

Viking CCS Pipeline

**9.43 Applicant's
Summary of Oral
Submissions at the
Compulsory
Acquisition Hearing 2
(CAH2) 25 June 2024**

Document Reference: EN070008/EXAM/9.43

Applicant: Chrysaor Production (U.K.) Limited,
a Harbour Energy Company
PINS Reference: EN070008
Planning Act 2008 (as amended)
The Infrastructure Planning (Applications: Prescribed Forms
and Procedure) Regulations 2009 - Regulation 5(2)(q)
Date: July 2024

Viking CCS Pipeline

Applicant's Summary of Oral Submissions

Compulsory Acquisition Hearing 2 (CAH2)



This note summarises the submissions made on behalf of Chrysaor Production (U.K.) Limited (the “**Applicant**”) at the Compulsory Acquisition Hearing 2 (“**CAH2**”) on 25 June 2024. This document does not purport to summarise the oral submissions of parties other than the Applicant; summaries of submissions made by other parties are only included where necessary in order to give context to the Applicant’s submissions.

1 THE SECOND CHANGE REQUEST APPLICATION

1.1 The Applicant was asked by the ExA if it anticipated submitting any further change requests. The Applicant confirmed that there is no further change request anticipated at this point in time but should one be necessary later in the process it will bear in mind the need to have that made as far in advance of any listed hearing date as possible.

1.2 The Applicant was invited by the ExA to briefly outline the changes which it is proposing and the reasons why these are being suggested in relation to the further Change Request it notified the ExA of on 14 June [AS-059] and submitted to the ExA on 19 June 2024 (“**the Second Change Request**”).

1.3 The Applicant explained that six proposed changes were outlined in the Second Change Request letter [AS-063] numbered three to eight. The numbering reflected the fact that an earlier change with changes numbered one and two had previously been made to the Application.

Relocate Block Valve Station 3 (Louth Road BVS) to the south of Louth Road near Alvingham within the existing Order Limits (“**Change 3**”)

1.4 In terms of the change termed by the Applicant as ‘Change 3’ the Applicant explained that this related to relocation of block valve station (“**BVS**”) 3 from the south east of Louth road to the north east. This change was made following a request of the landowner, Mr Shucksmith. As Mr Shucksmith is the owner of both land parcels this proposal therefore does not concern any other land interest.

1.5 The Applicant explained that if BVS 3 is moved across the road to the northeast, then the Applicant will also need to move a proposed access and lay down area which was on the northeast/northwest side of the road to the southeast. The Applicant summarised Change 3 as swapping the BVS from one side of the road to the other, and the laydown area and access commensurately to the other side. Mr Shucksmith had provided a letter of support for this change.

Narrowing of the Order Limits near the Anglian Water Treatment Works near Louth, to the South of Louth Road BVS (“**Change 4**”)

1.6 The Applicant noted that the ExA was familiar with the location of Change 4, because at a previous hearing they queried the extent of land take that was proposed.

1.7 The Applicant outlined that a 250m corridor was originally proposed to enable flexibility for the final pipeline route alignment, depending on where it was that Anglian Water (“**AW**”) would prefer the pipeline to sit so as to avoid the sterilisation of the remainder of their land asset. The Applicant confirmed that AW had now confirmed that they would prefer the pipeline to be located as far east as possible. The Applicant had now confirmed viability of such a route alignment and was therefore narrowing the corridor of the Order Limits.

Removal of Theddlethorpe Facility Option 2 from the Application (“**Change 5**”)

1.8 The Applicant explained that Change 5 is the removal of optionality in relation to the Theddlethorpe facility. This Optionality in the DCO application is no longer required due

to the positive negotiations to date with National Gas Transmission (“NGT”). The Applicant confirmed that it had reached an agreement with NGT in terms of the option and lease arrangement and completion of that agreement was forthcoming.

Removal and modification of the Order Limits around the Theddlethorpe Facility Option 1 and Option 2 (“Change 6”)

- 1.9 The Applicant submitted that Change 6 is ancillary to the Change 5 because there are a number of small modifications that need to be made following the removal of Option 2. This removes proposed acquisition of the land interests held by the Tempests, who were an objector to the Proposed Development. Those land interests are no longer required.

Removal of a construction access point in North East Lincolnshire that adjoins the A18 Barton Road south of Laceby (“Change 7”) and Removal of a construction access point in North East Lincolnshire that adjoins the A46 west of Laceby (“Change 8”)

- 1.10 The Applicant confirmed that Changes 7 and 8 are minor changes removing side accesses that were originally proposed as part of the Proposed Development. This addresses concerns raised by the relevant highways authority in respect of the use of these accesses.

Clarification Questions by the ExA

- 1.11 The ExA raised a number of questions that they wished further clarity on, which are addressed in turn below.

The Tempest’s Land

- 1.12 In relation to Change 6 the ExA invited the Applicant to confirm whether the Tempest’s land was no longer required and therefore they may fall away as one of the 11 listed objectors. The Applicant confirmed that this was correct and was the case if the ExA accepted the Second Change Request.

Mr Shucksmith’s Land

- 1.13 The ExA expressed a concern that the Infrastructure Planning (Compulsory Acquisition) Regulations 2010 would be engaged in relation to Mr Shucksmith’s land unless he consented to the proposed change (Change 3). It was noted that the letter submitted by the Applicant was signed by his agent, rather than Mr Shucksmith.
- 1.14 The Applicant confirmed that Mr Shucksmith had signed Heads of Terms on the basis the change request is accepted. As far as the content of the letter is concerned, it is very clear on its face that Mr Shucksmith is supportive and that the change was being made with his consent. The Applicant offered to provide the ExA with a letter or justification as why the initial letter had been signed the way it had and it was agreed that this would be submitted by the next deadline. **[Post-hearing note: The Applicant has now submitted an updated letter signed by Mr Shucksmith (document reference EN070008/EXAM/9.50)]**

Benefits of the Project

- 1.15 The ExA referred to paragraph 14.1.3 below of the Statement of Reasons (SoRs) [reproduced below for ease of reference].

Beyond the benefits to the UK’s climate ambitions, the Proposed Development brings benefits to the economy through the creation of jobs and total spend on the Proposed Development, much of which will benefit the area local to the site. In combination, these significant benefits outweigh the private loss of those impacted by exercise of the compulsory acquisition powers.

- 1.16 Further to this the ExA then went on to ask the Applicant to briefly outline the benefits that will arise from the Proposed Development.
- 1.17 The Applicant highlighted the contribution which this infrastructure would make to the government's commitment to meeting its Net Zero target and the overwhelming benefit in planning policy terms as outlined more broadly in the SoR and in other application documents. The Applicant submitted that there are overwhelming benefits in the public interest from the project more broadly, with relatively little interference with landowners. The Proposed Development mainly interferes with a limited amount of agricultural land which, whilst significant for those landowners affected, is limited in the context of the policy aims that the Proposed Development would contribute to.
- 1.18 The Applicant proposed to summarise the benefits for the ExA in a separate document. **[Post-hearing note: the Applicant has submitted a Position Statement on the benefits of the Proposed Development with document reference EN070008/EXAM/9.49]**

Benefits of the Proposed Development and the Benefits for the Completed Pipeline

- 1.19 The ExA asked the Applicant to clarify the benefits of the proposed development and the benefits for the completed pipeline including the offshore elements when operational as this was not clear from the Needs Case **[APP-131]**. The ExA noted that they were happy for the Applicant to come back on this point in writing.
- 1.20 The Applicant submitted that, as this DCO application provides one element of a larger project and there is no realistic possibility that the Proposed Development would be brought forward in isolation of the offshore elements. All aspects would be required for the project as a whole to function. It would be commercial madness for this Applicant or indeed, any applicant to run to the cost of promoting and then constructing an onshore pipeline that was not able to deliver the carbon dioxide to the offshore storage destination.
- 1.21 The Applicant also submitted that the DCLG guidance needs to be viewed not just in line with the Planning Act 2008 but with Compulsory Purchase guidance more generally and applied both practically and in context. With this in mind it is again not appropriate to therefore disregard the offshore element of the project. **[Post-hearing note: the Applicant has submitted a Position Statement on the benefits of the Proposed Development with document reference EN070008/EXAM/9.49].**

Clarifying the Benefits of the Proposed Development

- 1.22 The ExA noted that the presentation of the benefits case was potentially misleading and that the direct benefits of the Proposed Development were fairly limited.
- 1.23 The Applicant assured the ExA and those participating that there had at no time been any intention to mislead anyone and to the extent of the benefits of the Proposed Development. The intention has always been to represent the Proposed Development as a very substantial element of a wider project.
- 1.24 The Applicant noted that if the ExA or the Secretary of State had concerns about the Applicant exercising compulsory purchase powers prior to the wider project receiving consent, then a requirement could be imposed to that effect restricting the use of those powers.
- 1.25 The Applicant agreed to outline the benefits in a written paper on the topics above by Deadline 4. **[Post-hearing note: the Applicant has submitted a Position Statement on the benefits of the Proposed Development with document reference EN070008/EXAM/9.49.]**

2 REPRESENTATIONS BY AFFECTED PERSONS

2.1 Philips 66

- 2.2 In response to Phillips 66's ("P66") submission regarding the current status of negotiations between the parties, the Applicant confirmed that the P66 are a strong supporter of the principle of the Proposed Development and a number of their concerns were addressed through the first change request. Their other concerns will be addressed through various agreements that are being finalised between the parties. Whilst documents are not completely finalised (one or two matters outstanding), there is no concern on either side that agreement will not be reached and that P66's objection can be withdrawn.
- 2.3 The only point the Applicant sought to respond to was in relation to P66's general query as to whether compulsory acquisition powers ("**CA Powers**") should remain in the DCO particularly when voluntary acquisition has been agreed. The Applicant submitted that it was orthodox and commonplace for CA Powers to remain in a DCO as a 'belt and braces' approach. These powers would protect against breach of the agreement by landowner, and in respect of any unknown interests. If a compelling case in the public interest is proved, then the Applicant submits it is entirely appropriate that the fall-back position is maintained to ensure that the Proposed Development is deliverable; it would be wholly undesirable if one party had the power to frustrate the delivery of the Proposed Development as a whole.
- 2.4 The ExA asked the Applicant to comment on the fact that in the Book of Reference ("**BoR**") P66 was recorded as having a Category 2 interest in land at plots 36/8 36/9 and 36/11.
- 2.5 The Applicant confirmed that it would come back to the ExA in writing at Deadline 4.

IOT Operators

- 2.6 Further to the submission on behalf of the IOT operators, the Applicant confirmed it anticipated reaching agreement and acknowledged that the objection was put in to protect the IOT Operators' position.
- 2.7 The Applicant confirmed that they received a set of Protective Provisions from the IOT Operators a month ago, the changes and amendments proposed were extensive, and it has taken some time to work through those. Comments would be returned to the IOT Operators this week.

Mr Strawson

- 2.8 In relation to Mr Strawson's submissions the Applicant confirmed that there had been some degree of misunderstanding between parties and the hearings have helped to clarify each party's position. It was the Applicant's understanding that now Mr Strawson had considered the further information he will not be making any further representations.
- 2.9 The Applicant also confirmed that they recognise the miscanthus crop that Mr Strawson grows and any financial loss caused by the Proposed Development impacting this will result in compensation being paid to Mr Strawson.

Mr Caswell

- 2.10 In relation to the submissions on behalf of Mr Caswell the Applicant noted that the relevant representation by Mr Caswell did not raise the proposed livestock unit as being in conflict with the Proposed Development. This was only raised in April 2024.
- 2.11 It was understood that Mr Caswell is currently in pre-application discussions with the planning authority. The Applicant confirmed they are currently reviewing plans and giving consideration to them. Based on the plans submitted for pre-application, there is a material degree of overlap.

- 2.12 The Applicant is unclear why the pig unit needs to be in this location when it would appear there are other suitable locations in the field. If it needs to be this location, the Applicant noted it may be possible for both to coexist. The Applicant is unable to confirm as of yet if that is the case pending further review.
- 2.13 The Applicant stated that in the worst case scenario if the pig unit can't be located anywhere else, then compensation would be available on demonstration of loss.
- 2.14 The Applicant confirmed that there were limits to the assurances it can give at this point on precise pipeline routing, as in the absence of understanding what ground conditions are in that particular location, and in those locations close by, the precise routing of the pipeline is simply not a matter that can be determined with certainty at this point.

Mr Unsworth

- 2.15 In relation to the submission on behalf of Mr Unsworth, the Applicant stated that it is looking to locate the location of the HDD towards the south of the route corridor to maximise the distance from Mr Unsworth's dwelling.
- 2.16 The Applicant stated that the horizontal directional technique to be used is a 36 inch diameter bore hole which based on the indicative routing is 100 metres away from the dwelling.
- 2.17 The Applicant will continue to engage with Mr Unsworth and keep him informed.

Anglian Water

- 2.18 When asked to comment on AW's submission the Applicant confirmed, as per their previous submissions when discussing the change request, that they have been progressing very constructive negotiations with AW and understand that a position has been reached which is acceptable to both parties.
- 2.19 The Applicant confirms they have reduced the extent of land take (should the Second Change Request be accepted), and that they are seeking to ensure that the pipeline is constructed as far east as possible.

3 COMPULSORY ACQUISITION SCHEDULE [REP3-010]

- 3.1 The Applicant was invited to provide updates on negotiations with the following parties and others accordingly.
- (a) P66
 - (b) Tempest x 2
 - (c) House x 3
 - (d) National Grid Transmission
 - (e) Network Rail
 - (f) National Highways
 - (g) Environment Agency
 - (h) Natural England
 - (i) Northern Power Grid
- 3.2 The Applicant also provided comment on the status of its negotiations with Air Products and PD Ports.

P66

- 3.3 The re-iterated that both parties are very confident that agreement is going to be reached such that the P66 objection is withdrawn.

Tempests

- 3.4 The Applicant re-iterated that should the Second Change Request be accepted then there would be no need to acquire the Tempest's land.

House

- 3.5 The Applicant explained to the ExA that it understood that there were some sensitives regarding CA powers with the House family as the previous terminal at the Theddlethorpe Gas Terminal site was constructed following use of compulsory acquisition from the family's land holdings.

- 3.6 The Applicant has been undertaking certain preliminary investigative works on Mrs House's land and during the course of these works there have been limited surface disturbance. There's been discussion with Mrs. House regarding how that might be rectified and whether there was a particular contractor she would like to have undertake those works. The Applicant confirmed that they had not heard back in this regard but are looking to reach agreement with Mrs House in relation to a suitable contractor. The Applicant suggested making a payment to Mrs House to enable her to make payment to a contractor when she wishes to do so and the Applicant is exploring those options.

- 3.7 It is understood by the Applicant that Mrs Houses' main concerns relate to traffic and the extent to which both construction and operational traffic will result in disturbance to family's farming activities or else to their caravan park business. It has been communicated to her agent that the traffic is going to be far more limited than she anticipated and that prior to construction there will be 5-6 Heavy Good Vehicles (HGVs) to deliver materials and that during the course of construction 8-10 Light Goods vehicles and then at the culmination of construction 5-6 HGVs to take away materials. Therefore in total it is expected that there will be close to 10-12 HGV and 8-10 LGVs, resulting in a limited degree of interference. The Applicant is hopeful that a positive outcome can be reached however is unable to confirm this with the same degree of confidence of other parties.

- 3.8 The Applicant clarified that the only the acquisition of rights for access was being pursued under the DCO, not the freehold acquisition of any land.

- 3.9 In response to concerns raised by Mrs House relating to a widening of an access track near a swallow park, the Applicant confirmed that there is no physical works envisaged to take place.

Network Rail

- 3.10 The Applicant highlighted that Network Rail ("NR") maintaining its objection is usual in examinations of this kind/ similar inquiries, whilst details are agreed. Whilst progress has not been rapid there has been positive engagement. The parties have agreed a Basic Asset Protection Agreement and negotiations for the Protective Provisions and a Framework Agreement are advancing. The Applicant believes that agreement will be reached with NR during the course of the Examination.

National Highways

- 3.11 The Applicant highlighted that it was continuing to negotiate Protective Provisions with National Highways and that those negotiations were moving positively. Whilst agreement hasn't yet been reached there were no deal breaking issues with no concern by either party that agreement won't be reached.

National Gas Transmission

- 3.12 The Applicant noted that in agreement had been reached with NGT in relation to an Option for Lease and Protective Provisions, subject to final corporate approvals. It was

anticipated that once those agreements complete, NGT's objection shall be withdrawn.

Environment Agency

- 3.13 The Applicant confirmed that it was their understanding that the Environment Agency ("EA") are no longer objecting.
- 3.14 The ExA asked the Applicant to follow up with the EA so that they may formally withdraw their objection and the Applicant agreed.

Natural England

- 3.15 The Applicant confirmed that Natural England ("NE") were no longer objecting on compulsory acquisition grounds and that they had appointed land agents with whom the Applicant was in discussion. The Applicant considers that this is now a matter of negotiation and discussion, and a positive outcome is anticipated.
- 3.16 The ExA asked the Applicant to follow up with NE so that they may formally withdraw their objection to which the Applicant agreed.

Northern Powergrid

- 3.17 The Applicant confirmed that it had agreed the Protective Provisions with Northern Power Grid (NPG) and that NPG was at the point of withdrawing its objection.

Air Products

- 3.18 The Applicant confirmed that they are in the course of negotiating Protective Provisions with Air Products. Negotiations were constructive and there were no concerns that agreement will not be reached.

PD Ports

- 3.19 The Applicant confirmed that it had a meeting with PD Ports on 13 June 2024. Following this meeting PD Ports made a representation which partially withdrew their objection.
- 3.20 It is understood by the Applicant that residual concerns relate to the ability to maintain access to PD Port's facility at Laporte Road and PD Ports are seeking assurances that works will not impact operations in this location. The Applicant confirmed that they had written to PD Ports on 21 June 2024 to offer a further meeting to discuss matters. The letter stated "*we can reaffirm that there will be no road closures or weight limits imposed.*"
- 3.21 The Applicant also noted that they are able to further bolster this assurance # explaining that the Applicant plans to use the A1173 and not Laporte road. There is therefore no basis for concern in relation to PD Ports.
- 3.22 The Applicant was asked by the ExA to submit a written position by deadline 4 in relation to PD Ports.

4 STATUTORY UNDERTAKERS - S127 PLANNING ACT 2008

- 4.1 The Applicant was invited by the ExA to outline its engagement with Statutory Undertakers ("SU") to date, including negotiations regarding Protective Provisions.

NGT

- 4.2 The Applicant was asked by the ExA to provide an update on the position with NGT relating to whether NGT are an SU under s127 of the Planning Act 2008 (PA 2008).
- 4.3 The Applicant explained that because the parties have been focusing their efforts on reaching agreement in relation to the Protective Provisions and other documents, the issue of s127 PA 2008 has been put to one side.

- 4.4 The Applicant stated that they anticipate that, due to the positive nature of negotiations NGT is going to withdraw their objection. The Applicant noted that in terms of section 127 of the PA 2008, this would no longer be engaged if NGT withdrew its objection.
- 4.5 The Applicant agreed to a request by the ExA's to provide a rebuttal in writing by Deadline.
- 4.6 Further to a question from the ExA the Applicant confirmed that any matter of disagreement with NGT has never related to the southern construction compound, because it's a temporary use of land.

Protective Provisions

- 4.7 The ExA asked the Applicant as to whether there were any sticking points with the other SUs regarding Protective Provisions preventing these being signed off.
- 4.8 The Applicant confirmed that it had already addressed the ExA on Protective Provisions with AW, NGT, NR, Air Products, the IOT Operators, P66, Northern Powergrid and NH and would provide an update on those it hadn't already mentioned.

Cadent

- 4.9 The Applicant submitted that it was making positive progress with Cadent on the Protective Provisions and there was only a couple of points outstanding that are under negotiation.

VPI Immingham

- 4.10 The Applicant stated that VPI Immingham ("VPI") was strongly supportive of the project in principle and that, as per the update in the previous hearings, good progress was being made with them. The Applicant was not concerned that agreement could not be reached.

Calor Gas

- 4.11 Calor Gas's concern relates to access to its facility and the Applicant confirmed that discussions with Calor Gas were positive.

Further Questions

- 4.12 The Applicant noted that overall it was making positive progress with all the SUs and if there is any concerns they would notify the ExA at that point.
- 4.13 The ExA asked the Applicant whether they anticipated that all Protective Provisions would be signed off before the close of examination to which the Applicant confirm that they did.

5 CROWN LAND – S135 PA 2008

- 5.1 The Applicant was invited by the ExA to provide an update on obtaining consent in terms of s135 of the PA 2008 in relation to the acquisition of Crown land.

Driver Vehicles Standards Agency

- 5.2 The ExA asked the Applicant whether it had resolved concerns with the Driver Vehicles Standards Agency ("DVSA") site as outlined in the DVSA's previous submission.
- 5.3 The Applicant confirmed there had been a series of positive engagements with the DVSA and both parties had met the week before and a further meeting was scheduled for the next day.
- 5.4 The Applicant advised that it had now completed a pipeline route walkover and was now in a position to confirm that the routing preference of the DVSA can be accommodated, which will avoid any disturbance to their operations. It is therefore anticipated that an

agreement will be forthcoming in the short to medium term in relation to the DVSA's interest.

- 5.5 The Applicant also confirmed when asked by the ExA that this routing would be within the Order Limits, no further change request is anticipated to reduce limits and that they would provide a written update on the same at Deadline 4.

The Crown Estate

- 5.6 The ExA invited the Applicant to provide an update on gaining s135 plots PA 2008 consent in relation to 36/12/14/15 and 16 ("**the Foreshore Plots**").
- 5.7 The Applicant stated that DCLG Guidance notes that applicants must engage with the Crown Estate and ideally already have this consent prior to examination. The Applicant noted that, as it had already explained, the Crown Estate had been focusing their attention on Track 1 CCS projects, but they are now moving on to consider Track 2 CCS projects such as the Proposed Development.
- 5.8 The Applicant confirmed that it is now engaging with the Crown Estate constructively on the offshore elements of the project and had arranged a meeting for the 1 July 2024 to discuss consent in relation to the Foreshore Plots. The Applicant advised that it had now received heads of terms.
- 5.9 The Applicant submitted that it was its expectation that s135 PA 2008 consent will be secured by the end of the examination and that this is not a complex area (relating to restatement of lease and a change of permitted use). The Crown Estate are represented and therefore hope to move forward with matters expeditiously.
- 5.10 The Applicant stated that the fall back position if consent is not obtained by the close of examination would be that ExA include within their report to the Secretary of State that an update would need to be sought from the Applicant on this issue between close of examination and the issuing of a decision. To the extent that this does not happen, the Applicant suggested that a requirement is imposed that CA powers cannot be used on any other plots until the s135 from the Crown Estate has been secured.

Planning Consents for the Offshore Elements

- 5.11 The Applicant confirmed it did not require PA 2008 consent for the offshore element of the wider Viking CCS Project as the offshore element isn't a nationally significant infrastructure project for the purposes of the PA 2008. The Applicant submitted that consent for this part of the project is issued by the North Sea Transition Authority ("**NSTA**"). The carbon dioxide storage permit would be issued by the NSTA once an environmental impact assessment for the offshore infrastructure was approved by the Offshore Petroleum Regulator for Environment and Decommissioning Whilst forms of consent were required for the offshore development, these were not covered by the PA 2008.
- 5.12 The Applicant confirmed that there were ongoing discussions with the Marine Management Organisation ("**MMO**") about which elements of the project might require a marine licence, but highlighted that most elements fall into the remit of the NSTA. If any

works did however fall within the scope of the Marine and Coastal Access Act 2009, then a marine licence would be required from the MMO.

- 5.13 The ExA asked the Applicant to provide written submissions on the following to which the Applicant agreed:
- (a) To confirm whether a DCO application was needed for offshore works under the PA 2008 and if not what consents are requirements, including consents for marine licences and their implications; and
 - (b) To provide update on construction programme.

6 HUMAN RIGHTS

- 6.1 The Applicant confirmed it did not having anything further to add to its previous submissions on Human Rights and the position outlined in the SoR.

7 ANY OTHER BUSINESS

BoR/ SoR Review

- 7.1 The ExA asked the Applicant to review the BoR and SoR against the Design Changes document particularly in relation to plots 35/14 and 35/15 to which the Applicant agreed to do so.

Grampian Condition

- 7.2 The ExA asked the Applicant to consider the idea of a Grampian style requirement, saying that the onshore element shouldn't be constructed until the offshore elements have been approved in a written document by Deadline 4.
- 7.3 The Applicant confirmed it would take this point away and give further consideration and provide them with a considered response. **[Post-hearing note: the Applicant has submitted a Position Statement on the benefits of the Proposed Development with document reference EN070008/EXAM/9.49, which addresses this point.]**