 2017.
- 1.2 SCU is seeking a DCO for the construction, operation and maintenance of a new gas-fired electricity generating station with a nominal net electrical output capacity of up to 1,700 megawatts ('MW') at ISO conditions (the 'Project' or 'Proposed Development'), on the site of the former Teesside Power Station, which forms part of the Wilton International Site, Teesside.
- 1.3 A DCO is required for the Proposed Development as it falls within the definition and thresholds for a 'Nationally Significant Infrastructure Project' (a 'NSIP') under Sections 14 and 15(2) of the Planning Act 2008 ('PA 2008').
- 1.4 The DCO, if made by the SoS, would be known as the 'Tees Combined Cycle Power Plant Order' (the 'Order').

SCU

- 1.5 SCU provides vital utilities and services to major international process industry customers on the Wilton International site on Teesside. Part of Sembcorp Industries, a Singapore-based group providing energy, water and marine services globally, Sembcorp Utilities UK also owns some of the industrial development land on the near 810 hectares (2,000 acre) site which is marketed to energy intensive industries worldwide.
- 1.6 SCU owns the land required for the Proposed Development.

THE PROJECT SITE

- 1.7 The Project Site (the 'Site') is on the south west side of the Wilton International Site, adjacent to the A1053. The Site lies entirely within the administrative area of Redcar and Cleveland Borough Council (RCBC) which is a unitary authority.
- 1.8 Historically the Site accommodated a 1,875 MW Combined Cycle Gas Turbine power station (the former Teesside Power Station) with the ability to generate steam for utilisation within the wider Wilton International site. The Teesside Power Station ceased generation in 2013 and was demolished between 2013 and 2015.
- 1.9 SCU has identified the Site, based on its historical land use and the availability of natural gas supply and electricity grid connections and utilities as a suitable location for the Project. In summary, the benefits of the Site include:
 - brownfield land that has previously been used for power generation;
 - on-site gas connection, supplied from existing National Grid Gas Plc infrastructure;
 - on-site electrical connection, utilising existing National Grid Electricity Transmission infrastructure;
 - existing internal access roads connecting to a robust public road network;

- availability of a cooling water supply using an existing contracted supply (from the Wilton Site mains) and existing permitted discharge consent for effluent to the site drainage system
- screening provided by an existing southern noise control wall, approximately 6 m in height;
- potential for future CHP and CCS; and
- existing services, including drainage.

1.10 A more detailed description of the Site is provided at Chapter 3 'Description of the Site' of the Environmental Statement ('ES') Volume I (Application Document Ref. 6.2.3).

THE PROPOSED DEVELOPMENT

1.11 The main components of the Proposed Development are summarised below:

- Work No. 1 – a natural gas fired electricity generating station located on land within the Wilton International site, Teesside, which includes the site of a former CCGT power station, with a nominal net electrical output capacity of up to 1,700 MWe at ISO Conditions; and
- Work No. 2 – associated development comprising within the meaning of section 115(2) of the 2008 Act in connection with the nationally significant infrastructure project referred to in Work No. 1.

1.12 Please refer to Schedule 1 of the Draft DCO (Application Document Ref. 2.1) for more detail.

1.13 It is anticipated that subject to the DCO having been made by the SoS (and a final investment decision by SCU), construction work on the Project would commence in around the second half of 2019. The construction of the Project could proceed under one of two scenarios, based on SCU's financial modelling, as follows.

- 'Scenario One': two CCGT 'trains' of up to 850 MW are built in a single phase of construction to give a total capacity of up to 1,700 MW.
- 'Scenario Two': one CCGT train of up to 850 MW is built and commissioned. Within a maximum of five years of its commercial operation the construction of a further CCGT train of up to 850 MWe commences.

1.14 The above scenarios have been fully assessed within the ES.

1.15 A more detailed description of the Project is provided at Schedule 1 'Authorised Development' of the draft DCO (Application Document Ref. 2.1) and Chapter 5 'Project Description' of the ES Volume I (Application Document Ref. 6.2.5).

THE PURPOSE AND STRUCTURE OF THIS DOCUMENT

1.16 The purpose of this SoCG (see Section 2 of this report) is to set out the agreement that has been reached between SCU and National Grid Electricity Transmission Plc and in respect of the following matters relating to the Proposed Development:

- grid connection;
- land matters and the potential for interference with assets owned by NGET;

And with National Grid Gas Plc in respect of the following matter relating to the Proposed Development

- Gas connection

In addition, this SoCG also sets out where matters remain to be resolved (see Section 3 of this report).

2 MATTERS AGREED

GRID CONNECTION

- 2.1 Sembcorp has had ongoing discussions with National Grid Electricity Transmission (NGET) with regards to the connection of the Tees CCPP Generating Units to the National Grid Greystones A and B Substations which are located within the red line DCO boundary.
- 2.2 Sembcorp have submitted a completed Connection Application for 1,700MWe Directly Connected Power Station Connected to the National Electricity Transmission System to National Grid on 19 September 2017, with the application deemed technically competent on 04 January 2018.
- 2.3 Sembcorp received a Bilateral Connection Agreement (BCA), Connection Agreement Reference Number A/SUUL/18/1909/TEE-1EN(0) Offer on 22 March 2018, for Transmission Connection Capacity of 1,700MW.
- 2.4 NGET advise that this Offer is currently not interactive with any other offers at this moment in time –i.e. there are no other applications that impact this offer NGET have made to Sembcorp.
- 2.5 The timescales are in line with Sembcorp’s programme for Tees CCPP providing power for the Wilton International Site Customers and providing merchant power and National Grid Ancillary Services.
- 2.6 Sembcorp have until 22 June 2018 to formally confirm acceptance of the Offer.

LAND MATTERS AND INTERFERENCE WITH ASSETS OWNED BY NGET

- 2.7 It has been agreed by both parties that Protective Provisions are not needed in the DCO as the leases between SCU and NGET are being varied and updated to allow for the connections to be made. There are no hindrances to these leases being agreed in a suitable timeframe to enable the development to proceed. These leases will cover NGET rights and any protections that they may require and as such NGET are satisfied that they do not require any additional Protective Provisions in the DCO.

GAS CONNECTION

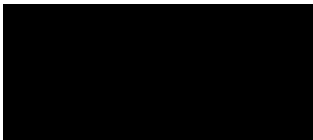
- 2.8 Sembcorp (SCU) has had ongoing discussions with National Grid Gas (NGG) with regards to the re-connection of SCU’s 24” Natural Gas Pipeline to the National Transmission System at the Billingham AGI, re-establishing the Enron Billingham Exit Point.
- 2.9 Sembcorp submitted a Unified Network Code Application for NTS Connection on 03 November 2017.
- 2.10 Following further discussions between SCU and NGG, it was agreed that NGG would undertake a Bespoke Technical Study to assess the works necessary for the reconnection to the Enron Billingham Exit Point. SCU have accepted NGG’s Connection Study Agreement in respect of a proposed connection to the National Grid AGI at Billingham and contracts were signed 28 March 2018.
- 2.11 It is agreed that upon completion of this Bespoke Technical Study, which should be completed within the next 3 months, SCU will be in the position to apply for a Full Connection Offer to NGG for the capacity required for Tees CCPP.
- 2.12 The monthly NTS Exit (Flat) Capacity available in accordance with TPD Section B of the UNC details that for Enron Billingham Exit Point there is 121,510,000 kWh/day available. Tees CCPP maximum demand would be 75,331,272 kWh/day, significantly below this amount of Firm NTS Exit (Flat) Capacity NGG has available.

3 MATTERS TO RESOLVE

LEASES

- 3.1 The leases between SCU and NGET need to be varied and updated.
- 3.2 This is something the parties are currently working upon and it is expected this will be completed before the end of the examination.
- 3.3 However, SCU acknowledges all NGET's existing rights (/ interest in land) in Greystones A & B substations and their associated easements and SCU notes it is not proposing any powers within the DCO to extinguish or prejudice those NGET rights.

Signed:

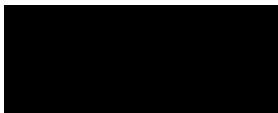


Print name and position: Nick Dexter, DCO Liaison Officer

On behalf of National Grid

Date: 11 May 2018

Signed:



Print name and position: Scott Taylor, Business Development Manager

On behalf of Sembcorp Utilities (UK) Limited:

Date: 11 May 2018