

KEADBY 3 CARBON CAPTURE POWER STATION

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Document Ref: 8.6

Planning Inspectorate Ref: EN010114

The Keadby 3 (Carbon Capture Equipped Gas Fired Generating Station) Order

Land at and in the vicinity of the Keadby Power Station site, Trentside, Keadby, North Lincolnshire

Statement of Common Ground with National Grid Carbon Limited (part of National Grid Ventures) (Deadline 6)

The Planning Act 2008

Applicant: Keadby Generation Limited

Date: April 2022

DOCUMENT HISTORY

Document Ref	Insert		
Revision	VP3.0		
Author	CT		
Signed	CT	Date	April 2022
Approved By	CT		
Signed	CT	Date	April 2022
Document Owner	DWD		

GLOSSARY

Abbreviation	Description
2008 Act	The Planning Act 2008
AGI	Above ground installation
AIL	Additional Abnormal Indivisible Load
Applicant	Keadby Generation Limited
Application	The application
CCGT	Combined Cycle Gas Turbine
CCP	Carbon Capture Plant
DCO	Development Consent Order
ES	Environmental Statement
ha	hectares
HLCP	Humber Low Carbon Pipelines
HLCPP	The Humber Low Carbon Pipelines Project
HP	High pressure
HRSG	Heat Recovery Steam Generator
MW	megawatts
NGCL	National Grid Carbon Limited
NGG	National Grid Gas
NGV	National Grid Ventures
NLC	North Lincolnshire Council
NSIP	Nationally Significant Infrastructure Project
Order Limits	The Proposed Development Site
Parties	National Grid Ventures

Abbreviation	Description
PCC Site	Proposed Power and Carbon Capture Site
PINS	Planning Inspectorate
Proposed Development Site	Keadby Power Station, Trentside, Keadby, Scunthorpe DN17 3EF
SoCG	Statement of Common Ground
SoS	Secretary of State
The Order	The Keadby 3 (Carbon Capture Equipped Gas Fired Generating Station) Order
The Proposed Development	Generating Station
WFD	Water Framework Directive
ZCH	Zero Carbon Humber

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1.0 INTRODUCTION

1.1 Overview

- 1.1.1 This Statement of Common Ground ('SoCG') with National Grid Carbon Limited (NGCL) (part of National Grid Ventures (NGV), a division of National Grid plc) (Application Document Ref. 8.6) has been prepared on behalf of Keadby Generation Limited ('the Applicant') which is a wholly owned subsidiary of SSE plc. It forms part of the application (the 'Application') for a Development Consent Order (a 'DCO'), that has been submitted to the Secretary of State (the 'SoS') for Business, Energy and Industrial Strategy (BEIS), under Section 37 of 'The Planning Act 2008' (the '2008 Act').
- 1.1.2 The Applicant is seeking development consent for the construction, operation and maintenance of a new low carbon Combined Cycle Gas Turbine (CCGT) Generating Station ('the Proposed Development') on land at, and in the vicinity of, the existing Keadby Power Station, Trentside, Keadby, Scunthorpe, DN17 3EF (the 'Proposed Development Site').
- 1.1.3 The Proposed Development is a new electricity generating station of up to 910 megawatts (MW) gross electrical output, equipped with carbon capture and compression plant and fuelled by natural gas, on land to the west of Keadby 1 Power Station and the (under commissioning) Keadby 2 Power Station, including connections for cooling water, electrical, gas and utilities, construction laydown areas and other associated development. It is described in Chapter 4: The Proposed Development of the Environmental Statement (ES) (ES Volume I – APP-047).
- 1.1.4 The Proposed Development falls within the definition of a 'Nationally Significant Infrastructure Project' (NSIP) under Section 14(1)(a) and Sections 15(1) and (2) of the 2008 Act, as it is an onshore generating station in England that would have a generating capacity greater than 50MW electrical output (50MWe). As such, a DCO application is required to authorise the Proposed Development in accordance with Section 31 of the 2008 Act.
- 1.1.5 The DCO, if made by the SoS, would be known as 'The Keadby 3 (Carbon Capture Equipped Gas Fired Generating Station) Order' ('the Order').

1.2 The Proposed Development

- 1.2.1 The Proposed Development will work by capturing carbon dioxide emissions from the gas-fired power station and connecting into the Humber Low Carbon Pipelines project pipeline network, being promoted by National Grid Carbon Limited (NGCL), for onward transportation to the Endurance storage site under the North Sea..

1.2.2 The Proposed Development would comprise a low carbon gas fired power station with a gross electrical output capacity of up to 910MWe and associated buildings, structures and plant and other associated development defined in Schedule 1 of the draft DCO (APP-005) as Work No. 1 – 11 and shown on the Works Plans (APP-012).

1.2.3 At this stage, the final technology selection cannot yet be made as it will be determined by various technical and economic considerations and will be influenced by future UK Government policy and regulation. The design of the Proposed Development therefore incorporates a necessary degree of flexibility to allow for the future selection of the preferred technology in light of prevailing policy, regulatory and market conditions once a DCO is made.

1.2.4 The Proposed Development will include:

- a carbon capture equipped electricity generating station including a CCGT plant (**Work No. 1A**) with integrated cooling infrastructure (**Work No. 1B**), and carbon dioxide capture plant (CCP) including conditioning and compression equipment, carbon dioxide absorption unit(s) and stack(s) (**Work No. 1C**), natural gas receiving facility (**Work No. 1D**), supporting uses including control room, workshops, stores, raw and demineralised water tanks and permanent laydown area (**Work No. 1E**), and associated utilities, various pipework, water treatment plant, wastewater treatment, firefighting equipment, emergency diesel generator, gatehouse, chemical storage facilities, other minor infrastructure and auxiliaries/ services (all located in the area referred to as the 'Proposed Power and Carbon Capture (PCC) Site' and which together form **Work No. 1**);
- natural gas pipeline from the existing National Grid Gas high pressure (HP) gas pipeline within the Proposed Development Site to supply the Proposed PCC Site including an above ground installation (AGI) for National Grid Gas's apparatus (**Work No. 2A**) and the Applicant's apparatus (**Work No. 2B**) (the 'Gas Connection Corridor');
- electrical connection works to and from the existing National Grid (National Grid Electricity Transmission) 400kV Substation for the export of electricity (**Work No. 3A**) (the 'Electrical Connection Area to National Grid 400kV Substation');
- electrical connection works to and from the existing Northern Powergrid 132kV Substation for the supply of electricity at up to 132kV to the Proposed PCC Site, and associated plant and equipment (**Work No. 3B**) (the 'Potential Electrical Connection to Northern Powergrid 132kV Substation');
- Water Connection Corridors to provide cooling and make-up water including:

- underground and/or overground water supply pipeline(s) and intake structures within the Stainforth and Keadby Canal, including temporary cofferdam (**Work No. 4A**) (the 'Canal Water Abstraction Option');
- in the event that the Canal Water Abstraction Option is not available, works to the existing Keadby 1 power station cooling water supply pipelines and intake structures within the River Trent, including temporary cofferdam (**Work No. 4B**) (the 'River Water Abstraction Option'); and
- works to and use of an existing outfall and associated pipework for the discharge of return cooling water and treated wastewater to the River Trent (**Work No. 5**) (the 'Water Discharge Corridor');
- towns water connection pipeline from existing water supply within the Keadby Power Station for potable water (**Work No. 6**);
- above ground carbon dioxide compression and export infrastructure comprising an above ground installation (AGI) for the undertaker's apparatus including deoxygenation, dehydration, staged compression facilities, outlet metering, and electrical connection (**Work No. 7A**) and an AGI for NGCL apparatus (**Work No. 7B**);
- new permanent access from the A18, comprising the maintenance and improvement of an existing private access road from the junction with the A18 including the western private bridge crossing of the Hatfield Waste Drain (**Work No. 8A**) and installation of a layby and gatehouse (**Work No. 8B**), and an emergency vehicle and pedestrian access road comprising the maintenance and improvement of an existing private track running between the Proposed PCC Site and Chapel Lane, Keadby and including new private bridge (**Work No. 8C**);
- temporary construction and laydown areas including contractor facilities and parking (**Work No. 9A**), and access to these using the existing private roads from the A18 and the existing private bridge crossings, including the replacement of the western existing private bridge crossing known as 'Mabey Bridge' over Hatfield Waste Drain (**Work No. 9B**) and a temporary construction laydown area associated with that bridge replacement (**Work No. 9C**);
- temporary retention, improvement and subsequent removal of an existing Additional Abnormal Indivisible Load Haulage Route (**Work No. 10A**) and temporary use, maintenance, and placement of mobile crane(s) at the existing Railway Wharf jetty for a Waterborne Transport Offloading Area (**Work No. 10B**);
- landscaping and biodiversity enhancement measures (**Work No. 11A**) and security fencing and boundary treatments (**Work No. 11B**); and
- minor associated development.

- 1.2.5 1.2.5 The Proposed Development includes the equipment required for the capture and compression of carbon dioxide emissions from the generating station so that it is capable of being transported off-site. NGCL will be responsible for the development of the carbon dioxide pipeline network linking onshore power and industrial facilities, including the Proposed Development, in the Humber Region. That pipeline network does not, therefore, form part of the Proposed Development and is not included in the Application but will be the subject of separate consent application(s) to be taken forward by NGCL.
- 1.2.6 The Proposed Development is designed to be capable of operating 24 hours per day, 7 days a week, with plant operation dispatchable to meet electricity demand and with programmed offline periods for maintenance. It is anticipated that in the event of CCP maintenance outages, for example, it could be necessary to operate the Proposed Development without carbon capture, with exhaust gases from the CCGT being routed via the Heat Recovery Steam Generator (HRSG) stack.
- 1.2.7 Various types of associated and ancillary development further required in connection with and subsidiary to the above works are detailed in Schedule 1 'Authorised Development' of the draft DCO (APP-005). This, along with Chapter 4: The Proposed Development in the ES Volume I (APP-047), provides further description of the Proposed Development. The areas within which each numbered Work (component) of the Proposed Development are to be built are defined by the coloured and hatched areas on the Works Plans (APP-012).

1.3 The Proposed Development Site

- 1.3.1 The Proposed Development Site (the 'Order Limits') is located within and near to the existing Keadby Power Station site near Scunthorpe, Lincolnshire and lies within the administrative boundary of North Lincolnshire Council (NLC). The majority of land is within the ownership or control of the Applicant (or SSE associated companies) and is centred on national grid reference 482351, 411796.
- 1.3.2 The existing Keadby Power Station site currently encompasses the operational Keadby 1 and Keadby 2 Power Station (under commissioning) sites, including the Keadby 2 Power Station Carbon Capture and Readiness reserve space.
- 1.3.3 The Proposed Development Site encompasses an area of approximately 69.4 hectares (ha). This includes an area of approximately 18.7ha to the west of Keadby 2 Power Station in which the generating station (CCGT plant, cooling infrastructure and CCP) and gas connection will be developed (the Proposed PCC Site).
- 1.3.4 The Proposed Development Site includes other areas including:

- a high pressure gas pipeline to supply the CCGT including a gas compound for NGG apparatus and a gas compound for the Applicant's apparatus;
- the National Grid 400kV Substation located directly adjacent to the Proposed PCC Site, through which electricity generated by the Proposed Development will be exported;
- Emergency Vehicle Access Road and Potential Electrical Connection to Northern Powergrid Substation;
- Water Connection Corridors:
 - Canal Water Abstraction Option which includes land within the existing Keadby Power Station site with an intake adjacent to the Keadby 2 Power Station intake and pumping station and interconnecting pipework;
 - River Water Abstraction Option which includes a corridor that spans Trent Road and encompasses the existing Keadby Power Station pumping station, below ground cooling water pipework, and infrastructure within the River Trent; and
 - a Water Discharge Corridor which includes an existing discharge pipeline and outfall to the River Trent and follows a route of an existing easement for Keadby 1 Power Station;
- an existing river wharf at Railway Wharf (the Waterborne Transport Offloading Area) and existing temporary haul road into the into the existing Keadby 1 Power Station Site (the 'Additional Abnormal Indivisible Load (AIL) Route');
- a number of temporary Construction Laydown Areas on previously developed land and adjoining agricultural land; and
- land at the A18 Junction and an existing site access road, including two existing private bridge crossings of the Hatfield Waste Drain lying west of Pilfrey Farm (the western of which is known as Mabey Bridge, to be replaced, and the eastern of which is termed Skew Bridge) and an existing temporary gatehouse, to be replaced in permanent form.

1.3.5 In the vicinity of the Proposed Development Site the River Trent is tidal. Therefore, parts of the Proposed Development Site are within the UK marine area. No harbour works are proposed.

1.3.6 Further description of the Proposed Development Site and its surroundings is provided in **Chapter 3: The Site and Surrounding Area** in ES Volume I (**APP-046**).

1.4 The Proposed Development Changes

- 1.4.1 On 5 April 2022 the Applicant submitted a request for the following changes to the Proposed Development, together known as ‘the Proposed Development Changes’.
- 1.4.2 The Proposed Development Changes have resulted from design contractor involvement, which has continued to refine the detail of this ‘First of a Kind’ Project implementation.
- Change No. 1 - Inclusion of riverbed within the Waterborne Transport Offloading Area (Railway Wharf)
 - Change No. 2 - Changes to the Additional Abnormal Indivisible Load Route, largely within SSE land and all within existing Order Limits [\(Withdrawn by Applicant 26 April 2022\)](#).
 - Change No. 3 - Increase to the maximum heights of the carbon dioxide absorbers/ stacks, if two are installed.
 - Change No. 4 - Increase to the maximum heights of the carbon dioxide stripper column.
 - Change No. 5 - Increase in proposed soil import volumes to create a suitable development platform.
- 1.4.3 With the Proposed Development Changes, the Proposed Development Site would cover an area of ~~69.8~~[69.7](#) hectares (ha) (a minor increase of ~~0.40~~[0.1](#)ha in the amount of the Applicant’s land required).
- 1.4.4 At the time of writing the Examining Authority has not determined whether to accept the Proposed Development Changes into examination and has issued questions to the Applicant and Canal and River Trust and Natural England dated 13 April 2022 (PD-017).

1.5 The Development Consent Process

- 1.5.1 As a NSIP project, the Applicant is required to seek a DCO to construct, operate and maintain the generating station, under Section 31 of the 2008 Act. Sections 42 to 48 of the 2008 Act govern the consultation that the promoter must carry out before submitting an application for a DCO and Section 37 of the 2008 Act governs the form, content and accompanying documents that are required as part of a DCO application.
- 1.5.2 An application for development consent for the Proposed Development has been submitted to and accepted for examination by the Planning Inspectorate (PINS) acting on behalf of the SoS. PINS is now examining the Application and will make a recommendation to the SoS, who will then decide whether to make (grant) the DCO.

1.6 The Purpose and Structure of this Document

1.6.1 The purpose of this document is to summarise clearly the agreements reached between the Applicant and NGCL ('the Parties') on matters relevant to the examination of the Application and to assist the Examining Authority. It 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).

1.6.2 This document summarises the agreements reached between the Parties regarding the matters listed below:

- Carbon Capture and Storage;
- Relationship with, and effect on, the Humber Low Carbon Pipeline, including potential pipeline corridors; and
- Draft Development Consent Order and any relevant Protective Provisions.

1.7 Status of this version

1.7.1 This is the third draft of this SoCG and updates and supersedes the SoCG submitted at Deadline 3. It is signed and represents the final SoCG submitted into the examination.

1.7.2 The document is structured as follows:

- Section 2 – summarises the role of NGCL;
- Section 3 - sets out details of consultation with NGCL to date;
- Section 4 - sets out the matters agreed between the parties in respect of the Application; and
- Section 5 – sets out any matters that are yet to be agreed and where discussions are on-going between the parties and summarises next steps.

2.0 THE ROLE OF NATIONAL GRID CARBON LIMITED (NGCL)

- 2.1.1 NGCL is part of NGV, a division of National Grid plc responsible for both developing and operating energy projects, technologies and partnerships in the UK and US.
- 2.1.2 NGCL, as a NGV business, is proposing to develop the Humber Low Carbon Pipelines (HLCP); the deployment of a terrestrial pipeline network in the Humber region. The HLCP intends to establish a pipeline network in the Humber Region for the transportation of carbon dioxide (CO₂) and hydrogen (H₂) to facilitate Carbon Capture, Utilisation and Storage, supporting the ambition of the Zero Carbon Humber (ZCH) partnership to create the world's first net zero industrial cluster.
- 2.1.3 The HLCP involves the construction of long distance carbon dioxide transportation pipelines and requires a separate DCO.
- 2.1.4 NGCL has recently carried out non-statutory consultation on a selection of potential pipeline route corridor options across the area where the HLCP could be situated and expects to carry out statutory pre-application consultation during 2022.
- 2.1.5 NGCL's interest in The Keadby 3 Carbon Capture Power Station Project relates to the interfaces between the Keadby 3 Carbon Capture Power Station Project and HLCP, which includes the proposed carbon dioxide pipeline connection arrangement and associated works.
- 2.1.6 NGCL, through NGV, has submitted a Relevant Representation to PINS requesting to be treated as an interested party throughout the Examination process of The Keadby 3 Carbon Capture Power Station Project.

3.0 SUMMARY OF CONSULTATION

3.1.1 NGCL was not formally a consulted party during the S42 or S56 consultation processes as they have not to date held the relevant status under the 2008 Act and associated regulations, and HLCPP is at a slightly earlier stage of development and consultation.

3.1.2 However, the Applicant (including through SSE) has consistently corresponded with NGCL through a series of meetings as part of the ZCH partnership. Notable meetings and their frequencies are listed below:

- Zero Carbon Humber Regulation meetings - Monthly (includes NGV, Drax, Uniper, SSE)
- NGV & SSE Bilateral meeting - Monthly (attended by SSE technical, regulatory, programme, commercial representatives)
- Technical and Consenting Committee meetings – Periodic moving to Monthly (between NGV, Drax, Uniper, SSE)
- Commercial Committee meetings – Periodic (with NGV, Drax, Uniper, SSE)
- East Coast Cluster Emitter Forum – bi-weekly technical forum
- Consenting meetings – Periodic beginning 24 November 2021 (including NGV and the Keadby 3 project team)

3.1.3 NGCL (through NGV) provided a Relevant Representation to PINS (Examination Library Ref. RR-009) requesting treatment as an Interested Party throughout the Examination process of the DCO application for The Keadby 3 Carbon Capture Power Station Project (PINS ref: EN010114). The Relevant Representation also stated NGCL's interest in the Keadby 3 Carbon Capture Power Station Project and its relationship to the HLCPP.

4.0 MATTERS AGREED

- 4.1.1 The sections below set out matters agreed along with a concise commentary of what the item refers to and how it came to be agreed between the two parties.
- 4.1.2 It is agreed that the Keadby 3 Carbon Capture Power Station Project is an emitter that needs to connect to the HLCPP. As stated in the NGV Relevant Representation, “The HLCP network is the proposed infrastructure for transporting the carbon captured at the power station that is the subject of this application to the interface at landfall with the offshore pipelines for onward transportation to the Endurance saline aquifer for storage”.
- 4.1.3 The Keadby 3 Carbon Capture Power Station Project will connect to the HLCPP as detailed in Work No. 7 of the draft Development Consent Order (dDCO) [APP-005].
- 4.1.4 In principle, the pipeline route corridor options identified within the ‘Route Corridor Report’ (National Grid, 2021. [REDACTED] are appropriate options, are feasible and will allow the carbon dioxide captured by the Keadby 3 Low Carbon Gas Power Station Project to be transported to the Endurance offshore geological store. It is, however, agreed that the pipeline route options are at an early stage of development and therefore subject to further assessment of feasibility and consultation.
- 4.1.5 The construction of Keadby 3 Carbon Capture Power Station could (subject to the necessary consents being granted and an investment decision being made) start as early as Quarter 4 of 2022 or more likely during 2023. This would in turn allow operation to start in 2027. The HLCPP DCO application is proposed to be submitted in Q4 2022 and to be decided by the end of Q1 2024. KGL therefore welcomes the ambition of NGCL to begin the construction of the pipeline network in 2024, with an earliest construction completion date (for pipeline section north of the Humber) of 2026.
- 4.1.6 NGCL, as a business of NGV, will be the promoter of the HLCPP DCO and therefore it is correct for the Applicant to refer to NGCL (and the limited company with the same name) in relevant defined terms and numbered works in Schedule 1 in the DCO [APP-005].
- 4.1.7 The Applicant agrees to the request by NGCL in its Relevant Representation to be consulted on any approval sought from the relevant planning authority under Requirement 5(7) and updated the DCO at Deadline 2 to secure this [REP2-003].
- 4.1.8 The Applicant agreed in a meeting held on 24 November 2021 to consider protective provisions to be supplied by NGCL. Further details of engagement

between the parties in relation to protective provisions is set out at paragraphs 4.1.11 – 4.1.5 below.

4.1.9 The Applicant has made updates to the draft DCO at subsequent deadlines and the Draft DCO submitted at Deadline 5 [REP5-002, 003] addresses several points raised by NGCL including:

- Adding the words “and any associated works described in Work No. 7(c)” into Article 6(d) to avoid any doubt arising that NGCL is to have the benefit of these works in connection with Work No. 7B;
- Removing Work 7A and 7B references from Requirement 5(11) of Schedule 2; and
- Including the terms “carbon dioxide storage licence”, “environmental permit” and “development consent” in the interpretation requirement in Schedule 2, such that Requirement 33 of Schedule 2 has greater precision.

4.1.10 The Applicant has sized and sited Work No. 7 based on appropriate assumptions. NGCL has reviewed the sizing and siting of this numbered work and is content with the provision made for it by the Order. The Applicant and NGCL agree that discussions regarding detailed siting and layout of Work No. 7 will continue as part of the consultation and approval process set out in Requirement 5(7) of the draft DCO.

4.1.11 The Applicant has reviewed the draft protective provisions and briefing note supplied by NGCL on 2 March 2022. A review was provided back to NGCL on 28 March 2022 identifying that a standalone bilateral agreement (‘side agreement’) would be needed in tandem to align design and implementation to the future codes and interface agreements that will regulate the carbon transport pipeline. At Deadline 5 NGCL submitted its suggested draft protective provisions into examination, together with a briefing note explaining the rationale for those provisions, while discussions continued. ~~As regards the Applicant’s identification of the need for a standalone bilateral agreement and future codes and interface agreements, NGCL’s position is that to the extent those agreements and codes may come forward, there is no likelihood that they will within the timescales of the examination of this Application. Accordingly, any approach which relied solely on future contractual agreements being reached between the parties necessarily carries risk. Therefore, NGCL has taken the reasonable step of putting forward a set of proportionate protective provisions for inclusion within the Order which would protect its interests in the proposed HL CPP.~~

4.1.12 Following a meeting between the parties, on 20 April 2022 the Applicant provided a detailed markup of the draft protective provisions and explanatory comments including specific matters that would need including in a future side agreement. The markup results in two parts to the PPs. Section A takes effect

from the date the Order is made and are somewhat atypical and relate to the manner in which Work No. 7 is to be carried out, while Section B are more typical in nature and only take effect if NGC installs apparatus within the Order Limits pursuant to its own DCO and where Keadby 3 has not yet been commenced. This deals with the concern held by the Applicant that the PPs submitted into examination at D5 would have unintended effects on the delivery of the Keadby 3 project because as drafted they apply broad or atypical provisions to infrastructure that has not yet been planned, notified, or developed by NGCL.

~~4.1.13 NGCL provided a further markup of the draft protective provisions and detailed response to the Applicant on 25 April 2022. In that markup, NGCL accepts there is a logic in distinguishing between the timing of protections which are to apply to apparatus the construction of which would be authorised by the Order (i.e., Work No. 7) (section A of the protective provisions) and its own future apparatus comprised in the proposed HLCPP, for which separate statutory authority is to be sought (section B of the protective provisions). However, NGCL does not accept the Applicant's proposal to limit the scope of section B in the manner which it has suggested. In NGCL's view, limiting section B so that it applies only where NGCL has installed apparatus pursuant to the HLCPP Order before construction of the Proposed Development has commenced would render those provisions devoid of any practical effect. The Applicant's stated ambition is to commence construction of the Proposed Development in Q4 2022 (see paragraph 4.1.5 above). As such, there appears to be no reasonable prospect that NGCL apparatus would be installed pursuant to the proposed HLCPP DCO before construction of the Proposed Development has commenced.~~

~~4.1.14 NGCL therefore contends that in order for section B of the protective provisions to serve any practical purpose, those provisions should take effect from such date as the HLCPP DCO is made. NGCL consider this represents a reasonable compromise. Until the HLCPP DCO is made and NGC apparatus has been installed, the provisions of section B would not apply and could not therefore affect the delivery of the Proposed Development in any way. Once the HCLPP DCO is made and NGC apparatus has been installed, that apparatus should benefit from the reasonable and proportionate protections which NGCL seeks.~~

~~4.1.13 4.1.15 NGCL accepts, in this regard, that the protective provisions do not follow the standard model of protections conferred for existing, in situ apparatus. However, it must be acknowledged that the infrastructure proposed and timing of the HCLPP DCO relative to this application call for an innovative, or at least non-standard, solution. Furthermore, the particular relationship between the Proposed Development and the HLCPP are important. Under Requirement 33 of the Order, save for limited exceptions no part of the Proposed Development may commence until evidence has been submitted by the Applicant that the HLCPP DCO is in place. The protection~~

~~which NGCL seeks is therefore simply a reflection of the significant weight placed on the approved status of the HLCPP by the Order and of the importance more generally of the HLCPP to the future operation of the Proposed Development. In this sense, the protections which NGCL seeks are for its own benefit but also for the benefit of the Applicant and its interest in the future safe and efficient operation of the Proposed Development.~~ NGCL's mark up and detailed comments address its concerns in relation to the Applicant's proposed approach to section B of the protective provisions and a number of related issues. The Applicant is now preparing a response to NGCL's ~~markup~~[mark up](#). The parties are committed to seeking to reach an agreement on outstanding matters by Deadline 6A in the examination timetable, on 10 May 2022. However, to the extent this does not prove possible, it is envisaged that each party will submit at Deadline 6A with reasons the form of protective provisions for the protection of NGCL that it considers should be incorporated in the Order (if made).

5.0 MATTERS NOT AGREED AND NEXT STEPS

5.1.1 Matters not yet agreed:

5.1.2 Table 5.1: Summary of Matters Not Yet Agreed

5.1.3 Matter Not Yet Agreed	5.1.4 NGCL's Position	5.1.5 Applicant Position
Protective provisions	<p>Draft protective provisions continue to be discussed. NGCL provided a markup of the draft protective provisions on 25 April, in response to the Applicant's draft of 20 April. The Applicant's response is now awaited. NGCL is hopeful an agreement can be reached for Deadline 6A.</p> <p><u>As regards the Applicant's identification of the need for a standalone bilateral agreement and future codes and interface agreements, NGCL's position is that to the extent those agreements and codes may come forward, there is no likelihood that they will within the timescales of the examination of this Application. Accordingly, any approach which relied solely on future contractual agreements being reached between the parties necessarily carries risk. Therefore, NGCL has taken the reasonable step of putting forward a set of proportionate protective provisions for inclusion within the Order which would protect its interests in the proposed HLCPP.</u></p>	<p><u>As is acknowledged by NGCL, the proposed draft protective provisions do not follow the industry standard. The Applicant's view is that the protective provisions prepared by NGCL contain elements that are more appropriate in bilateral agreements such as seeking to impose construction related obligations on the Applicant. NGCL has not properly made out a case for novel provisions, or identified the risk it considers arises if the protective provisions are not included in the draft DCO in the current form. The Applicant considers that the combination of the Requirements and the draft protective provisions (as amended by the Applicant) provides sufficient safeguards to allow for the future interaction of the proposed development and HLCPP.</u></p> <p><u>The Applicant has amended the draft protective provisions so they are separated into Section A and Section B. The purpose of Section A provides NGCL with the comfort that it will be consulted on the detailed design of the carbon capture compression plant and</u></p>

5.1.3—Matter Not Yet Agreed	5.1.4—NGCL’s Position	5.1.5—Applicant Position
	<p><u>NGCL provided a further markup of the draft protective provisions and detailed response to the Applicant on 25 April 2022. In that markup, NGCL accepts there is a logic in distinguishing between the timing of protections which are to apply to apparatus the construction of which would be authorised by the Order (i.e., Work No. 7) (section A of the protective provisions) and its own future apparatus comprised in the proposed HLCPP, for which separate statutory authority is to be sought (section B of the protective provisions). However, NGCL does not accept the Applicant’s proposal to limit the scope of section B in the manner which it has suggested. In NGCL’s view, limiting section B so that it applies only where NGCL has installed apparatus pursuant to the HLCPP Order before construction of the Proposed Development has commenced would render those provisions devoid of any practical effect. The Applicant’s stated ambition is to commence construction of the Proposed Development in Q4 2022 (see paragraph 4.1.5 above). As such, there appears to be no reasonable prospect that NGCL apparatus would be installed pursuant to the proposed</u></p>	<p><u>provided with necessary plans and specifications for approval. Section A secures a commitment from the Applicant to work collaboratively with NGCL, ensuring it is kept up to date on the programme and interface between the carrying out of the authorised works and any works in the proposed HLCPP.</u></p> <p><u>The purpose of Section B was that it should only take effect in the event that NGCL had installed apparatus pursuant to the HLCPP and where the authorised works had not yet commenced. The reasoning being that Section B contains more typical protective provisions where the purpose is to provide protection for in-situ apparatus. As there will need to be an interface agreement with NGCL where works are constructed under both Orders, it is considered that NGCL will only be able to install apparatus where the authorised development has not commenced and NGCL has therefore constructed plant pursuant to the HLCPP Order.</u></p> <p><u>The Applicant does not accept NGCL’s position that Section B should take effect from the date the HCLPP Order is made. The purpose of Section B is to protect in-situ apparatus and it should therefore only take effect once apparatus has</u></p>

5.1.3—Matter Not Yet Agreed	5.1.4—NGCL’s Position	5.1.5—Applicant Position
	<p><u>HLCPP DCO before construction of the Proposed Development has commenced.</u></p> <p><u>NGCL therefore contends that in order for section B of the protective provisions to serve any practical purpose, those provisions should take effect from such date as the HLCPP DCO is made. NGCL consider this represents a reasonable compromise. Until the HLCPP DCO is made and NGC apparatus has been installed, the provisions of section B would not apply and could not therefore affect the delivery of the Proposed Development in any way. Once the HCLPP DCO is made and NGC apparatus has been installed, that apparatus should benefit from the reasonable and proportionate protections which NGCL seeks</u></p> <p><u>NGCL accepts, in this regard, that the protective provisions do not follow the standard model of protections conferred for existing, in situ apparatus. However, it must be acknowledged that the infrastructure proposed and timing of the HCLPP DCO relative to this application call for an innovative, or at least non-standard, solution. Furthermore, the particular relationship between the</u></p>	<p><u>been physically installed. As NGCL acknowledge, the purpose of Section B is to protect installed apparatus and not to impede delivery of the authorised development.</u></p> <p><u>The protection NGCL is seeking in relation to the relationship between the proposed development and HLCCP is already contained within Section A. NGCL also has the additional commitment pursuant to Requirement 5(7) which requires the Applicant to consult with NGCL on the detailed design of Works No.7. Given the early stages of the HLCPP the Applicant does not consider it is accurate to suggest that significant weight can be placed on the HLCPP Order when an application has not yet been made, nor has significant weight been put on the HLCPP in the draft DCO (the Applicant has included a number of Grampian requirements which are appropriate safeguards preventing the development of the Proposed Development out of step with HLCPP).</u></p> <p><u>The Applicant is a responsible developer, licence holder and operator, with a track record of operating electricity generating stations on this site and forming and maintaining new grid and gas connections. The draft DCO, including the</u></p>

5.1.3—Matter Not Yet Agreed	5.1.4—NGCL’s Position	5.1.5—Applicant Position
	<p><u>Proposed Development and the HLCPP are important. Under Requirement 33 of the Order, save for limited exceptions no part of the Proposed Development may commence until evidence has been submitted by the Applicant that the HLCPP DCO is in place. The protection which NGCL seeks is therefore simply a reflection of the significant weight placed on the approved status of the HLCPP by the Order and of the importance more generally of the HLCPP to the future operation of the Proposed Development. In this sense, the protections which NGCL seeks are for its own benefit but also for the benefit of the Applicant and its interest in the future safe and efficient operation of the Proposed Development.</u></p>	<p><u>Requirements, together with the other necessary environmental consents which are being secured by the Applicant, will properly ensure the future safe and efficient operation of the authorised works.</u></p>

6.0 SIGNATURES

6.1.1 This Statement of Common Ground is agreed:

On behalf of National Grid Carbon Limited:

Name

Signature

Date

On behalf of the Applicant:

Name

Signature

Date

Document comparison by Workshare 9.5 on 26 April 2022 18:28:44

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Padding cell	

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