

# 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: 8.30 – Statement of Common Ground with North Tees Limited, North Tees Land Limited and North Tees Rail Limited



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

**Date: May 2022**

## DOCUMENT HISTORY

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## GLOSSARY

<b>Abbreviation</b>	<b>Description</b>
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
CEMP	Construction and Environmental Management Plan
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
ES	Environmental Statement, documenting the findings of the EIA
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
NSIP	Nationally Significant Infrastructure Project that must be authorised by the making of a DCO under PA 2008
NTL	North Tees Limited
NTLL	North Tees Land Limited

NTRL	North Tees Rail Limited
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.
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
PA 2008	The Planning Act 2008 which is the legislation in relation to applications for NSIPs, including preapplication consultation and publicity, the examination of applications and decision making by the Secretary of State
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
Requirements	The 'requirements' at Schedule 2 to the Order that, amongst other matters, are intended to control the final details of the Proposed Development as to be constructed and to control its operation, amongst other matters to ensure that it accords with the EIA and does not result in unacceptable impacts
Site (or Proposed Development Site)	The land corresponding to the Order Limits which is required for the construction and operation of the Proposed Development
SoS	Secretary of State for Business, Energy and Industrial Strategy
SoCG	Statement of Common Ground
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. 8.30) has been prepared by Net Zero Teesside Power Limited and Net Zero North Sea Storage Limited (the ‘Applicants’) in conjunction with North Tees Limited, North Tees Land Limited and North Tees Rail Limited (“NTL, NTLL and NTRL”) in respect of the Net Zero Teesside Project (the ‘Proposed Development’).

1.1.2 The SoCG sets out the matters of agreement between the Applicants and NTL, NTLL and NTRL and also explains those matters which, at the time of writing, remain unresolved between the parties.

1.1.3 The agreements to date have been reached through consultation and continuing discussions between the parties, including interface meetings and regular face to face discussions.

### **1.2 Interests**

#### **1.3 NTL Interests**

1.3.1 Freehold interest in the pipeline corridor at North Tees. The corridor is operated by Sembcorp.

#### **1.4 NTLL Interests**

1.4.1 Freehold interest in land adjacent to the pipeline corridor.

#### **1.5 NTRL Interests**

1.5.1 Leasehold interest in land owned by Network Rail which comprises part of the pipeline corridor.

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

1.6.1 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 Examining Authority (‘ExA’). It also explains the matters which remain unresolved at the time of writing, but which both parties are working positively toward resolving. 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 Development Consent Order (‘DCO’) for the Proposed Development.

1.6.2 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).

1.6.3 The SoCG is structured as follows:

- Section 2 – sets out consultation and related discussions held between the Applicants and NTL, NTLL and NTRL.
- Section 3 – sets out the matters discussed and agreed to date.

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- 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 NTL, NTLL and NTRL 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 and how NTL, NTLL and NTRL have responded to that consultation.

**Table 2.1: Summary of Consultation**

Consultation Stage/Date	NTL, NTLL and NTRL Response
Stage 1 Consultation (non-statutory) – 2 <sup>nd</sup> October to 19 <sup>th</sup> November 2019	N/A
Stage 2 Consultation (statutory) – 7 <sup>th</sup> July to 18 <sup>th</sup> September 2020	N/A
Section 42 Update Consultation – 8 <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)	N/A
Consultation on proposed changes to DCO Application – 10 <sup>th</sup> March to 14 <sup>th</sup> April 2022	N/A

### 2.3 Discussions

2.3.1 A summary of the detailed discussions that have taken place between the parties is set out in **Table 2.2** below. Where appropriate, email follow-up has taken place to provide each party with information to support the progression of discussions.

**Table 2.2: Summary of Discussions**

Meeting Date	Meeting Type	Topics Discussed
12/21	Meeting	Proposed Development introduction
26/05/21	Phone call	PX/NTL – survey access.
24/08/21	Site Meeting	
19/09/21	Teams Meeting	HOT negotiations.
21/09/21	Teams Meeting	HOT negotiations
18/10/21	Site Meeting	Marked HOTs and meeting minutes produced.



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12/11/21	Phone call	HOT discussions.
18/11/21	Meeting	HOT negotiations.
22/11/21	Phone call	
26/11/21	Phone call	DM/NTL – service charges.
16/12/21	Phone call	NTL/DM – valuation negotiations.
26/01/22	Phone call	NTL/DM – easement term discussions.
30/03/22	Teams Call	HOT negotiations
01/04/22	Teams Call	HOT negotiations
18/05/22	Site Meeting (proposed)	HOT negotiations and technical interface and engineering meeting

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## **3.0 MATTERS AGREED**

### **3.1 Overview**

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

#### **3.1.2 Principle of the Proposed Development**

The parties agree that there is an urgent need for the Proposed Development in order to provide low carbon electricity and the means to decarbonise other existing and proposed emitters in Teesside. NTL, NTLL and NTRL does not object to the principle of the various elements of the Proposed Development and the use of part of its existing pipeline infrastructure corridor to support it.

##### **3.1.1 Easement Term**

As part of the Heads of Terms negotiations, the Applicants have proposed an appropriate easement term as part of the voluntary agreement this is agreed to be in line with the Lease for the CO2 Compression facilities.

##### **3.1.2 Consideration**

The easement consideration as part of the voluntary agreement has been agreed between the Applicants and NTL, NTLL and NTRL.

##### **3.1.3 Exercise of Compulsory Acquisition Rights**

3.1.4 The Applicants confirm that if a voluntary agreement is reached it will include terms as to if and when they would exercise compulsory acquisition powers in relation to the option area.

##### **3.1.5 Existing Operations**

NTL, NTLL and NTRL have raised concerns regarding their ongoing operations and workings of the pipeline corridor in terms of construction and operation of the CO2 Gathering Network within their freehold ownership. It is agreed that there should be collaborative interface management between the parties in terms of use of the corridor but the mechanism for this is yet to be agreed.

## **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 Rights being sought**

4.2.1 The change application represents an overall reduction and a minimum level of the rights required by the Applicants over the NTL, NTLL and NTRL estate. NTL, NTLL and NTRL are not satisfied and believe the rights applied for by the Applicants are excessive.

### **4.3 Heads of Terms**

4.3.1 The Applicants and NTL, NTLL and NTRL have been negotiating Heads of Terms for an Option Agreement and Easement for the installation and operation of apparatus required for the Proposed Development. A number of clauses remain unagreed and the parties are working together in order to agree the outstanding terms.