

H2Teesside Project

Planning Inspectorate Reference: EN070009

Land within the boroughs of Redcar and Cleveland and Stockton-on-Tees, Teesside and within the borough of Hartlepool, County Durham

The H2Teesside Order

Documents Reference: 9.9: Statement of Common Ground between H2 Teesside Limited and Teesworks Limited, South Tees Developments Limited and South Tees Development Corporation (together 'South Tees Group')

The Planning Act 2008



Applicant: H2Teesside Ltd

Date: September 2024

The Planning Act 2008

**The Infrastructure Planning
(Applications: Prescribed Forms and
Procedure) Regulations 2009**

The H2 Teesside Order 202[]

Statement of Common Ground between H2 Teesside Limited and South Tees
Group

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STATEMENT OF COMMON GROUND

**This Statement of Common Ground has been prepared and agreed by (1) H2 Teesside Ltd.
and (2) Teesworks Limited, South Tees Developments Limited and South Tees
Development Corporation (together 'South Tees Group')**

Signed.....

[Name]

[Position]

on behalf of H2 Teesside Ltd.

Date:

Signed.....

[Name]

[Position]

on behalf of South Tees Group

Date:

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1.0 INTRODUCTION AND PURPOSE

1.1 Introduction

1.1.1 This Statement of Common Ground ('SoCG') relates to an application made by H2 Teesside Limited (the 'Applicant'), to the Secretary of State for Energy and Net Zero for a Development Consent Order under Section 37 of the Planning Act 2008 (the 'PA 2008') for the H2Teesside Project.

1.1.2 The Application has been accepted for examination. The Examination commenced on 29 August 2024.

1.1.3 The Examining Authority's ('ExA') Rule 8 letter (Annex B) dated 30 August 2024 confirms that the Applicant should prepare a SoCG with South Tees Group in respect of the Proposed Development.

1.2 Parties to the SoCG

The Applicant

1.2.1 The Applicant is a private limited company aiming to develop and operate the H2Teesside Project, which is an approximately 1.2-Gigawatt Thermal ('GWth') Carbon Capture and Storage ('CCS') enabled Hydrogen Production Facility and associated connections (together the 'Proposed Development') on land in Redcar and Cleveland, Stockton-on-Tees, and Hartlepool (hereafter referred to as the 'Proposed Development Site'). The Proposed Development will support the decarbonisation of UK-produced natural gas in Teesside for use in industrial applications, thus helping to achieve national targets in relation to net zero. It will also be a key contributor to restoring manufacturing jobs in the Tees Valley.

1.2.2 The Proposed Development Site covers an area of approximately 508 hectares (ha) and is located primarily within the administrative boundaries of Redcar and Cleveland Borough Council ('RCBC') and Stockton-on-Tees Borough Council ('STBC'). The Hydrogen Pipeline Corridor (refer to Figure 4-4 in ES Volume II) [APP-087] extends further north-west to also include land within the administrative boundary of Hartlepool Borough Council ('HBC').

1.2.3 The Hydrogen Production Facility will be located at the Main Site within the Teesworks development site, as shown in Figure 4-1: Proposed Development Site Boundary (including location of the Main Site) (ES Volume II) [APP-084].

The South Tees Group

1.2.4 The South Tees Group is the owner of Teesworks. The Teesworks site forms part of the UK's largest freeport, and at 4,500 acres, of which roughly 2,000 comprise developable land, it is Europe's largest brownfield site, situated on the previous location of the now-defunct Teesside steel manufacturing facilities to the south of the River Tees, in the Borough of Redcar and Cleveland.

1.2.5 The Applicant and South Tees Group are collectively referred to in this SoCG as 'the parties'. The parties have been, and continue to be, in direct communication in respect of the Proposed Development.

1.3 The Purpose and Structure of this SoCG

1.3.1 The purpose and possible content of SoCGs is set out in paragraphs 58 to 65 of the Ministry of Housing, Communities and Local Government guidance entitled 'Planning Act 2008: examination of applications for development consent' (April 2024). Paragraph 58 of that guidance explains the basic function of SoCGs as follows:

"A statement of common ground is a written statement prepared jointly by the applicant and another party or parties, setting out any matters on which they agree. As well as identifying matters which are not in real dispute, it is also useful if a statement identifies those areas where agreement has not been reached. The statement should include references to show where those matters are dealt with in the written representations or other documentary evidence."

1.3.2 SoCGs are therefore a useful and established means of ensuring that the evidence at the DCO examination phase focuses on the material differences between the main parties, and so aim to help facilitate a more efficient examination process.

1.3.3 The purpose of this SoCG is therefore to summarise the agreements reached between the parties on matters relevant to the Examination of the Application and to assist the Examining Authority ('ExA'). It also explains the matters which remain unresolved at the time of writing, but which both parties are working positively toward resolving. As such, it is expected that further iterations of the SoCG will be submitted to the ExA throughout the Examination and prior to the making of any DCO for the Proposed Development.

1.3.4 The SoCG has been prepared with regard to the above guidance and is structured as follows:

- Section 2 – sets out the engagement and related discussions held between the parties.
- Section 3 – sets out the positions with regard to the matters between the parties.

2.0 ENGAGEMENT WITH SOUTH TEES GROUP

2.1 Summary of Engagement

2.1.1 A summary of the key engagement that has taken place between the Applicant and South Tees Group is detailed in **Table 2.1** below. This does not list the extensive amount of meetings and correspondence that there has been between the parties, carrying on a relationship that has existed from discussions on the Net Zero Teesside project.

Table 2-1: Engagement between the Applicant and South Tees Group

DATE	FORM OF ENGAGEMENT	DETAILS
12.01.22	Virtual Meeting	Initial meeting between the parties to discuss land agreements for low carbon hydrogen production plant on Teesworks site
Various dates	Face to Face Meetings and Virtual Meetings	Various technical and commercial meetings held between the parties since the initial meeting at weekly frequency to negotiate land agreements, connection corridor routings and widths, utility connections, demolitions and remediation programs. Too many meetings to list in a table that have taken place approximately over the last three years. The most recent two meetings are listed below in addition to consultation details.
14.09.23	First Consultation (statutory consultation) in accordance with Section 42 of the PA 2008.	The Applicant issued a Section 42 letter to South Tees Group on 14 September 2023 consulting South Tee Group on the Proposed Development.
13.12.23	Second Consultation (statutory and non-statutory) in accordance with Section 42 of the PA 2008.	The Applicant issued a Section 42 letter to South Tees Group on 13 December 2023 consulting them on a number of changes to the Proposed Development as a result of further design development and technical work undertaken and also responses received to the First Consultation.
04.09.24	Consultation on proposed changes	A letter was issued to South Tees Group on 4 September 2024 consulting them on

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DATE	FORM OF ENGAGEMENT	DETAILS
	to the DCO Application.	a number of proposed changes to the DCO Application.
12.09.24	Virtual Meeting	Technical interface meeting between the parties on remediation progress.
16.09.24	Virtual Meeting	Commercial meeting between the parties

3.0 MATTERS

3.1 Overview

3.1.1 This section provides a summary of the matters between the parties and the status of discussions and where agreement has been reached.

Table 3.1: Summary of Matters

SoCG ID	Matter	Document ref (if relevant)	Applicant Position	South Tees Group position	Agreed/Ongoing/Not agreed
1	Main Site Land		The parties acknowledge that regular communication is essential to address concerns at the earliest opportunity. The parties have been negotiating a land agreement for nearly 3 years and have made meaningful progress. The Option Agreement for the Main Site in respect of Phase 1 of the Proposed Development is nearing final form.		Not agreed
2	Connection Corridors		The Applicant has had numerous engagements with the South Tees Group's technical teams to discuss connection corridor routing. The Change Notification submitted (PDA-019) is taking into account progress to date in terms of reduction in the Order Limits. The		Not agreed

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SoCG ID	Matter	Document ref (if relevant)	Applicant Position	South Tees Group position	Agreed/Ongoing/Not agreed
			Applicant is still in discussion with the South Tees Group with regards to the final shape of the connection corridors and widths, acknowledging that South Tees Group will have a say in this secured through the Option Agreement.		
3	Protective Provisions		The Applicant is currently discussing a meeting date with the South Tees Group and their solicitors to progress these and accepts that they should be provided. The Applicant is going to submit a note to the ExA at Deadline 2 on the interaction between H2Teesside and the other planned developments on the Foundry site and how this related to the DCO Order Limits. The Applicant will discuss the contents of this note with the South Tees Group before it is submitted to the ExA.		Not agreed