

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

Document Reference: 9.11: Statement of Common Ground between H2 Teesside Limited and Tees Valley Combined Authority

The Planning Act 2008



Applicant: H2 Teesside Ltd

Date: October 2024



The Planning Act 2008

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

The H2Teesside Order 202[]

**Statement of Common Ground between H2 Teesside Limited and the Tees
Valley Combined Authority**

Planning Inspectorate Reference	EN070009
Application Document Reference	9.11
Author	DWD
Approved By	

Revision	Date	Status
1	03.10.24	Draft

STATEMENT OF COMMON GROUND

**This Statement of Common Ground has been prepared and agreed by (1) H2 Teesside Ltd.
and (2) Tees Valley Combined Authority**

Signed.....

[Name]

[Position]

on behalf of H2 Teesside Ltd

Date:

Signed.....

[Name]

[Position]

on behalf of Tees Valley Combined Authority

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 (the 'Application') made by H2 Teesside Limited (the 'Applicant'), to the Secretary of State for Energy Security and Net Zero for a Development Consent Order ('DCO') 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 Tees Valley Combined Authority ('TVCA') 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 Role of TVCA

1.2.4 TVCA was formed in April 2016 and is a partnership of five local authorities; RCBC, STBC, HBC, Darlington and Middlesbrough, which works with the Local Enterprise Partnership, the wider business community and other partners to support the growth of the economy within the Tees Valley. Leadership of TVCA is provided by the Tees Valley Mayor.

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- 1.2.5 The five local authorities retain plan-making and development control functions for their respective areas.
- 1.2.6 The Proposed Development Site lies within the area covered by the TVCA.
- 1.2.7 The Applicant and TVCA 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 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 matters discussed and agreed to date.
 - Section 4 – sets out the matters that are under discussion and to be agreed and the proposed way forward, where relevant.

2.0 ENGAGEMENT WITH TVCA

2.1 Summary of Engagement

2.1.1 A summary of the key engagement that has taken place between the Applicant and TVCA is detailed in **Table 2.1** below.

Table 2.1: Engagement between the Applicant and TVCA

DATE	FORM OF ENGAGEMENT	DOCUMENT REF. (IF ANY)	DETAILS
24 April to 5 May 2023	Non-statutory consultation on the Statement of Community Consultation ('SoCC')	Consultation Report [APP-030]	While there was no requirement to do so, the Applicant undertook non-statutory consultation with TVCA on a draft SoCC.
17 May to 15 June 2023	Statutory consultation on the SoCC	Consultation Report [APP-030]	Again, while there was no requirement to do so, the Applicant undertook statutory consultation with TVCA on a draft of the SoCC.
14 September to 26 October 2023	First Consultation (statutory consultation) in accordance with Section 42 of the PA 2008.	Consultation Report [APP-030]	The Applicant issued a Section 42 letter to TVCA on 14 September 2023 consulting the Authority on the Proposed Development.
13 December 2023 to 23 January 2024	Second Consultation (statutory and non-statutory) in accordance with Section 42 of the PA 2008.	Consultation Report [APP-030]	The Applicant issued a Section 42 letter to TVCA on 13 December 2023 consulting the Authority 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.
19 December 2023	TVCA response to Second Consultation.	Consultation Report [APP-030]	The response received from TVCA confirmed support for the Proposed Development and states that it would support TVCA's overarching aims and help meet the

DATE	FORM OF ENGAGEMENT	DOCUMENT REF. (IF ANY)	DETAILS
			Government's hydrogen production target while creating jobs and economic benefits for the Tees Valley.
4 September to 7 October 2024	Consultation on proposed changes to the DCO Application.	n/a	A letter was issued to TVCA on 4 September 2024 consulting the Authority on a number of proposed changes to the DCO Application.

3.0 MATTERS AGREED

3.1 Overview

3.1.1 This section sets out the matters agreed between the parties.

Table 3.1: Matters Agreed between the Applicant and TVCA

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
1.	Adequacy of consultation		It is agreed that the Applicant undertook an appropriate level of consultation on the Proposed Development in advance of the DCO Application being submitted.
2.	The need for and principle of the development at this location.	Need Statement [APP-033] Planning Statement [APP-031]	It is agreed that there is an urgent need for the Proposed Development – as set out in the Need Statement [APP-033] and the Planning Statement [APP-031] – in order to provide low carbon hydrogen and a means to decarbonise existing and proposed industrial emitters on Teesside and that this is consistent with the Government’s legally binding commitment to achieve net zero in terms of greenhouse gas emissions by 2050.
3.	National Policy Statements for Energy		<p>It is agreed that the policy framework for examining and determining applications for development consent is provided by the National Policy Statements (‘NPSs’) for energy and that the following NPSs are of particular relevance to the Proposed Development:</p> <ul style="list-style-type: none"> • the Overarching NPS for Energy (EN-1); • the NPS for Natural Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4); and • the NPS for Electricity Networks Infrastructure (EN-5).

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
			<p>It is agreed that the above NPSs provide the primary basis for decision-making by the Secretary of State in respect of the DCO Application.</p> <p>It is agreed that the DCO Application should be determined in accordance with Section 104 of the PA 2008.</p>
4.	Energy and climate change policy		<p>It is agreed that Section 104 of the PA 2008 states that in determining applications for development consent, the Secretary of State must have regard to any other matters that are “important and relevant” to the decision.</p> <p>It is agreed that the following statements of Government energy and climate change policy, in particular, are important and relevant:</p> <ul style="list-style-type: none"> • The Ten Point Plan for a Green Industrial Revolution (November 2020). • The Energy White Paper – Powering our Net Zero Future (December 2020). • Industrial Decarbonisation Strategy (March 2021). • North Sea Transition Deal (March 2021). • UK Hydrogen Strategy (August 2021 and updates). • Net Zero Strategy: Build Back Greener (October 2021). • British Energy Security Strategy (April 2022). • Powering Up Britain (March 2023).

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
			<ul style="list-style-type: none"> Carbon Capture, Usage and Storage: a vision to establish a competitive market (December 2023).
5.	National Planning Policy		<p>It is agreed that the following national planning policy documents may be important and relevant to the determination of the Application:</p> <ul style="list-style-type: none"> National Planning Policy Framework (December 2023). Planning Practice Guidance.
6.	Economic benefits		<p>It is agreed that the Proposed Development would have significant economic benefits for the Tees Valley in terms of helping to develop a new low carbon hydrogen economy in the region, decarbonising existing industries, supply chain opportunities, safeguarding existing and creating new jobs and providing opportunities for training.</p>
7.	Local employment and training	Draft DCO – Schedule 2 ‘Requirements’ [APP-027]	<p>It is agreed that Requirement 26 ‘Employment, skills and training plan’ of the draft DCO [APP-027] provides an appropriate mechanism to promote employment, skills and training development opportunities for local residents.</p>

4.0 MATTERS TO BE AGREED

4.1 Overview

4.1.1 This section sets out matters that are under discussion between the parties and are to be agreed.

Table 4.1: Matters to be Agreed between the Applicant and TVCA

NO.	MATTER TO BE AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY	
			TVCA POSITION	APPLICANT POSITION
1.	EIA assessments and mitigation measures – that the assessments and mitigation measures set out in the Environmental Statement (‘ES’) [APP-053 to 077] are appropriate and proportionate.	Environmental Statement [APP-053 to 077]		
2.	Cumulative and combined effects – that the approach taken to identifying developments for the assessment of cumulative and combined effects at Chapter 23 ‘Cumulative and Combined Effects’ of the ES [APP-076] is appropriate.	ES Chapter 23 [APP-076]		

NO.	MATTER TO BE AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY	
			TVCA POSITION	APPLICANT POSITION
3.	DCO requirements – that the DCO requirements as drafted at Schedule 2 of the draft DCO [APP-027] are appropriate.	Draft DCO [APP-027]		
4.	Procedure for the discharge of DCO requirements – that the procedure set out a Schedule 13 of the draft DCO [APP-027] for the discharge of the DCO requirements is appropriate.	Draft DCO [APP-027]		

4.1.2 The parties are committed to taking forward discussions on the above matters as necessary, so whilst they are not yet agreed, both parties hope to reach agreement in the near future.