

HYNET CARBON DIOXIDE PIPELINE DEVELOPMENT CONSENT ORDER

ENCIRC UPDATE – 8 AUGUST 2023

1. Introduction

1.1 This is an update summary prepared on behalf of Encirc Limited to set out the latest position in relation to the Hynet Carbon Dioxide Pipeline Development Consent Order (“Proposed DCO”) ahead of the upcoming hearings.

1.2 Currently, there is a draft Statement of Common Ground between the parties (submitted for Deadline 6) which set out the issues between the parties. Further, the parties are currently in the process of negotiating Protective Provisions for the benefit of Encirc to be included in the Proposed DCO alongside heads of terms for the granting of land rights. The negotiations in this regard remain ongoing.

1.3 The section below sets out some of the major points which remain outstanding.

2. Issue Summary

2.1 As set out above, the parties are currently negotiating in relation to Protective Provisions and land right agreements and it is hoped that an agreement which is satisfactory to all parties will be reached.

2.2 Encirc wishes to highlight the following issues which currently remain unresolved between the parties:

2.2.1 Future Development of the Encirc Land:

2.2.1.1 As has been previously explained, Encirc has development plans for its land included within the Order land.

2.2.1.2 These plans include an automated warehouse, new rail sidings and intermodal area, and hydrogen powered furnace, all of which are either with the local planning authority or well publicised, will include the installation of further railway tracks / sidings to be installed over plots 1-22, 1-21 and 1-06.

2.2.1.3 This development is essential to the future of the Encirc business and Encirc’s compliance with its obligations.

2.2.1.4 Encirc needs certainty that these plans will be not prevented or compromised by the Proposed DCO.

2.2.1.5 Encirc is currently awaiting further technical detail and confirmations from the Applicant in this regard (including confirmation of directional drilling below rail lines, depth if drilling, terms of agreements with Network Rail and removal of requirement for construction access to plot 1-21).

2.2.1.6 It is hoped that the Applicant can provide sufficient confirmations which can be secured in the Protective Provisions and land right agreements.

2.2.2 Crossing of the Railways:

2.2.2.1 Encirc have noted that it is important to its business operations and future plans that the pipeline is buried under both sets of train lines in a single trenchless crossing using directional drilling.

- 2.2.2.2 Further, Encirc has requested that the pipeline be buried to a sufficient depth to ensure it does not compromise the train lines, the carrying out of Encirc's operations and future development.
 - 2.2.2.3 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).
 - 2.2.2.4 Encirc have emphasised to the Applicant the importance of retaining access at all times to and use of the railway for the carrying out of Encirc's business and its future plans for redevelopment in this area. The matters will be dealt with in the protective provisions which are currently being discussed between the parties.
- 2.2.3 **Plot 1-21:**
- 2.2.3.1 The Applicant has confirmed that so long as the rail crossing is undertaken in one trenchless crossing, then there is no need for temporary possession to be undertaken of Plot 1-21 during the construction phase.
 - 2.2.3.2 Encirc understands that the Applicant requires only Permanent Access Rights for monitoring and maintenance of the pipeline. Therefore, it is Encirc's understanding that this right could be provided over an alternative route to Plot 1-21 (and hence plot 1-22) and secured by way of a land rights agreement and the protective provisions.
 - 2.2.3.3 Encirc also requires clarification as to why even operational phase monitoring of the pipeline at plot 1-21 (and 1-22) would be required if no such monitoring access is required along the route either side of this location.
- 2.2.4 **Traffic Movements**
- 2.2.4.1 Encirc remains concerned in relation to the management of road traffic movements around the Encirc Site during the construction stage of the Proposed DCO. This relates to access from Grinsome Road to the proposed Hynet AGI plant from the north and from Ash Road to the pipeline construction (and monitoring) areas from the south.
 - 2.2.4.2 The access roads are used heavily to Encirc and are vital for the operation of its business. The route between the rail terminal and the plant accommodates as a minimum, 80 one-way (160 two-way) HGV movements of sand and cullet per day per week, operation between 7.00am and 3.30pm. The route is in continuous operation during this period. This continuous operation cannot be interrupted.
 - 2.2.4.3 Ash Road (to the south) is maintained at the expense of Encirc and is kept as a free-flowing route by Encirc through mechanisms such as the traffic light phasing under the Ash Road rail bridge. Clarification is required as to the proposed extent of use of Ash Road by the applicant and the extent of construction traffic using Ash Road to access the pipeline route south of the main rail line to the east of Ash Road.
 - 2.2.4.4 A well-developed protocol will be needed to manage the use of the roads and to ensure that the construction process does not prejudice Encirc's ability to carry on its operations.

3. **Conclusion**

- 3.1 This document sets out some of the main points still to be agreed between the parties. It is hoped that satisfactory agreement is reached and documented by way of the protective provisions and land rights agreements.