Meeting note

Project name Humber Low Carbon Pipelines

File reference EN070006 Status Final

Author The Planning Inspectorate

Date 23 April 2021

Meeting with National Grid Carbon (NGC)

Venue Virtual

Meeting Project Update

objectives

Circulation All attendees

Summary of key points discussed and advice given

The Planning Inspectorate (the Inspectorate) advised that a note of the meeting would be taken and published on its website in accordance with section 51 of the Planning Act 2008 (the PA2008). Any advice given under section 51 would not constitute legal advice upon which applicants (or others) could rely.

Update from project team

The Applicant provided an update on the project over the past quarter. It provided information on its role in the Zero Carbon Humber consortium, as terrestrial transportation and storage (T&S) developer, and in Northern Endurance Partnership (as part store licence holder).

The Applicant was to promote new terrestrial pipeline(s) and associated infrastructure in the Humber region to facilitate Carbon Capture Usage Storage (CCUS) and hydrogen transportation for decarbonisation of the Humber region, the UK's biggest industrial cluster. Work is ongoing on routeing and siting options to allow for regional network deployment of pipelines.

At the time, the Department for Business, Energy and Industrial Strategy (BEIS) were holding a consultation on CCUS cluster sequencing which required a Cluster Plan to be submitted. BEIS would decide through this process the sequencing of initial emitter connectees to the network. NGC advised that ultimately BEIS would need to confirm business models for CCUS and hydrogen T&S. The Applicant was considering a strategy for CO_2 and hydrogen transportation as a means of providing an integrated solution for the region.

Deployment scenarios, including routeing and siting were being considered in the context of BEIS' intended sequencing of CCUS. The onshore/offshore interface was a key consideration. Bird surveys and land referencing was ongoing, including at potential landfall sites and crossings of the Rivers Humber and Ouse. The Applicant had offered introductory meetings with the potentially affected local authorities and technical

stakeholders. It also met with Humber Nature Partnership to introduce the project and identify opportunities for collaboration. It had concluded its procurement campaign to secure its Development Consent Order (DCO) project team.

Front end engineering design (FEED) procurement was ongoing. The Applicant was continuing to engage with BEIS to share learning from its membership of the Carbon Capture and Storage Association (CCSA), the trade association promoting the commercial deployment of CCUS, particularly in advance of the forthcoming National Policy Statement (NPS) Review.

Promotion of DCO

The Applicant anticipated the use of s14.1(q) of the Planning Act 2008, noting that the previous Yorkshire and Humber CCS pipeline provides precedent for this, whilst advising that a CCUS pipeline network of this scale would be the first of its kind. As such there would need to be a level of flexibility. The Applicant advised that depending on the outcome of the BEIS cluster sequencing consultation it would be advocating for an integrated strategic network for the Humber. Network deployment could be sequential, which could result in sequential DCO applications (i.e. the potential need to create a trunk and spoke network), reflecting the phasing of Carbon Dioxide (CO₂). This was also true of the Hydrogen (H2) transportation element, which would have similar but distinct requirements and needs case. The network components could include a CO₂ transportation pipeline, Above Ground Installations (AGIs) such as Multi Junction(s), Block Valves PIG traps, as well as a compression station near landfall, connection to emitters in the region, Humber/Ouse crossings, hydrogen transportation pipeline and associated infrastructure. River crossings would likely need a deemed Marine Licence. The Applicant was mindful of policy adoption and uncertain policy positions on the wider network ambition and hydrogen transportation. There were varying levels of maturity for potential connecting emitters CO₂ T&S network in the Humber region, and also for hydrogen demand and potential offtakers.

The Applicant queried whether the Inspectorate had any views on the potential sequencing of DCOs. The Inspectorate advised that at Examination stage the Examining Authority (ExA) would seek evidence about the timescales and certainty of the Endurance storage in relation to the CO₂ T&S network, and potential alternative plans should the storage site not be secured. The Applicant confirmed that the Endurance storage site was comprehensively characterised as it related to the White Rose project (and associated Yorkshire and Humber CCS pipeline DCO) and that an existing licence and agreement for lease was in place. Offshore survey work was planned later in 2021 to support assessments and progress of a Permit application for the Endurance site. The Inspectorate suggested a consenting strategy, capturing the certainty of the Endurance storage site, could assist in providing evidence that the project that the storage was secured and that the CO₂ pipeline network would not become a stranded asset.

The Applicant presented two indicative potential route configurations. The principle difference between the two related to a tunnel under the River Humber or crossing of the River Ouse. Pipeline corridors south of the Humber remained broadly the same and three potential landfall sites had been identified across the two indicative route configurations.

The configurations contained sub-optionality and included links to potential emitters in the area. The Applicant was completing options appraisals to identify the environmental and socio-economic impacts, technical requirements and cost. The Inspectorate acknowledged a pipeline under the River Humber could provide a more direct route, but recognised the engineering, environmental and financial implications would need to be assessed.

The Applicant referred to the s35 directive obtained by Teesside Net Zero in relation to its associated elements. Humber Low Carbon Pipelines project would not contain any generation, however other generating projects would require connection to the proposed network. It acknowledged the possible use of the Town and County Planning Act process for connecting of emitters, and the option of anchor projects requiring a connection and also progressing as DCOs to achieve a degree of alignment with associated development as it relates to interfaces. The Inspectorate advised seeking legal advice on the gathering networks and associated developments within DCOs. Policy direction within revised NPS's may assist in the future pipeline network promotion. This would aid with development of an efficient consenting strategy. The Inspectorate advised that clarification of relationships between the main project and its associated development would be required. Further discussion would be useful as the matter progressed, so it could advise on the Applicant's consenting strategy.

The Applicant advised that there would be an element of compulsory acquisition (CA) in the DCO, and were aware of the 'over-riding need' case which is influenced in part by the needs case, which is different for CO₂ and H2 even though both were ultimately required for decarbonisation of the Humber. The land and consent strategy for the CO₂ network was clearer, with CA likely to be aligned with CO₂ T&S network operator status as statutory undertakers or their equivalent, which would be determined by BEIS as the arrangements and business models for CCUS were put in place. There was less certainty at present for the hydrogen element, although BEIS committed to a Hydrogen Strategy in 2021 and confirmation of business models and so on in due course. There were potential environmental benefits to co-location of the pipelines if this could be achieved. The Inspectorate advised there would need to be justification for CA. The Applicant advised this was a consideration for the scope and phasing of the projects. The projects would be commercially independent. Initial consultation would proceed on the intention for both elements, whilst a clearer steer on hydrogen requirements was identified.

National Policy Statement (NPS) Review

The Applicant was speaking to BEIS independently, and as part of the CCSA, to encourage a stronger policy statement for the de-carbonisation agenda. This would be put forward as part of the NPS review consultation. The Applicant advocated for explicit inclusion of CCUS and CO₂ networks, and the need for low carbon hydrogen networks. In a previous DCO project for a cross country pipeline (Yorkshire and Humber CCS pipeline), there had been reference to EN1 but not EN4, as carbon was not considered a natural gas. The Inspectorate advised that the NPS revisions may address some of those points and acknowledged the requirement for policy to reflect emerging technology and projects. The Energy White Paper set out an aim of designating the updated NPS's by

the end of 2021. This would allow the Applicant time to consider any emerging or newly finalised relevant NPS.

Project Promotion

The Humber industrial cluster strategic ambition was for net zero industrial emissions. CO₂ and Hydrogen transportation/storage networks were seen as vital to support this. CATCH, a cross sector approach including industry, manufacturing and generation, was developing a Humber industrial cluster plan which addressed cross-sectoral decarbonisation. The BEIS CCUS cluster sequencing consultation sat underneath this and was seeking to understand how the near-term CO₂ T&S network could be achieved.

A CCUS cluster plan would be submitted to BEIS. In October 2021 BEIS would announce the clusters to come forward in phase 1. This would assist with the development of the network and identification of potential sequencing (if at all) of DCOs. A further announcement was anticipated in November 2021 on the projects to progress within the successful cluster.

The Applicant was waiting for clarification on the submission criteria. Successful selection would allow for more detailed conversations about government strategies and project progression. There were multiple government consultations on regulatory and strategic models on CCS and hydrogen that the Applicant was engaging with.

Non statutory consultation

Non statutory consultation was planned for Q3, 2021. It would introduce regional and local community stakeholders with the demand for, and ambition behind, the full network and chain of CO₂ transportation and storage and Hydrogen network. Offshore counterparts would promote the offshore pipeline and storage through the Petroleum Act and Energy Act. The consultation would aid with the route corridor and site selection, including landfall. Initial engagement with landowners was expected, along with the potential for briefings on the consultation strategy with Town and Parish Councils and Elected Members at host authorities.

The Inspectorate advised of the recent changes in the Regulations, making permanent the temporary requirements in response to Covid-19. There was no longer a legal requirement to make documentation available for inspection at places including at least one address in the vicinity of the proposed development, although they should be available on the Applicant's website. The draft Statement of Community Consultation (SoCC) should be flexible to allow for all types of events to be able to be undertaken as appropriate (given the latest Covid situation). Physical events could be included during the consultation if they could be managed safely and there was a specific need for them. Consultation should have a virtual element which could be increased or reduced as required. It advised the Applicant to speak to local authorities to identify appropriate approaches to take in the local area and the applicant confirmed that this was the intention for future engagement. It was also advisable to explore audio-visual companies to support virtual events should these be required.

The Inspectorate advised it would be useful to have a high level non-statutory consultation feedback report, to feed into the final consultation report. This could illustrate an emerging story for the statutory consultation, evidence levels of engagement and how responses were taken into account. The applicant confirmed that this would be the intention and that this would be undertaken.

EIA scoping for the DCO project (i.e. the onshore T&S network) was planned for Q4 2021, after the non-statutory consultation described above.

AOB

The Inspectorate queried the proximity of the proposed tunnel under the Humber (if that option was pursued) to the consented National Grid gas pipeline replacement Project under the Humber river (known as Feeder 9), and whether there was any potential for cumulative impacts. The Applicant advised that the gas pipeline was now in operation and therefore would be considered as part of the assessment baseline, rather than in the cumulative effects assessment.

The Inspectorate advised it would be useful for the Applicant to set out its proposed approach to assessing the wider project elements (i.e. those which are not part of the DCO project) in its scoping report, to allow the Inspectorate to comment.

The Inspectorate advised that it would also be useful to understand the prospect of any s35 request in relation to the Hydrogen network, once the position on hydrogen was identified.

All agreed that regular meetings would be useful. The next project update meeting would be arranged for late June 2021.