

DRAFT STATEMENT OF COMMON GROUND WITH ENCIRC LIMITED

HyNet Carbon Dioxide Pipeline DCO

Planning Act 2008

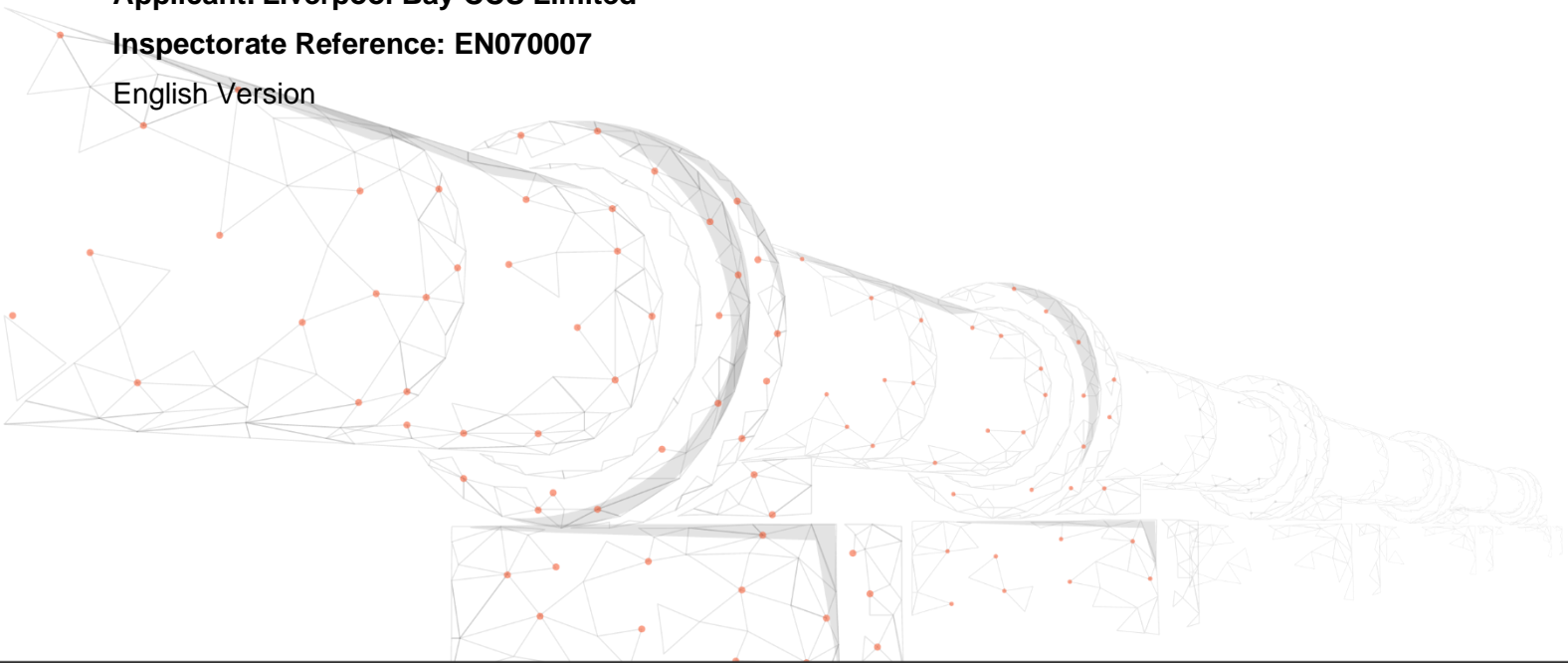
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STATEMENT OF COMMON GROUND

This Statement of Common Ground has been prepared and agreed by (1) Liverpool Bay CCS Limited and (2) Encirc Limited

Signed

[NAME]

[POSITION]

on behalf of Liverpool Bay CCS Limited

Date: **[DATE]**

Signed

[NAME]

[POSITION]

on behalf of Encirc

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 Encirc Limited ('Encirc').
- 1.1.2. For the purpose of this draft SoCG, the Applicant and Encirc 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 Development Consent Order (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 Encirc 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 (DCO) impacts Encirc primarily as glass manufacturing company and in respect of certain land interests. Encirc, part of the Vidrala group, is a market leader in glass container design, manufacturing, bottling and logistics solutions for the UK, Irish and European food and beverages industries. The site operates the largest container glass furnace in the world, which is one of two furnaces on site producing approx. 500,000 tonnes of glass (>2 billion bottles) per year. The site contract fills approximately 200m litres of beverages product per annum and is a fully bonded site, authorised to receive, process, store and distribute alcoholic beverages. The value of tax and duty handled on behalf of HMRC annually is in excess of £500m. The site is COMAH registered.
- 1.2.3. The Applicant has identified the following plots in which Encirc hold an interest:

1-01, 1-01a, 1-02, 1-03, 1-06, 1-06a, 1-06b, 1-06c, 1-20, 1-21, 1-22, 1a-01, 1a-02, as shown in the Land Plans **[CR1-009]**.

1.2.4. A full description of the DCO Proposed Development is detailed in Chapter 3 of the Environmental Statement (ES) **[APP-055]**.

1.3. TERMINOLOGY

1.3.1. In the Issues tables in **Chapter 3** of this draft SoCG, 'Agreed' and 'Not Agreed' indicates a final position, and 'Under Discussion' indicates where these points will be the subject of on-going discussion wherever possible to resolve or refine, the extent of disagreement between the Parties.

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2. RECORD OF ENGAGEMENT

- 2.1.1. This chapter provides a summary of the engagement undertaken to date between the Parties in relation to the DCO Proposed Development.

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Table 2-1 – Record of Engagement in relation to the DCO Proposed Development

Date	Form of Correspondence	Key Topics Discussed and Key Outcomes
March 2022 – July 2022	Various email correspondence between the Applicant and Encirc	<p>Key Topics</p> <ul style="list-style-type: none"> • Access discussion for surveys • General Project Updates <p>Discussions and Outcomes</p> <p>Various Access requests from the Applicant to Encirc.</p> <p>The Applicant issued a new survey access licence to Encirc. The Applicant and Encirc had various correspondence around the use of the Encirc Access track and the licence agreement wording.</p>
11/07/2022	Letter from the Applicant to Encirc	<p>Key Topics</p> <p>Heads of Terms</p> <p>Discussions and Outcomes</p> <p>The Applicant issued the Heads of Terms to Encirc for Review.</p>
08/08/2022	Email correspondence between Encirc and the Applicant	<p>Key Topics</p> <ul style="list-style-type: none"> • Access discussion for surveys • Heads of Terms feedback <p>Discussions and Outcomes</p> <p>Encirc provided feedback on the licence agreement which the Applicant provided. The Applicant agreed to review the wording of this.</p> <p>Encirc also provided feedback to the Heads of Terms issued on 11 July 2022 advising the Applicant they would not be interested in a lease agreement as proposed by the Applicant due to concerns regarding their main access road, existing right of ways and a working rail line. Encirc agreed they support the project and would like to work with the Applicant to continue negotiations.</p>
10/08/2022	Encirc submitted their consultation response to the Applicant	<p>Key Topics</p> <ul style="list-style-type: none"> • Encirc’s key concerns issued to the Applicant <p>Discussions and Outcomes</p> <p>The Applicant received the concerns and took them into consideration for subsequent feedback.</p>
18/08/2022	Site meeting between the Applicant and Encirc	<p>Key Topics</p> <ul style="list-style-type: none"> • Access discussion for surveys

Date	Form of Correspondence	Key Topics Discussed and Key Outcomes
		<ul style="list-style-type: none"> • General Project Updates <p>Discussions and Outcomes</p> <p>Encirc raised concerns regarding the access issues, consideration payments and their proposed development over the Applicants option area.</p> <p>The Applicant agreed to review the access and bespoke the Heads of Terms accordingly. The Applicant advised that the Order Limits cannot be changed to avoid the proposed Encirc future development. Site layout plans of the proposed future development had also been requested by the Applicant.</p>
August 2022	Various email correspondence between the Applicant and Encirc	<p>Key Topics</p> <ul style="list-style-type: none"> • Access discussion for surveys <p>Discussions and Outcomes</p> <p>The Applicant provided Encirc with an updated supplementary access licence agreement, further feedback was provided on this by Encirc which the Applicant agreed to review.</p>
13/12/2022	Microsoft Teams call between Encirc and the Applicant	<p>Key Topics</p> <ul style="list-style-type: none"> • Access at Ince AGI site <p>Discussions and Outcomes</p> <p>The Applicant shared approximate traffic movement details with Encirc.</p> <p>The Applicant agreed to share post submission design plans which remove conflict. Encirc to share future development plans which may conflict with Order Limits. The Applicant to confirm further consultation since DCO submission.</p>
07/02/23	Microsoft Teams call between Encirc and the Applicant	<p>Key Topics</p> <ul style="list-style-type: none"> • Access to the Ince AGI Site for surveys <p>Discussions and Outcomes</p> <p>The Applicant and Encirc agreed to put an agreement in place to allow access over Encirc's land for surveys.</p>
15/03/23	Microsoft Teams call between Encirc and the Applicant	<p>Key Topics</p> <ul style="list-style-type: none"> • Future access at Ince AGI site • Genral Project Update <p>Discussions and Outcomes</p> <p>The Applicant and Encirc had a general update following from previous meetings. The Applicant committed to review and update the Heads of Terms agreements to address Encirc's concerns.</p>

Date	Form of Correspondence	Key Topics Discussed and Key Outcomes
		The Applicant offered to draft an SoCG and share with Encirc.
27/04/23	Microsoft Teams call between Encirc and the Applicant	<p>Key Topics</p> <ul style="list-style-type: none"> • Meeting to review RevA draft of SoCG <p>Discussions and Outcomes</p> <p>The Applicant gave an update on their DCO process.</p> <p>The Applicant and Encirc Applicant's first draft of the SoCG.</p>

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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 Encirc are as follows:

- Engagement, & Other Application documents;
- Issues related to Access to Adjacent Land;
- Issues related to Access to Encirc Land;
- Issues related to Future Developments;
- Issues related to Operational Impacts;
- Issues related to the Draft DCO.

Table 3-1 – Engagement, ES & Other Application Documents

Ref.	Description of Matter	Current Position	Status
Engagement			
Encirc 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 Encirc's views. Encirc has been formally consulted on the application as required by the Planning Act 2008 (PA2008).	Under Discussion
Encirc 3.1.2	Project Support	Encirc are an active member of the wider HyNet project and supports the Applicant in providing critical infrastructure to enable Project viability. Encirc have the potential to become a customer of some of the HyNet Project partners.	Agreed
Other Application Documents			
Encirc 3.1.3	Other application documents	Encirc agrees that its interests are correctly reflected in the Book of Reference [CR1-022] . Encirc are currently reviewing this document.	Under Discussion

Table 3-2 – Issues related to Access to Adjacent Land

Ref.	Description of Matter	Current Position	Status
Encirc 3.2.1	Access for Construction on the Protos Site	The Applicant intends to use the land parcels labelled as Plots 1-02 and 1-03 in the Land Plans [CR1-022] for access to the site for the construction (and related activities), and operation of the Ince AGI. Encirc have noted that this access route has been provided to facilitate the undertaking of surveys. Encirc have requested that alternative routes be used for future access requirements. The Applicant notes this position and has made Encirc aware that this is the main road that ventilates the Protos site in its current situation. The Applicant has followed up with land use proposals in the voluntary agreement process, and Heads of Terms discussions are ongoing.	Under Discussion
Encirc 3.2.2	Access over Grinsome Road	The Applicant does not intend to stop-up the common site access on Grinsome Road or any other road that would impact access to the Encirc site. The Applicant's appointed Construction Contractor will consult Encirc (and the owner / other occupiers of the Protos Site) shall be consulted on the relevant draft construction traffic management plan before it is submitted to the Local Planning Authority for approval. Access through the Encirc site will be safely maintained and operational impacts to the stakeholders involved will be minimised wherever practicable.	Agreed

Table 3-3 – Issues related to Access to Encirc Land

Ref.	Description of Matter	Current Position	Status
Encirc 3.3.1	Access to Construction Area on Encirc's land interest	The Applicant has included provision for access from the plots labelled as 1-02 and 1-03 through to Plot 1-06, (and then following on to 1-06a, a-06b and 1-06c) as shown in the Land Plans [CR1-009] . Encirc has informed the Applicant that at	Under Discussion

		<p>this point there is no existing gated access between them. Encirc stressed the importance of maintaining the continuity of their fence line for their business operations.</p> <p>As part of the Applicant's Change Request 1, the Applicant has extended the red line boundary to include Ash Road (Plots 1-06a, 1-06b and 1-06c shown in the Land Plans [CR1-009], with the intention for this to be the main access point to Encirc's land - this is subject to a consultation process.</p>	
Encirc 3.3.2	Operational / Maintenance Access	The Applicant intends to use the entrance from Ash Road as the primary and only required access for operational maintenance access to the Plot 1-20, 1-21 and 1-22 as shown in the Land Plans [CR1-009]. This is subject to a consultation process.	Under Discussion
Encirc 3.3.3	Construction Access	<p>The Applicant intends to use the entrance at Ash Road as a primary access for all construction activities within plots 1-20 and 1-22. The Applicant is aware that this access has some restrictions for oversized HGVs. In the event that oversized HGVs are required, the Applicant has proposed an alternative route to Encirc, which is currently under Heads of Terms discussion between the Parties.</p> <p>In the event that these proposals are not acceptable to Encirc, the Applicant proposes to use the access from Grinsome Road. If any gap in the fence is made, the Applicant will commit to pay for the appropriate temporary security detail required and restoration works upon completion of the departure of the oversized HGV.</p>	Under Discussion
Encirc 3.3.4	Future Access	<p>Encirc have made the Applicant aware that their development plans that could change the access routing to the Plots 1-20, 1-21 and 1-22 as shown in the Land Plans [CR1-009]. Any alternative route would be consented under the consent for other development proposals if/when they come forward.</p> <p>The Applicant is content as long as an alternative access route is maintained continuously. This is being handled under Heads of Terms discussion.</p>	Under Discussion

Table 3-4– Issues related to Future Developments

Ref.	Description of Matter	Current Position	Status
Encirc 3.4.1	Future development on Pipeline easement	<p>Upon completion of construction, the Applicant requires a 24.4 m easement corridor surrounding the pipeline. A small length of pipeline crosses Encirc's land interest in Plots 1-20 and 1-22 as shown in the Land Plans [CR1-009].</p> <p>Encirc have made the Applicant aware of future development intentions in the area. The Applicant has made Encirc aware that it will need to assess any proposals for the use of the land within the pipeline easement on a case-by-case basis, to ensure safe operation and integrity of pipeline, and the ability to access the pipeline for maintenance if required.</p>	Under Discussion

Table 3-5– Issues related to Operational Impacts

Ref.	Description of Matter	Current Position	Status
Encirc 3.5.1	Railway Crossing	Encirc notes Plot 1-20 as shown in the Land Plans [CR1-009] is over a working railway line and no development can take place in the area.	Under Discussion

		<p>The Applicant confirms that the proposal in this plot is for subsurface works only using a trenchless method in order to minimise impact to the railway and ensure its operation is not affected by direct construction works.</p> <p>The Applicant is reviewing the possibility of carrying out a single trenchless crossing, covering land plots from 1-18 to 1-25 (including Plots 1-19, 1-20, 1-22, 1-23 and 1-24). This is being carried forward as a design option and, if selected, a trenchless crossing pit would not be required in plot 1-22 and access would not be required in plot 1-21. The decision on which crossing construction technique will be utilised will be made in detailed design, and therefore both options are currently being assessed as part of the DCO.</p> <p>The Applicant has requested details of the technical authority managing Encirc's railway spur and has requested a future meeting.</p>	
Encirc 3.5.2	Railway Surveys	<p>The Applicant notes that at points during construction, non-intrusive surveys of the railway will be required.</p> <p>The Applicant will work with Encirc to ensure the timing of these surveys do not have an adverse operational impact on Encirc's business.</p> <p>Encirc have requested an impact survey before and after the trenchless crossing construction works.</p> <p>The Applicant confirms that settlement monitoring will be conducted before, during and after any trenchless crossing of the railways.</p>	Under Discussion
Encirc 3.5.3	Construction Impact	<p>Encirc have requested that Plot 1-21 as shown on the Land Plans [CR1-009] is reduced. The Applicant notes this and has confirmed that this land is primarily required if two separate trenchless crossings are required for each railway. The land has been minimised to reduce operational impact, The wide parcel of Plot -21 has been selected to ensure there is flexibility of access, based on the known terrain at that location. It has been labelled as permanent access to ensure there is operational access over the terrain. This is being discussed further in the Heads of Terms discussion.</p> <p>The Applicant has reviewed the possibility of carrying out a single trenchless crossing and will progress this as a design option. This will be confirmed during detailed design.</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
Encirc .6.1	DCO Support	Encirc currently reviewing their position.	Under Discussion