

DRAFT STATEMENT OF COMMON GROUND WITH 2 SISTERS FOOD GROUP (AMBER REAL ESTATE)

HyNet Carbon Dioxide Pipeline DCO

Planning Act 2008

The Infrastructure Planning (Examination Procedure) Rules 2010 - Rule 8(1)(c)

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STATEMENT OF COMMON GROUND

This Statement of Common Ground has been prepared and agreed by (1) Liverpool Bay CCS Limited and (2) 2 Sisters Food Group (Amber Real Estate)

Signed

[NAME]

[POSITION]

on behalf of Liverpool Bay CCS Limited

Date: **[DATE]**

Signed

[NAME]

[POSITION]

on behalf of 2 Sisters Food Group (Amber Real Estate)

Date: **[DATE]**

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1. INTRODUCTION

1.1. PURPOSE OF THIS DOCUMENT

- 1.1.1. This draft Statement of Common Ground (SoCG) has been prepared by Liverpool Bay CCS Limited ('the Applicant') and 2 Sisters Food Group and its associated landlord Amber Real Estate (together '2SFG').
- 1.1.2. For the purpose of this draft SoCG, the Applicant and 2SFG will jointly be referred to as the 'Parties'.
- 1.1.3. The purpose of this draft SoCG is to set out the agreement that has been reached between the Parties in respect of several matters related to the Development Consent Order (DCO) Proposed Development. It also lists open points on which discussions are still ongoing between the Parties. SoCGs are an established means in the DCO planning process of allowing all Parties to identify and focus on specific issues that may need to be addressed during the examination.
- 1.1.4. **Chapter 2** of this draft SoCG records the consultation undertaken with 2SFG by the Applicant. **Chapter 3** of this draft SoCG sets out the areas of agreement in relation to the above matters, and any areas of ongoing discussion between the Parties.

1.2. THE DCO PROPOSED DEVELOPMENT

- 1.2.1. HyNet (the Project) is an innovative low carbon hydrogen and carbon capture, transport and storage project that will unlock a low carbon economy for the North West of England and North Wales and put the region at the forefront of the UK's drive to Net-Zero. The detail of the project and the DCO Proposed Development can be found in the main DCO documentation. The DCO Proposed Development and this SoCG relate to the onshore CO₂ pipeline element of HyNet only. Other elements of HyNet are subject to separate consenting processes and are not addressed here.
- 1.2.2. The DCO Proposed Development impacts 2SFG primarily as a commercial enterprise within and adjacent to the Order Limits.
- 1.2.3. The Applicant has identified the following plots in which 2SFG hold an interest:
16-01, 16-06, 16-11
- 1.2.4. A full description of the DCO Proposed Development is detailed in Chapter 3 of the Environmental Statement (ES) **[APP-055]**.

2. RECORD OF ENGAGEMENT

- 2.1.1. This Chapter provides a summary of the engagement to date between the Applicant and 2SFG in relation to the DCO Proposed Development.

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Table 2.1 – Record of Engagement in relation to the Proposed Development

Date	Form of Correspondence	Key Topics Discussed and Key Outcomes
October 2022 – December 2022	Email correspondence between 2SFG and the Applicant	<p>Key Topics</p> <p>Various email correspondence relating to the Heads of Terms.</p> <p>Discussions and Outcomes</p> <p>The Applicant received a request for the Heads of Terms to be issued directly to Amber Real Estate’s representatives at Boparan Private Office.</p> <p>The Applicant followed up on 12 December 2022 on the request of Amber Real Estate/ 2SFG and issued the Heads of Terms to Boparan Private Office.</p> <p>Various emails between the Applicant and Boparan Private Office requesting feedback on the Heads of Terms and dates for a Teams meeting to further discuss any feedback.</p>
12/12/2022	Teams meeting between 2SFG and the Applicant	<p>Key Topics</p> <p>Teams meeting to discuss the Heads of Terms feedback.</p> <p>Discussions and Outcomes</p> <p>Discussion focussed on the installation of the pipeline, liability, environmental considerations and liability, site-specific impacts and costs as per the feedback received from Boparan Private Office on behalf of 2SFG.</p> <p><u>Storage Facility</u></p> <p>The Parties also discussed the vibration levels when the trenchless crossing over Chester Road takes place as 2SFG have sensitive machinery which could be impacted by excessive vibration levels.</p> <p>The Applicant agreed to review the feedback and will continue to negotiate with 2SFG.</p>
10/02/2023	Site visit by the Applicant	<p>Key Topics</p> <p>Site visit to review the proposed access.</p> <p>Discussions and Outcomes</p> <p>The Applicant undertook a site visit further to feedback received from 2SFG to review the access route and understand the impact on the site where the fridge units are located.</p>
March 2023 – April 2023	Email correspondence between 2SFG and the Applicant	<p>Key Topics</p> <p>Various email correspondence relating to the Heads of Terms.</p> <p>Discussions and Outcomes</p> <p>Various emails between Boparan Private Office and the Applicant, requesting updates on the lorry turning circle since the site meeting in February 2023.</p> <p>The Applicant advised that the design is still under review.</p>

Date	Form of Correspondence	Key Topics Discussed and Key Outcomes
		Various emails between the Applicant and 2SFG requesting dates for a Teams meeting with their legal and site technical teams to further discuss any feedback.
06/04/2023	Teams meeting between 2SFG and the Applicant	<p>Key Topics</p> <p>Teams meeting to discuss the Heads of Terms feedback.</p> <p>Discussions and Outcomes</p> <p>Discussion focused on the installation of the pipeline, the vibration levels during construction and how this might impact the site's structural buildings and live bird produce, and use of the car park for access.</p> <p><u>Pipeline Construction</u></p> <ul style="list-style-type: none"> • Discussion to be had with the Local Highways Authority when constructing underneath Chester Road (i.e. potential temporary traffic light system to be put in place / road closure etc). <p><u>Noise & Vibration</u></p> <ul style="list-style-type: none"> • 2SFG technical team had concerns regarding the impact of noise vibration levels from construction works and the impact it might have on the site's structural integrity and the health impact on their live chicken storage facilities; • The Applicant requested information on maximum vibration limits but note that the vibrations associated with trenchless pipeline installation is low to negligible. The Applicant shall provide further information on crossing construction methodology. The 2SFG technical team had concerns about noise complaints from local residents, citing previous incidents involving generators used overnight for cold storage; • The Applicant acknowledges that 24 hour working has been applied for, the measures to reduce the impact of noise disruption on local residents is set out in the Environmental Statement (ES) which is to be reviewed as a part of the DCO application. The Applicant notes that local residents have been consulted on the scheme and are unlikely to associate construction works with 2SFG plant operations. A link has been sent to 2SFG to the relevant chapter (Chapter 15 – Noise and Vibration [APP-067]) of the 2022 ES. <p><u>Environmental</u></p> <ul style="list-style-type: none"> • 2SFG raised the issue of the high water-table within the Sandycroft area and whether this has been considered in respect of the pipeline's construction. • The Applicant advised that during ground investigation works, groundwater levels were identified and there is confidence that the groundwater levels will not impact on the deliverability of the trenchless crossings. <p><u>Car Park Facilities</u></p> <ul style="list-style-type: none"> • Regarding access and use of the car park for storage purposes, the site has a small car park which is used for the factory's 24/7 operations. 2SFG have few alternative car parking facilities as there have been complaints previously from local residents if their roads are used for parking. The Applicant has provided assurances that alternative car parking would be sought in the event temporary possession of the 2SFG car park is required. • The lorry turning circle is still under review to be removed from the area required under temporary possession.

Date	Form of Correspondence	Key Topics Discussed and Key Outcomes
		The Applicant has agreed to review the feedback and will continue to negotiate with 2SFG. Typical equipment details to be provided to 2SFG technical team to review the vibration impact.

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3. ISSUES

3.1.1. This chapter sets out the areas of agreement in relation to specific issues relating to the DCO Proposed Development, and any areas of ongoing discussion between the Parties. The topics discussed between the Applicant and 2SFG (2SFG) are as follows:

- Engagement, ES & Other Application documents;
- Installation issues related to the 2 Sisters Site (Chester Road);
- Liability Issues;
- Environmental Issues;
- Site/Storage Issues; and
- Issues related to the Draft DCO.

Table 3.1 – Engagement, ES & Other Application Documents

Ref.	Description of Matter	Current Position	Status
Engagement			
2SFG 3.1.1	Engagement	The Parties agree that engagement has been ongoing in the pre-application period (as set out in the record of engagement) and the Applicant has sought to bring forward a design which has had regard to 2SFG’s views. 2SFG has been formally consulted on the application as required by the Planning Act 2008 (PA 2008).	Under Discussion
Land			
2SFG 3.1.2	Land Acquisition	The Parties are seeking to agree a voluntary land acquisition agreement.	Under Discussion
Application Documents			
2SFG 3.1.3	Other application documents	2SFG agrees that its interests are correctly reflected in the Book of Reference [AS-023].	Under Discussion

Table 3.2 – Installation Issues related to the 2 Sisters Site (Chester Road)

Ref.	Description of Matter	Current Position	Status
2SFG 3.2.1	Construction Detail	<p>2SFG seeks additional information related to type of construction planned, expected duration and authorisation of construction and proposed installation (e.g., contents and associated risks, risk mitigation, inspection and maintenance arrangements post installation).</p> <p>The Applicant confirms that the pipeline shall be installed by trenchless methods underneath Chester Road, using the land adjacent to the 2SFG facility as a launch/reception area for the trenchless crossings. The overall programme of construction for the entire pipeline is to be in the region of 16 months. Specific timelines for the section of the pipeline that require trenchless crossings of Chester Road are to be determined by the appointed construction contractor.</p> <p>The Applicant’s appointed construction contractor would hold CDM responsibilities over all construction areas. The Applicant shall employ a robust project management team, including HSE resource, to assure contractor activities.</p> <p>The Applicant will primarily require the use of the 2SFG car park for access to the site, as well as for temporary storage. The Applicant will require sections of the outer fence to be removed temporarily (enclosed within construction fencing), to allow for the access of construction vehicles to the construction area adjacent to Chester Road.</p> <p>The Applicant may need to remove soil from the bund present directly North of Chester Road. The removal of soil will be minimised by the Applicant and disruption will be minimised where practicable.</p> <p>The Applicant commits to restoring any damage to fences, the soil bund and any associated equipment to ensure that after construction, the site is restored to its pre-construction condition.</p>	Under Discussion
2SFG 3.2.2	Construction Liaison	2SFG seek information related to HSE resource to be appointed, whether the Applicant would communicate to the neighbouring property beforehand and existence of any service media beneath the land the Applicant proposes to take an option over.	Under Discussion

Ref.	Description of Matter	Current Position	Status
		This is currently under consideration by the Applicant.	
2SFG 3.2.5	Vibration	<p>2SFG technical team have raised concerns regarding the impact of noise vibration levels from construction works and the impact it might have on the site's structural facilities/machinery and their live chicken produce which are brought onto site daily.</p> <p>The Applicant has agreed to provide further technical clarification to address these concerns.</p>	Under Discussion.

Table 3.3 – Liability Issues

Ref.	Description of Matter	Current Position	Status
2SFG 3.3.1	Consequential Losses	<p>2SFG cannot agree to the exclusion of consequential losses.</p> <p>If the Applicant damaged 2SFG electric or water supply, or if access was denied or some other incident caused 2SFG to stop production which was attributable to the Applicant, 2SFG would need to be fully compensated.</p> <p>If 2SFG is subject to any consequential losses, the Applicant notes even where an agreement is not in place, that a relevant claim could be made if any such damage / inconvenience constitutes a claim under section 10 of the Compulsory Purchase Act 1965, under Part 1 of the Land Compensation Act 1973 or under section 152(3) of the PA2008.</p>	Under Discussion
2SFG 3.3.2	Compensation claim limit	<p>2SFG requests that the limits of £5m per each individual claim must exclude damage to buildings.</p> <p>The Applicant will continue to consider this point as part of the commercial negotiations with 2SFG.</p>	Under Discussion
2SFG 3.3.3	Compensation payment limit	<p>2SFG wishes to confirm over what period is the aggregate limit of £15m and queries whether this is the 6-year period mentioned in the summary. If so 2SFG would request a higher aggregate limit.</p> <p>The Applicant will continue to consider this point as part of the commercial negotiations with 2SFG.</p>	Under Discussion
2SFG 3.3.4	Public Liability Insurance	<p>2SFG will require evidence of, and an undertaking, that the Applicant have/will have Public Liability insurance policy in place throughout the period in question with a limit of indemnity of a minimum of £10M for each claim (on the basis no buildings are to be impacted).</p> <p>The Applicant will continue to consider this point as part of the commercial negotiations with 2SFG.</p>	Under Discussion

Table 3.4– Environmental Issues

Ref.	Description of Matter	Current Position	Status
2SFG 3.4.1	Pollution generation	<p>2SFG have highlighted that if the Applicant cause significant pollution which impacts 2SFG's permitted operations, 2SFG would require assurances from the Applicant that this would be compensated for.</p> <p>The Applicant notes that pollution prevention and control plans will be required to be approved by the Local Planning Authority (LPA) before works commence. Any risk of pollution being caused by the DCO Proposed Development would</p>	Under Discussion

		<p>be due to construction equipment access and working at the 2SFG site. This has been assessed in Chapter 6 (Air Quality) [APP-058] and Chapter 18 (Water Resources and Flood Risk) [APP-070] of the 2022 ES.</p> <p>The Applicant will continue to consider this point as part of the commercial negotiations with 2SFG.</p>	
2SFG 3.4.2	NRW Permitting	<p>2SFG operate the site under a Natural Resources Wales (NRW) permit and are investigating any impact the project will have on 2SFG's permit with NRW and will revert in due course. 2SFG will need to seek confirmation from NRW in writing that 2SFG wouldn't be held responsible for the Applicant's pollution whether within or outside of their permit/boundary and if this is not available, 2SFG will need undertakings from the Applicant that it would be compensated for any points lost, fines or costs incurred as a result of the project.</p> <p>The Applicant is responding to these points as part of the commercial negotiations as further discussion is required.</p>	Under Discussion
2SFG 3.4.3	Environmental Damage	<p>2SFG requests that if the Applicant causes environmental damage, the Applicant will be required to rectify the damage and compensate 2SFG for any impact the damage and/or rectification works cause on 2SFG operations.</p> <p>The Applicant expects to be liable for damage to the extent it is caused by the works.</p>	Under Discussion
2SFG 3.4.4	Contaminated Land	<p>2SFG have requested clarification regarding the responsibility of managing contaminated land found by the Applicant during the Applicant's works, which makes the soil unsuitable for their pipeline. 2SFG has queried who would be responsible for the remediation.</p> <p>This is currently under consideration by the Applicant.</p>	Under Discussion

Table 3.5 – Site / Storage Issues

Ref.	Description of Matter	Current Position	Status
2SFG 3.5.1	Pipeline routing	<p>2SFG have requested further detail about where the pipeline is to be laid and whether any services or buildings are potentially impacted prior to entering the option agreement. 2SFG have requested that their operational services, such as parking and storage are not impacted.</p> <p>The Applicant confirms that the pipeline shall be laid within the defined Order Limits, coloured pink in the current revision of the Land Plans [AS-010]. No service interruption or removal of 2SFG buildings is planned as a part of the pipeline construction process, although some parking spaces may have to be suspended on a temporary basis (please see 2SFG 3.5.4).</p> <p>The Applicant is currently reviewing the defined land use for construction within this area, based on the feedback from 2SFG. The Applicant shall continue to engage with 2SFG to minimise disruption to the facility operation.</p>	Under Discussion
2SFG 3.5.2	Site Surveys	<p>2SFG have requested surveys (both intrusive and non-intrusive) be carried out on a 'licence' basis before grant of the option agreement.</p> <p>The Applicant agrees to this request.</p>	Agreed
2SFG 3.5.3	Order Limit Area	<p>2SFG have requested a reduction in the size of the option area to run as close to the boundary as possible.</p>	Under Discussion

Ref.	Description of Matter	Current Position	Status
		<p>The Applicant proposes that the area of works shown in the Heads of Terms Plan document be reduced with a commitment not to use this area. The remaining area has been included as a worst case for construction access and temporary works.</p> <p>The Applicant is open to further discussion with 2SFG to minimise the impact of the planned works on the 2SFG site.</p>	
2SFG 3.5.4	Parking	<p>The site is not an accessible area with shift pattern workers and 2SFG are therefore reliant on the current car parking. 2SFG have requested that the Applicant arranges alternate parking arrangements for 2SFG staff which are satisfactory to 2SFG. If car parking space is lost, 2SFG is of the view that the Applicant will need to find a suitable alternative location for the pipeline.</p> <p>The Applicant is committed to providing alternative parking arrangements to 2FSG. The Applicant cannot commit to finding an alternative location for the pipeline.</p>	Under Discussion
2SFG 3.5.5	Order Limit reduction – Change to 2SFG Plant Usage	<p>2SFG do not agree to the inclusion of an area to the north central section of the Order Limits as this is currently used as part of an access. 2SFG have advised if this area is blocked, it will impact the site's function as the business would not be able to move vehicles to and from Despatch.</p> <p>The Applicant notes this and proposes to remove this area from the Heads of Terms plan and commit within that document not to access this area.</p>	Under Discussion
2SFG 3.5.6	Storage	<p>2SFG have enquired whether the Applicant needs a storage facility and have stated this can only be on a temporary basis.</p> <p>The Applicant acknowledges this point and confirms that any storage required on the 2SFG site required will use the area specified by the Order Limits. The Applicant confirms this will also be temporary in nature and the temporary storage of equipment, material and excavated soil will be removed and left in a state equivalent to the pre-construction condition.</p>	Under Discussion

Table 3.6 – Issues related to the DCO Proposed Development - Draft DCO (including requirements to the draft DCO)

Ref.	Description of Matter	Current Position	Status
2SFG 3.3.1	Draft DCO	2SFG has no objection to the drafting of the DCO.	Under Discussion