

SOUTH TEES DEVELOPMENT CORPORATION

**RESPONSES TO EXAMINING AUTHORITY'S SECOND WRITTEN QUESTIONS
FOR THE NET ZERO TEESSIDE PROJECT**

ExQ2	Question to:	Question:	STDC Response:
GENERAL AND CROSS-TOPIC QUESTIONS			
GEN.2.6	STDC	<p>In its Relevant Representation (RR) STDC [RR-035] refer to Teesworks as being the site of the UK's largest Freeport.</p> <p>Please show the boundaries of the Freeport on a plan.</p>	<p>A plan is enclosed at Appendix A setting out the boundaries of the Teesside Freeport East tax site.</p> <p>The plan sets out the tax site within Teesside Freeport which is designated and recognised in law as a geographical area where businesses can benefit from tax reliefs to bring investment, trade and jobs. This plan relates to the parts of the Freeport which overlap with the Proposed Development. The source of the plan is the gov.uk website. At the time of writing, the plan is available at this gov.uk link: https://www.gov.uk/government/publications/maps-of-teesside-freeport-tax-sites</p>

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			<p>This tax site has been designated with effect since 19 November 2021.</p> <p>Please note that a plan showing the Freeport Boundaries has already been provided to the Examining Authority, at Appendix 1 to STDC's written representation [REP2-097a]. This plan sets out the freeport tax site and customs site which is yet to be fully implemented.</p>
GEN.2.2 0	Applicants STDC	<p>In response to ExQ1 GEN.1.9 (ii) regarding the volume of material required to build the PCC platform, the Applicants stated that STDC has indicated that the PCC platform construction will be neutral in terms of cut and fill and no additional import of material would be required.</p> <p>The Applicants and STDC are asked to provide evidence to demonstrate that no additional import of material would be required.</p>	<p>The design of the finished level for the PCC platform was based on the objective of achieving, wherever possible and practicable, a near cut/fill balance, while taking cognisance of the surrounding land levels and those of retained peripheral infrastructure, such as highways, where future connectivity is required by the NZT project. This resulted in a finished platform design level of +7.3m OD and the cut/fill balance was broadly achieved.</p> <p>However, the scope of the proposed ground remediation works required to establish the PCC platform includes dealing with unsuitable earthworks materials that will need to be disposed of. Additionally, there</p>

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			<p>are localised areas of the site impacted by relic buried structures, including basements, pits, tunnels and the like, which will realise below ground voids.</p> <p>While most of the material excavated as part of the remediation works will be recycled and re-used in said works, there will be an earthworks volume deficit arising from the disposal of unsuitable materials and from voids. STDC is confident that this deficit will be met via utilisation of alternative stockpiled fill materials available on the Teesworks site.</p>

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BIODIVERSITY AND HABITATS REGULATIONS ASSESSMENT			
BIO.2.6	RCBC STDC/ Teesworks Estate Management Company Applicants	<p>ExQ1 BIO.1.20 noted that a brief monitoring report would be prepared each year and provided to RCBC and the Teesworks Estate Management Company as a record of compliance (paragraph 6.1.4 of the Landscape and Biodiversity Strategy [APP-079]). In its response, RCBC [REP2-094] expressed contentment with the approach generally and went on to ask whether the report would need to be signed off by RCBC and the Teesworks Estate Management Company. The Applicants [REP3-011] had no comment to make on this response.</p> <p>RCBC, STDC/ Teesworks Estate Management Company and the Applicants are asked to comment on whether or not a formal sign-off process should be required for the monitoring report and if so, how this should be secured.</p>	<p>As set out in STDC’s response to ExQ1 BIO.1.20 (REP2-097b), STDC is content with proposed approach to monitoring of the Landscape and Biodiversity Strategy, post implementation.</p> <p>STDC/ Teesworks Estate Management Company agrees that a formal sign-off may be beneficial to ensure that RCBC and STDC are satisfied that compliance has been achieved, and to ensure that STDC is able to deliver its own biodiversity commitments. Formal agreement and sign-off to an annual monitoring report would achieve this. This could be secured by a DCO requirement.</p>

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COMPULSORY ACQUISITION AND TEMPORARY POSSESSION			
CA.2.6	STDC	<p>STDC [RR-035, REP1-056, REP2-097 a) to c), REP3-026 and REP5-042] have commented on a range of land and CA issues.</p> <p>Could STDC provide a response to the following:</p> <ul style="list-style-type: none"> i) If a further SoCG is not being provided at D6/D7, please provide a general update to outstanding matters in terms of CA and Temporary Possession (TP); ii) Provide comments on the Applicants' post-hearing submission [Appendix 1, section 1.4, REP5-026] regarding a justification for corridor widths; and iii) Where possible, provide information on future development at Teesworks which you state would be 'impeded' by CA proposals for the Proposed Development, and clarify what weight should the ExA give to such matters in balancing public benefit against private loss. 	<p>i) The SoCG submitted at Deadline 5 [REP5-017] continues to reflect the latest position on outstanding CA and TP matters. An option agreement for the main site remains under negotiation but has not yet been concluded between the parties. STDC has provided the Applicants with it comments on the amended STDC protective provisions (PPs) which were included in the dDCO at Deadline 4 [REP4-002 and REP4-003], and has also commented on an associated interface agreement. These remain under negotiation. A response to STDC's amendments to the draft protective provisions has recently been received.</p> <p>Pending the above agreements / PPs being concluded, or otherwise satisfactory progress being reached on key principles, STDC continues to object to the potential impact of compulsory acquisition and temporary possession of its interests.</p> <p>While STDC await formal changes to the DCO application following the Applicants</p>

ExQ2	Question to:	Question:	STDC Response:
			<p>notification of further proposed changes [REP4-031] submitted at Deadline 4, the following matters remain outstanding in particular:</p> <ul style="list-style-type: none"> • STDC require plots 274 and 279 to be amended such that the Tees Dock Road access is removed from the Order limits, as STDC has presented a viable alternative which the Applicants have agreed is acceptable. • The Applicants have not yet progressed voluntary agreements for the easement corridors, pending conclusion of main site option. STDC therefore continues to await draft agreements. • STDC maintain a number of concerns around specific plots (as set out in the SoCG between the parties). STDC require an amendment to the protective provisions or an equivalent commitment so that no powers may

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			<p>be exercised over STDC land without consent.</p> <p>STDC do not expect the parties to submit a revised SoCG until completion of the main option agreement. This is currently expected to be mid-September, meaning that an SoCG update is being targeted for Deadline 8 (20 September)</p> <p>ii) STDC makes the following comments in response to the Applicants' justification for corridor widths [at Appendix 1, para 1.4 of REP5-026]:</p> <p>The "STDC Corridor" referred to in the response is an extensive corridor, approximately 85 metres in width according to the schematic at para 1.4.5. This is justified for reasons of flexibility. However, STDC maintains that there remains a lack of detail and clarity on how and why these extents have been identified as necessary and justified. Nor is there information about the expected widths of easement corridors for apparatus once installed, within the limits shown on the plans. It is suggested that this</p>

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			<p>information should be set out by the Applicants (e.g. in a table) for each utility asset / work, with reference to the plots affected.</p> <p>Further, it appears to be the case that the justification does not address all proposed easement corridors across STDC owned land. See for instance, the plots of land understood to be required for water supply (e.g. including plots 472, 525, 536, etc.). For the avoidance of doubt, all utility easement corridors should be included in the justification sought above.</p> <p>This is considered a reasonable request given that compulsory acquisition powers must be proportionate, necessary and justifiable. It is not proportionate to sterilise larger areas of STDC land for flexibility than is necessary.</p> <p>iii) On future development, STDC refers the ExA to Appendix 1 to its written representation [REP2-097a] which sets out the existing outline planning permissions at the Foundry and Long Acres, which risk</p>

ExQ2	Question to:	Question:	STDC Response:
			<p>being impeded by the Applicants scheme. The Teesworks site spans over 2,500 acres of which the NZT project sits partly within The Foundry and Long Acres sites. Those planning permissions were granted in March 2022 for the development of up to 5million sqft (464,515 sqm (gross)) of general industrial (Use Class B2) and storage or distribution facilities (Use Class B8) on the Foundry site and up to 2 million sqft (185,806sqm (gross)) on the Long Acres site.</p> <p>Along with the NZT project, Teesworks are currently advancing discussions with several major companies who are looking to develop and manufacture on these sites. One project, on the land directly adjoining the NZT site to the north, within the Foundry, proposes development of manufacturing facilities spanning over 5 million sqft on 300 acres of the site, employing over 5,000 people. The project is subject to a NDA agreement with the prospective tenant.</p> <p>Overall, and including the Foundry and Long Acres sites, over 14 million sqft (up to</p>

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			<p>1,316,371 sqm gross) of industrial floorspace has been granted outline planning permission across the Teesworks area. At Teesworks' South Bank site, reserved matters and detailed planning permissions were granted in mid-2021 and in mid-2022 that have enabled construction to commence on the development of a new quay facility and a 103,429 sqm manufacturing facility for SEAH Wind: a £400 million wind turbine monopile factory, which commenced construction in July 2022 and will create 750 direct jobs when operational.</p> <p>As well as having recently (August 2022) obtained planning permission to remediate the NZT site, Teesworks has also obtained planning permissions to remediate a number of its other development sites, including at South Bank, Dorman Point and the former Metals Recovery site where remediation is either completed or in late phases, as well as a number of prior approvals for the demolition of relic structures across the area.</p>

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			<p>The regeneration of the overall Teesworks area is estimated could create around 20,000 new employment opportunities.</p> <p>In order to successfully deliver the regeneration of the site STDC/Teesworks must ensure all proposed developable land is safeguarded so not to hinder other projects which bring significant economic benefits. STDC are therefore engaging with NZT to ensure the appropriate control measures and mitigation is in place (for e.g. ensuring temporary access routes can be moved so not to sterilise development land and prejudice development opportunity).</p> <p>Development of those existing sites, and other land owned by STDC risks being impeded if the Applicants are granted powers of compulsory acquisition without sufficient controls in place for STDC.</p> <p>In balancing the public benefit of the Authorised Development, the ExA should consider and give weight to the significant loss to STDC's interests and objectives, and the wider public impacts of this loss. In this</p>

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			<p>context STDC is not an ordinary landowner, it holds the land for the purposes of regeneration of the South Tees area. STDC's objectives, set out in its constitution [REP2-025] include "to further the economic development and regeneration of the South Tees area."</p> <p>However, in its current form, the Authorised Development sterilises wide areas of future development land (e.g. through utility corridors), which could have impacts on the regeneration of the site and by extensive the benefits that would otherwise accrue to the local region.</p> <p>STDC has successfully assembled the land under the South Tees Development Corporation (Land at the former Redcar Steel Works, Redcar) Compulsory Purchase Order 2019. The Secretary of State has therefore already endorsed STDC's case for the land.</p> <p>Were the ExA to make the draft Order in its current form, with compulsory acquisition powers over STDC land and without</p>

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			sufficient controls over compulsory acquisition in the protective provisions (in the manner proposed by STDC in its written representation at paragraph 5.5.4 [REP2-097a]), there remains a significant risk that the public benefit of the STDC CPO will not be realised.
CA.2.7	Applicants STDC	<p>STDC continue to raise concerns regarding the TP of Plots 274 and 279. The post-hearing note for the second CA Hearing (CAH2) [Item 4, REP5-026] refers to further discussions taking place in early August regarding construction access issues.</p> <p>Could STDC and the Applicants:</p> <ul style="list-style-type: none"> i) Submit an update on the dispute relating to Plots 274 and 279 and the proposed construction access from Tees Dock Road at D6; ii) If the Order Limits require amendment to include the alternative route suggested by STDC [Appendix 2, REP2-097a], provide a draft timetable for such changes to be submitted and agreed within the Examination timetable; and iii) Clarify if/ why the ExA need to be satisfied that the Applicants have demonstrated a reasonable alternative (via Lackenby 	<p>i) There is no update on the dispute between STDC and the Applicants as to the use of the Tees Dock Road access. This issue forms part of ongoing negotiations to reach agreement on the main site option agreement.</p> <p>On that basis, STDC continues to maintain that plots 274 and 279 should be amended to remove the Tees Dock Road access from the scope of compulsory acquisition powers in light of the reasonable alternative which has been accepted as workable by the Applicants. This change also requires the Tees Dock Road access, at Part 2 of Schedule 5 to the draft Order [REP5-002] to be removed.</p> <p>For completeness, there is also no further update on the dispute STDC has with PD</p>

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		<p>Gate), given that the proposal relates to TP and not CA?</p>	<p>Ports, beyond that set out in STDC's post-hearing submissions at Deadline 5 [REP5-042]. STDC's case is that PD Ports do not have a right to use the gate in question to access the Teesworks Estate.</p> <p>ii) STDC considers that it is ultimately a matter for the Applicants to provide a draft timetable for the proposed change as only the Applicants can submit that change, including assessing time required for preparatory work.</p> <p>However, in STDC's opinion the removal of the plots and removal of the access in the draft Order would not require any change to the timetable and can be adequately addressed within the remainder of the examination. The Applicants have a viable alternative available to them outside the Order limits which STDC is prepared to grant them rights to.</p> <p>If the Applicants felt that they needed to amend the DCO to incorporate this alternative, as the rights relate to temporary possession, the Infrastructure Planning</p>

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			<p>(Compulsory Acquisition) Regulations 2010 are not engaged, and so any consultation / engagement that may be required (and it may not be) would be limited only to those with legal interests in the alternative means of access for Lackenby Gate.</p> <p>STDC therefore believes that the amendment to the scheme could reasonably be brought by the Applicants at Deadlines 7 or 8.</p> <p>iii) As set out in the ExA's recommendation report (vol 4) to the Sizewell C (Nuclear Generating Station) Order 2022, at para 8.11.175, temporary possession powers <i>"are not CA powers and accordingly the tests under s122 and s123 PA2008 are not applicable. However, the request for the power in order to enable the Proposed Development to be implemented and maintained must be justified. The inevitable interference with human rights must also be justified, and there must be adequate compensation provisions in place for those whose land is affected."</i></p>

ExQ2	Question to:	Question:	STDC Response:
			<p>In granting and making the DCO, the Secretary of State will need to be satisfied that there is no disproportionate or unjustified interference with human rights so as to conflict with the provisions of the Human Rights Act 1998. Article 1 to the First Protocol of the European Convention of Human Rights states: <i>“Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law”</i>.</p> <p>As set out in the Applicants’ statement of reasons [AS-141], interference can be permissible so long as:</p> <ul style="list-style-type: none"> - the statutory procedures for making the Order are followed and there is a compelling case in the public interest for the inclusion of powers of compulsory acquisition in the Order; and - the interference with the convention right is proportionate.

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			<p>It would be wholly disproportionate if applicants were able to temporarily take possession of any land (which could be for a considerable period of time) without having to consider reasonable alternatives, given the significant private loss that could be caused and that may be avoidable.</p> <p>STDC's case is therefore that the human rights implications of temporary possession mean that a compelling case in the public interest must be made out for temporary possession, in the same way that it must be made out for compulsory acquisition (albeit accepting that the extent of private loss is time limited).</p> <p>It follows that in considering whether a compelling case is made out, consideration must be given as to whether a reasonable alternative is available and should be adopted.</p> <p>STDC maintains that there is no compelling case for the inclusion of the means of access at plots 274/279, and the interference is not proportionate, as there is</p>

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			an alternative route. The reasonable alternative to Tees Dock Road access has been accepted by the Applicants as feasible, during CAH2.
DEVELOPMENT CONSENT ORDER			
DCO.2.2	Applicants RCBC STBC STDC Sembcorp Utilities (UK) Ltd	R3(7) refers to the approximate number and location of cathodic protection posts and marker posts forming part of Work No.6 to be submitted to and approved by the RPA following consultation with STDC. How would 'approximate' be determined? Should the word 'approximate' be removed?	STDC does not consider this drafting point of concern, as STDC is being consulted on the number of posts, it would be able to make clear if it was satisfied with the proposed number.

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GEOLOGY, HYDROGEOLOGY AND LAND CONTAMINATION			
GH.2.4	RCBC STDC	<p>Services are likely to be affected by differential movement allowance needs to be made to install flexible connections for water and gas lines to accommodate ground movement Paragraph 10.6.70 of ES Appendix 10A [APP-292]. These are secured via R3, R34 and Schedule 14 of the DCO. The local authorities are responsible for approving the works.</p> <p>Are the local authorities satisfied that the requirements in the DCO will provide them with sufficient detail and control over this aspect?</p>	STDC have no comments. This question is directed to “local authorities” and STDC is not a local authority.

ExQ2	Question to:	Question:	STDC Response:
HISTORIC ENVIRONMENT			
HE.2.4	Applicants RCBC STDC	<p>Development Principle STDC8 of the South Tees Area SPD [REP2-054] 'Preserving Heritage Assets' supports proposals which contribute to the development of an industrial heritage trail. Paragraph 3.67 of the SPD notes that this will likely be handled as a discrete project placed under the direct control of RCBC working with local heritage groups.</p> <p>Part A.4 of the Teesworks Design Guide [REP2-055] 'Landscape and Public Realm Strategy' and section 12 of the South Tees Regeneration Masterplan [REP2-053] also refer to the importance of preserving aspects of the existing fabric to ensure the area's industrial heritage is not lost, and the creation of a consistent identity for the wider Teesworks development. A number of potential site entrances from the England Coastal Path/ Teesdale Way/ Black Path PRow are shown on the illustrative plan on page 161 of the Masterplan as being close to the Order Limits of the PCC site.</p> <p>Could the Applicants consider:</p> <ul style="list-style-type: none"> i) The potential for the Proposed Development to contribute to such a project for a heritage trail; and 	<p>iii) The opportunities for a heritage trail and the importance of heritage has been identified in the SPD and the 'Landscape and Public Realm Strategy'. There is a PRow running through the Teesworks site (the Teesdale Way and Black Path) and the initial concept was that a future heritage trail could coincide with this corridor. In due course, STDC will need to consider the future alignment of the PRow, alongside the establishment of the Teesworks Freeport and its boundaries.</p>

ExQ2	Question to:	Question:	STDC Response:
		<p>ii) Could any remaining former industrial infrastructure on and around the PCC site be incorporated into a future landscaping scheme to assist in this vision for a heritage trail?</p> <p>RCBC and STDC:</p> <p>i) Are you able to provide any further information or update on future plans for an industrial heritage trail?</p>	
TRAFFIC AND TRANSPORT			
TT.2.5	STDC	<p>REP3-013 includes consideration of use of the Lackenby Steelworks Gate as an alternative access for HGV traffic to Tees Dock Road.</p> <p>Given the concerns raised by STDC at D3 [REP3-026] in relation to this matter, please provide an update on the situation and comments on the additional modelling undertaken.</p>	<p>It is noted that a technical note [REP3-013] was submitted by the Applicant for Deadline 3 and supports the use of Lackenby. STDC has reviewed this and is content / has no further comments. This is recorded in the SoCG submitted at Deadline 5 [REP5-018] at table 3.1, issue 14.</p>

APPENDIX A (FREEPORT TAX SITE)

