

# 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: 8.8 – Statement of Common Ground with National Grid Electricity Transmission Gas Plc



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

Date: May 2022

## DOCUMENT HISTORY

|                |              |      |             |
|----------------|--------------|------|-------------|
| Document Ref   | 8.8          |      |             |
| Revision       | 1.0          |      |             |
| Author         | Jason Rundle |      |             |
| Signed         |              | Date | 26 May 2022 |
| Approved By    |              |      |             |
| Signed         |              | Date | 26 May 2022 |
| Document Owner |              |      |             |

## GLOSSARY

| Abbreviation                     | Description  |
|----------------------------------|--|
| 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 |
| 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  |
| 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   |
| 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   |
| 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 |
| SoS                                 | The Secretary of State - the decision maker for DCO applications and head of Government department. In this case the SoS for the Department for Business, Energy, and Industrial Strategy  |
| 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  |

---

## CONTENTS

|            |   |          |
|------------|---|----------|
| <b>1.0</b> | <b>Introduction .....</b>                           | <b>1</b> |
| <b>2.0</b> | <b>Summary of Consultation and Discussions.....</b> | <b>2</b> |
| <b>3.0</b> | <b>Matters Agreed .....</b>                         | <b>4</b> |
| <b>4.0</b> | <b>Matters to be Agreed .....</b>                   | <b>6</b> |

## TABLES

|  |  |   |
|--|--|---|
|  | Table 2.1: Summary of Consultation ..... | 2 |
|  | Table 2.2: Summary of Discussions .....  | 3 |

## **1.0 INTRODUCTION**

### **1.1 Overview**

- 1.1.1 This Statement of Common Ground (Document Ref. 8.8) has been prepared by Net Zero Teesside Power Limited and Net Zero North Sea Storage Limited (the ‘Applicants’) in conjunction with National Grid Electricity Transmission Plc (“NGET”) 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 NGG 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.
- 1.1.4 It is acknowledged by the Parties that in 2021 NZT signed the formal agreements described in Section 3 with respect to the Proposed Development’s main high voltage connection.

### **1.2 NGET Interests**

- 1.2.1 National Grid Electricity Transmission has substations, high voltage electricity overhead transmission lines and underground apparatus within or in close proximity to the proposed order limits. The substations, overhead lines, cables and underground apparatus form an essential part of the electricity transmission network in England and Wales.

### **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 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.
- 1.3.2 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 NGET.
  - 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 NGET on the Proposed Development and also sets out the discussions that have taken place between the parties.

2.1.2 The Application for the Proposed Development was submitted in July 2021.

2.1.3 The Application was accompanied by a Grid Connection Statement prepared to comply with Regulation 6(1)(a)(ii) of the Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009, which requires the Applicant to provide "a statement of who will be responsible for designing and building the grid connection to the generating station".

### 2.2 Consultation

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

**Table 2.1: Summary of Consultation**

| Consultation Stage/Date   | NGET 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  | Provided a summary of existing apparatus within or close to the proposed Order Limits.<br><br>Outline the requirements for working close to their apparatus.  |
| 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) | Reiterated NGGs position outlined in the previous consultation response.<br><br>Requires that acceptable protective provisions are to be included in the DCO. |
| Consultation on proposed changes to DCO Application – 10 <sup>th</sup> March to 14 <sup>th</sup> April 2022   | Responded with no comments  |

### 2.3 Discussions

2.3.1 A summary of the discussions that have taken place between the parties is set out in the table 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**

| <b>Meeting Date</b> | <b>Meeting Type</b>  | <b>Topics Discussed</b>  |
|---------------------|----------------------|--|
| Jan 2020            | Introductory Meeting | Initial general project background and overview meeting                      |
| Feb 2020            | Online Teams meeting | Technical requirements discussions, scoping, connection application process. |
| Mar 2020            | Online Teams meeting | Technical requirements discussions, scoping, connection application process. |
| Apr 2020            | Online Teams meeting | Technical requirements discussions, scoping, connection application process. |
| May 2020            | Online Teams meeting | Connection Application meeting, and NZT Submit Application                   |
| Jun 2020            | Online Application   | NZT Submit Application   |
| Jul 2020            | Online Teams meeting | Technical requirements discussions.  |
| Sep 2020            | Online Teams meeting | Technical requirements discussions, scoping, connection option discussions.  |
| Nov 2020            | Online Teams meeting | Offer progress meetings  |
| Dec 2020            | Online process       | NZT and NGET Application updates   |
| Mar 2021            | Online Teams meeting | STDC 66kV fault level and load flow data, with the Applicants and STDC       |
| Apr 2021            | Online Teams meeting | Connection Statement review  |
| Aug 2021            | Online Teams meeting | STDC 66kV fault level and load flow data                                     |
| Sep 2021            | Online Teams meeting | STDC 66kV fault level and load flow data                                     |

---

## **3.0 MATTERS AGREED**

### **3.1 Overview**

- 3.1.1 This section sets out the matters agreed between the parties.
- 3.1.2 In June, 2020 NZT submitted its formal application for connection to NATIONAL GRID ELECTRICITY SYSTEM OPERATOR LIMITED (NGESO).
- 3.1.3 In December, 2020 month, year] NZT received the CONNECTION OFFER IN RESPECT OF NET ZERO TEESSIDE POWER AT TOD POINT 275KV SUBSTATION from the NGESO.
- 3.1.4 Following clarifications and revised, and with extensions of time required by the NGESO due to the impact of COVID19, in May, 2021 NGESO issued a RE-OFFER IN RESPECT OF NET ZERO TEESSIDE POWER AT TOD POINT 275KV SUBSTATION.
- 3.1.5 In May, 2021 NZT formally accepted the NGET Offer and executed the RE-OFFER IN RESPECT OF NET ZERO TEESSIDE POWER AT TOD POINT 275KV SUBSTATION, agreeing or signing (as applicable) the Connection Agreement(s) as defined in Section 3.3.2.

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

- 3.2.1 There is an urgent need for the Proposed Development, relating both to the provision of low carbon electricity and the need to provide for the collection, compression and transport of carbon dioxide from a range of emitters in the Teesside area.

### **3.3 MATTERS NOT IN DISPUTE BETWEEN THE PARTIES – GRID CONNECTION**

- 3.3.1 This section sets out the matters agreed between the parties. This has been achieved through the various meetings and communications between NGET and the Applicant, including studies by both parties.
- 3.3.2 The Parties have agreed and/or signed (as applicable) the Offer Acceptance documents, the Bilateral Connection Agreement, the Construction Agreement, the Transmission Related Agreement and the CUSC Accession Agreement (collectively referred to herein as the “Connection Agreement(s)”).
- 3.3.3 The Connection Agreement(s) comprises all the necessary elements to enable electricity to be imported to the Power generation equipment when shutdown, and export to the National Grid network when the Proposed Development is in operation.
- 3.3.4 The ownership and operational boundaries are agreed and set out in the Connection Agreement(s).
- 3.3.5 The new equipment and modifications required at the existing Tod Point substation will be designed, constructed, owned and operated by NGET.
- 3.3.6 The connection from the existing Tod Point substation and a new local 275kV substation/compound will be designed, constructed, owned and operated by the Applicant.



- 
- 3.3.7 The buried and supported ground cables from the new local 275kV substation/compound to the combined cycle gas turbine power station and post-combustion carbon capture plant at the core of the Proposed Development will be designed, constructed, owned and operated by the Applicant.
- 3.3.8 Preliminary work on the Grid Connection layout has been completed by NZT in collaboration with NGET. The preliminary indicative layout is provided as Appendix A. It is understood, based on the draft DCO submission information shared with NGET in March 2021, that whilst the layout is indicative, there is sufficient room within the DCO red line boundary for the construction and future operation of the Grid Connection at the location proposed.
- 3.3.9 It is agreed that NZT will secure the necessary temporary permissions, consents and land rights, including those for access, to enable NGET to construct the Grid Connection. It is agreed that NZT will meet any conditions associated with the above to enable the Grid Connection by NGET.
- 3.3.10 It is agreed that NZT will secure the necessary permissions, consents and land rights, including those for access, for NGET to site and operate the MOC. It is agreed that NZT will meet any conditions associated with the above to enable the operation of the MOC by NGET.

It is agreed that NZT and NGET will undertake any environmental, ecological, archaeological, land contamination, flood risk or other required surveys and mitigations that may be required to enable its scope based on the division of responsibility described in the Connection Agreement(s).

---

## **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 MATTERS NOT AGREED, PART OF DEVELOPMENT PLAN**

4.2.1 The final layout of the NGET facilities including routing of the cables between local substations at Tod Point has not yet been finalised and therefore cannot be agreed. The drawing provided as Appendix A is an indicative layout only. The Parties agree that based on the current information there is sufficient land (total area) shown in Appendix A. The Parties will discuss the final arrangements and routing at the detailed design stage.

4.2.2 The location of the metering equipment for NGET and NZT has not been agreed at this time, however this will be discussed by the Parties and addressed at the detailed design stage.

4.2.3 It is not understood whether the grid connection could be undertaken without a full shut down of the Tod Point facilities, with associated 3rd party agreements to be reached if such a full shutdown is required. This will be discussed by the Parties and with any applicable 3<sup>rd</sup> party at the detailed design stage.

4.2.4 A full programme of works and arrangements for construction of the NGET facilities to ensure that all aspects of the Construction (Design and Management) Regulations 2015 are met has not yet been agreed. This will be discussed by the Parties and addressed at the detailed design stage.

4.2.5 Protective Provisions associated with protection of the National Grid existing assets are required. These are not yet agreed and Protective Provisions will need be agreed post the NZT DCO submission, along with a side agreement between the Parties addressing insurance/surety and any other specific interactions arising from the Project. Discussions between parties are being progressed in this respect.