



Hearing Transcript

Project:	H2 Teesside
Hearing:	Compulsory Acquisition Hearing 1 (CAH1) – Part 3
Date:	13 November 2024

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Thank you very much. Welcome back, everybody. Time's now 1355 I'd like to welcome everybody back to this session for which is the third session on the compulsory acquisition hearing. Hope everybody had time for lunch,

right? Can the case team please confirm everybody who wishes to be here has joined back and that the live stream in a digital recording has recommenced? Please?

Fine. Thank you very much. We're going to continue with Agenda Item four, and Mr. Sims is continuing to take this forward. Thank you. Thank you very much. Just before we do launch in we did a very quick review of the agenda for this afternoon, and just so everyone can keep me on track as well. We are. We've decided that for a number of item agenda, agenda items, we're going to defer them to responses in deadline for these will be Item five, one bullet point four,

Item 6572,

and seven, three. So I will, I would endeavor to make sure I don't ask for those items to be covered and and hopefully by taking those out, we make sure we have enough time to finish by five o'clock. Mr. Gold box. Can I just check my note of this. So I had five, one bullet point, 465,

and seven. Were there two items? Yeah, seven, two and seven, three. I'm grateful. We think that those will be sufficient to cover in written questions.

But if we do have time and anyone's burning to cover them, we'll see if we can do that in any other business, depending on time. But I say trying to get you away by five. Thank you very much indeed. So I believe we finished before lunch with Navigator terminals. So I should ask Mr. Pete to continue going forward. Please. Joshua Pete, on behalf the applicant, we're now on Northern power grid PLC, the applicant has had high level discussions regarding the interactions between the proposed development and MPGs land interests and assets. Northern power grid solicitors provided the applicant with its preferred preferred version of side agreement on the 11th of November 2024

the applicant provided its comment on the side agreement. The applicant has offered a meeting with Northern power grid to discuss the side agreement and PPS and protect provisions. And the applicant is seeking to understand whether land agreements are required directly with Northern power grid, and we'll cover this in an upcoming meeting with them.

Thank you.

And next is northern power sorry. Northumbrian Water limited. The applicant has recently met with Northumbria water and their solicitors

and discussed technical interfaces between the proposed development and Northumbria waters land interests and assets. Northumberand waters solicitors are currently drafting protect provisions, and the applicant is looking forward to receiving these and continuing the discussions. Heads of terms were also recently issued by the applicant. Thank

you very much. That's fine. Next we have the nsmp entities, including Northern gas processing, limited Teesside gas processing plant, limited and Teesside gas and liquids processing Thank you. Can I just confirm that Mr. Innis, we're happy to take all of these as one for nsnp entities, COVID is above the NSP entities, yes. Thank you.

Thank you very much.

Joshua Pete, on behalf of the applicant, the applicant has held initial meetings and high level discussions with nsmp relating to their land and assets within the proposed development boundary. The applicant has now issued draft heads of terms to nsnp for their consideration, and it is anticipated that agreements will be reached

prior to the end of the examination period. The applicant is also in now in discussions with an SMP regarding the need for bespoke protect provisions.

Okay, so just confirming your last comment there, you're, you're, you're discussing the need for them. So it's obviously a very early stage in terms of protection provisions.

That's correct. They've not yet been issued by okay party. Thank you very much. Mr. Innis, if I could, I.

You to turn your camera on and give us an update from the point of view of the nsnp entities. Please. Yes, Colin is on behalf of the Ns nsnp entities

in terms of the process. To date, we did attend issue specific, hearing one and set out our clear concerns about the need for protective position provisions to be progressed as quickly as possible. And this arose out of our prime prior experience in relation to the NZ T examination, where effectively we ran out of time in the discussions, and that matter ended up in front of the Secretary of State. He also expressed frustration about the lack of the extent of agreement in terms of the current process we have set out in written form, why we believe that protected provisions are the only way forward in respect of the interests that I represent, and that is because the rights and the temporary possession powers have the potential to impact upon the Teesside gas processing Plant and also impinge upon its key access

against that background. The only way those matters can be adequately dealt with at this stage of the process is protected provisions. Those are the key core issues that the entities I represent need protection in relation to, but they also have wider interests in relation to various high pressure butane pipelines, gas pipelines and other pipelines which are located within the wider area, and also wider access arrangements which may impact it by works. These require protection, but perhaps not the level of protection that would be required in relation to the core issues that are raised earlier,

these matters, which we have previously discussed with the previous project. But we also recognize that this is a different project, but in relation to the entities that I represent, the issues are very, very similar and relate to very similar land to be potentially impacted upon in terms of the process to date, we, as I say, we were keen to progress protective provisions, and our first engagement was the applicant. Took place on the 20th of September. We exchanged correspondence about the need for protective provisions. On the third of October, we were advised that the applicant had drafted protective provisions, but the draft needed to be approved and then it would be circulated. We chased again on the 30th of October, and were advised that a final sign off was still required. And then on Monday of this week, at 7:23pm

we got further correspondence from the applicant solicitors providing an approach to protective provisions, rather than protective provisions.

We are where we are, and looking forward in this examination, we clearly have the Christmas period coming up. And on any view, having listened to other representations today, there is a lot of progress that needs to be made over a relatively short period of time in order to have matters clarified by the beginning of January. So all that we I would say, is that that's where we stand today.

The parties I represent are keen, very keen, to make progress on the protected provisions. But now is the time where we need to make progress, or otherwise we are going to be back where we were under the previous project of trying to negotiate these matters at the last minute, and matters being unresolved before you have to report, and the Secretary of State has to look at matters. And that really summarizes our position. I've just got one other matter I want to raise, is that we were also dying or due to attend tomorrow's issue specific hearing on the draft DCO, given that we don't have a set of protective provisions discussed at this point in time, I don't see that we would really be a party that could add very much to tomorrow. And in the circumstances, I would ask that we would not need to attend tomorrow. It's just we really need to make progress on these protective provisions and get them before you. And then there is the potential to have proper discussion but, but we don't really feel it's particularly helpful to discuss matters in the abstract without the drafting, and that's really where we hope to get to. But if there is a difference, we get the chance to come before you.

Explain those differences, because clearly you will have a role in making recommendations. If there is a dispute, and equal the Secretary of State will have to resolve outstanding matters.

Thank you, Mr. Ines,

I'll just ask Mr. Butler, just to confirm about tomorrow's meeting.

There's no, there's no need for you to join tomorrow if you feel that you're not going to be able to provide anything that will be of assistance to the examining authority.

What I would say is that there is a further there's likely to be a further chance to make representations at a subsequent hearing issue specific hearing to the development consent order, because we're likely to have to hold one again any way to discuss the any issues out arising out of the change request, and that will be in January. So if you feel it would be better to defer from attending tomorrow and attend in January, you're more than welcome to do that. If you think that would be more beneficial to you. Yes, Colin and innocent bath of the MP entities. Thank you very much. So we will probably wait till January, as we are affected by the change change request, and therefore we're likely to have the

ability to attend that to make make appearance at that time. So thank you. Thank you. Just for I go over to the applicant. Can I just ask you, Mr. Innis, the concerns that you raised at the beginning. Do you believe that they are capable of being resolved with the Protect with protective provisions? Bearing in mind, I do appreciate you haven't seen anybody in in general. Do you believe that that's going to be the case? Colin is on behalf of the NSF, P entities. The position is that, I think again, many of the issues are similar to some of the other parties that you heard from today. The applicant seeks fairly broad

rights and obviously broad powers, but the only way of tempering those where you have a complex arrangement is bespoke protected provisions that effectively respond to the very specific concerns of the particular interests in question. And that's where we are in this in this area, in terms of the number of different interests that are all of national importance and are important to our energy security, and therefore we need to find a way to ensure that those various interests can be protected and that the risks to those various interests are adequately protected. And much of that also about ensuring that there is an effective process in relation to key activities which could give rise to risk, risk. So there's a there is effective mechanisms for ensuring effective communication, and those really are best secured by on a party by party basis in relation to the specific issues, because they are very specific and relate to very narrow areas rather than covering broader matters. So that's really why the bespoke protective provisions are the right way forward, and yes, having considered the matters that are that we have raised, I am confident that protective provisions could provide an effective way in terms of managing the interface between this project and the interests I represent.

Thank you for that confirmation. I will then hand over to Mr. Philpott. Thank you, sir. Just to provide some clarification on the basis of my instructions about this. It sounds like there is no dispute that the concerns can be overcome with appropriate protection. And I also understand there's no dispute that appropriate protection needs to be provided and agreed.

What I am told is that protected provisions have been prepared for Mr. In his clients on the basis of those which appeared on the face of the NZT order, and reflecting the approach that was in those provisions, but that we were then told that actually they, Mr. In his clients wished a different approach to be taken, so that draft, in effect, wasn't going to meet their approval. We've therefore queried why that different approach should be taken. And there's also discussion of the balance between what goes on the face of the order in terms of protection and what might go in private agreements. And so it's not, I wouldn't want you to get the impression that there hasn't been significant work done on protective provisions. On our side, it's simply that the approach and the principles that we had anticipated would be framed within will be framed those protective provisions are now being discussed between the parties as to whether different principles should have.

To apply on the face of the protection provisions, on the face of the order, and also the balance between what's on the face of the order and what's in private agreements. But we don't see any reason in principle why we shouldn't ultimately be able to find an appropriate way through and hopefully on an agreed basis. That's very helpful just for you a comment or anything else. Is that, Mr. Innis, do you have any comments to make on that response from Mr. Philpot, yes, comments on behalf of the nsnp entities, just to say, up until 723

on Monday evening, I was, or we were still under the impression that we were going to get a draft set of protective provisions now that correspondence on Monday evening has raised some issues about an

approach going forward, but that was the first substantive response we received on that matter. But that's where we are. The key is that we now need to move forward quickly and effectively,

and not get into the position Bucha got into last time. And as I say, we're very keen to make progress. And it appears that the the promoter and applicant is is also but we need to make significant progress in advance, effectively of the Christmas ish time in order to make sure we're in the best possible position in advance of

January, to make the respect of positions clear.

Thank you. I look forward to a further update. Is there any further comments from the applicant? No. Thank you, sir. Thank you very much, and thank you. Mr. Innis,

Mr. Pete.

Joshua. Pete, on behalf of the applicant, the next party is PD T sport Ltd,

the applicant has held meetings and discussions with PDT support relating to their land and assets within the proposed development boundary. The applicant has recently issued heads of terms to PDT support for their consideration, and it is anticipated that agreement will be reached prior to the end of examination.

The applicants, legal and technical teams, are currently drafting protected provisions for review by PDT sport, whilst these have not yet been issued.

The detail of those will be provided to PDT support in due course, following detailed discussions with them.

Thank you very much. Mr. Nesbit,

good afternoon. Peter Nesbit on behalf of PDT support limited

I can confirm that

the description of meetings so far is accurate. I'm not instructed yet that

we have seen heads of terms, but that that that's likely to be an instruction point rather than a challenge to the point that they've been issued,

and it's helpful to hear about the progress in respective protective provisions. I

perhaps, as we've done before, it might assist

to bring up

some sheets from the land plans. If that's possible, she's indeed, I think it's sheets 11 and 12. But I think if we go to sheet 12 First

in order, that would help.

There you go.

Uh, uh, apologies that that isn't what I was expecting to see. Just,

yes, sorry that that that was it there. What's that sheet number? There? 11? D, yeah, apologies,

it's on the it's on the boundary between those two sheets. So, yeah, 11 days, perfect.

I think this was the

the sheet referred to earlier on,

showing the end of downpour and gut and.

Now

we're interested in the PD port site to the south of that drawing, which is just the corner there. But I'll start with a slightly broader introduction. So

pdts port. PDT as I'll refer to them as the statutory harbor authority for Teesside, under the tees port acts and orders. 1966 to 2008

pdts responsible for safe use and maintenance of the river the teas.

Full details of its role are set out in the relevant representation

that's already been submitted.

PDT, status as harbor authority means that it is a statutory undertake for the purpose of Section 127, of the Planning Act. 2008

a plan was submitted with the response to the first set of written questions. Rep 2094,

showing the harbor authority area.

Pdts principal concerns relate to the proposed pipelines that cross the river tees, proposed across the river tees. And then secondly, the combination of rights acquisition and extinguishment powers on access ways and pipeline corridors.

So just to turn to the first of those issues,

what we can see on screen there is

pink land is the

the area of the proposed tunnel head on the eastern side of the river.

Blue land is obviously rights acquisition

now within the PD port site, you can see there,

there's a there's a finger of land coming out of the end of DAB home gut, which is the Riverside Railroad, which was

constructed in

two 2000 to accommodate stern ramp, roll on, roll off vessels. And the facility is a key component of PDT sports,

UTIs business, and will become increasingly important following a planned enhancement to that facility known as the Northern Gateway container terminal, which is fully consented. The Northern Gateway container terminal is a fully consented deep sea terminal which will ultimately consist of over a kilometer of key

channel deepening and associated land side infrastructure. The key construction in particular, will require piles to be driven to significant depth, which could impact on any pipeline infrastructure within that area of PD ports, holding,

consequently the acquisition of rights in this area and potential interference with existing rights to enable construction of new pipeline infrastructure could be very disruptive and potentially significantly detrimental to the operation of the port and its future expansion.

PDT considers that the applicant has not justified the extent of the proposed order limits in this area. If pdts land in this area is not removed from the order, then it considers that material detriment may be caused to its undertaking within the meaning of Section 127, of the act 2008 Act.

There are then a number of points which relate to extinguishment and overriding powers.

And I I'd like to make reference to these in the general points, and then take the examining authority to a few specific examples. I would just question whether now is the right time. These points relate to both rights acquisition, but there's a significant overlap with overriding and extinguishment powers. I suppose. The question is, would you like me to cover these now, or should I raise them in the context of the later agenda item? I think in the context of the later agenda item, please. Okay, thank you, in which case

those are my submissions. Thank you.

Thank you. Mr. Nesbit,

over to the applicant for response.

Please pass on to Mr. Ibrahim, Sadi

elder, bramsadi, speaking on behalf of the applicant, we do not PDT sports concerns, and we are of the opinion that they can address via

appropriate protective provisions. There was a there were a couple of technical points that I wanted to highlight with regards to the proposed uh.

An expansion to the roll on roll of terminal and the H to T side river crossing, it would be helpful to flag that,

as we've also

heard in some of the in ishvan and also in some of the submission documents, that at that point there are already seven existing crossings of the river, and some of those crossings originate from the land where the roll on roll on roll of terminal is proposed to be expanded. The we are currently going through a detailed design process for the river crossing,

and one of the base case design scenarios we're looking at it is that we'd have to go underneath the existing crossings. If we think about it in the context of a an interaction with a

deep piles proposed as part of the expansion to the role on role of terminal the existing pipelines, which are at a shallower depths than the proposed H to T side pipeline would be of a greater concern with

regards to the interaction, because the pylon would interact with those existing pipelines first, before getting to the proposed H to T side pipeline, which the current design basis is, for it to better at a greater depth than those. The other point I'd like to like this that with regards to the flexibility. So I'll probably refer to

some of the other comments I made and also expand on that the we are

undertaking a grant investigation program, not just on land, on on the river bank, on each side, but also in water, to be able to get an understanding of the ground conditions

and the depths of the bedrock under the river teas that will inform the alignment of the the river crossing in terms of the as well as its start and end points. Think the what I'd like to wrap up with that is, I think there is a

it would also be helpful to see some details around the proposed

the piles, the depths of them, the extent of them. So it's

will,

it would to progress the conversation. It'd be beneficial to have a technical conversation between the Thames,

and also

not having seen that, I'm of the opinion that these concerns can be addressed via appropriate protected provisions, which will look to work with the PDT support team to do that. Thank you very much. I think it

was, it was, it was useful from a technical and engineering point to understand that there are other pipes that are shallow. However, I think Mr. Nesbit point still stands in the context of the extent of the land that you're looking at, both in plan and and the unknown depth. I think it's, it's almost the other pipes are there, and therefore they're there. I think, I think we should make sure that we keep it in the context of your proposal,

even though, practically speaking, you might you may have a point. I think, Mr. Nesbitt, point still stands, nevertheless. Mr. Nesbitt, you have your hand up again.

Thank you. Peter Nesbit on behalf of PDT support limited just a couple of points there

in reverse order, I think there was suggestion of a technical meeting

with regard to understanding The potential interaction between piles

in that area

and the proposed pipeline, and I think that would be of assistance, and it's something that we

we have mentioned fairly recently.

There's a related point here, which we'll come to, hopefully tomorrow, in relation to the port's role in consenting works in on or under the river

in its role as harbor authority, and just put down a market today that that's there is some interaction here in terms of the authorizations that the port would normally give

under the various acts which it operates for these types of work. And one of its roles is to understand precisely where the infrastructure is under the river

and be able to manage interactions and potential risks with new interventions.

And it's it's looking at this point from a slightly different angle.

So yes, we would welcome the technical meeting.

Sorry, there was one other point. Yes, sorry. It was mentioned that there exists, there is existing infrastructure cutting across this area. That's correct,

and it is a major concern for PD ports in relation to carrying out this development. It's something that is serious.

Problematic may even involve diversions, et cetera, so

adding to that problem is certainly not welcome.

Thank you. Thank you. Mr. Nisbet, any further comments from the applicant? So the only general point I was going to make is that, what I would say is that when you listen to the concerns that BDT sport have raised and the responses and the points that others have raised, it's clear that one of the benefits and one of the reasons why there is flexibility allowed within the plans here is to enable the project to be woven in amongst these various not just existing bits of infrastructure, but proposed infrastructure which is coming forward at different times and has different levels of certainty.

And it is a benefit of the flexibility that it does allow room for that to be achieved without prejudice to other parties, provided there are appropriate protections in place for those parties that give them the opportunity, as the detail is progressed to influence and where appropriate control what is done. And so it's it's important to see the flexibility not just as something to benefit the applicant, but also something that allows for the appropriate protection of the interested parties and affected persons whose land existing infrastructure and proposed infrastructure are likely to be affected. One needs to see the benefits of the flexibility for those parties, as well as understanding why it might give rise to concern. It is, it is a necessary level of flexibility in an environment as complex as this. Thank you.

Welcome your your point on that, and I'm sure that as the protective provision discussion goes on, those will, as we've said a number of times,

look at the balance in terms of the wider powers that are being sought under the DCO. Unless Mr. Nesbit, you have any further comments. We thank you. Thank you. Thank you very much. We could stop sharing now.

Mr. Pete.

Joshua Pete, on behalf of the applicant, the

next party is Mrs. Shirley peel. The applicant is at an advanced stage of heads of terms. Negotiations with Mrs. Peel following a meeting on the 28th of October, the parties have made significant progress on the heads of terms for the land agreements that are required, and anticipate that these will be concluded within the next few weeks.

Red Car bulk terminals limited. Several meetings have been held between the applicant and red car bulk terminal to discuss the technical and commercial requirements related to the proposed development, as well as to address the landowners interests. Negotiations are ongoing with regard to protect provisions to resolve our BTS concerns.

Thank you very much. So just stating the obvious, there the potential provision discussions are an early stage. Thank you, Mr. Barton,

I could bring good afternoon. Tom Barton of mish COVID air on behalf of red car bulk terminal, and the book of reference identifies 178 plots across 266 centuries as land, but RBT owns or has an interest in, and I won't list all of those in everybody's interest of time. RBT does not object to the principle of the project, insofar as it does not detrimentally impact the terminal, although RBT does object to the inclusion of the compulsory purchase powers as they affect the terminal

indeed, a draft side agreement and protected provisions were submitted to the applicant by us on the 12th of October with a disappointingly, to date, no response has been received. So these proposed protected provisions and RBT is no further progressed to be able to satisfy itself that the objection can be withdrawn further and of material concern is the lack of clarity provided by the interrelation report. So I echo Miss Clark's comments made on behalf of Anglo American and others as they relate to the York potash and other projects. Given the relationship between these various projects and those sites, it's been made clear during discussions, but these matters should be picked up in tomorrow's issue specific hearing. So I look forward to doing so there.

Thank you, Mr. Barton, sorry. I was busy scribbling a couple of words and missed your comments about your the draft protected provisions that you have issued. Can you tell me again what dates when you put it?

So the 12th of October, 12 of October,

and that's when you submitted your your return. That's when we returned a draft. Okay,

so I understand that we issued a draft to them in April, and they responded on the 12th of October.

Okay, just getting my head around this, because the initial point was the draft, the preps are,

were an early stage. So let's recap.

So initial draft was sent in April from the applicant to Red carboc terminal. That's right, there's my instruction, and the response was sent on the 12th of October. Mr. Barton, can you confirm

as one of your predecessors in this discussion said we are where we are, but can you confirm that that is the case from your point of view? Yeah, correct. So we're awaiting a response from the applicant.

Okay, thank you very much. That's that's helpful, just to confirm that so that we were on the right page together.

Any comments from the applicant? Please?

Nothing else, sir. Thank you.

Thank you. Applause. Excellent. Mr. Pete

Joshua bead, on behalf of the applicant,

red car and Cleveland Borough Council. Red car and Cleveland Borough Council is the owner of a small plot of land within the order limits behind being highway associated with the A, 1085,

the parties have agreed that a land agreement is not required in respect of this land. The

and

that's it Okay.

Thank you very much. Next, Pete,

Joshua, Pete, on behalf of the applicant, Savic UK Petra, chemicals limited. The applicant has held meetings with Savic UK petro chemicals limited, and is actively addressing their concerns through dialog with them.

Draft have heads of terms have been issued by the applicant to SABIC for their consider, consideration recently,

and I understand

SABIC now have draft protect provisions for review.

Thank you, Mr. Dag,

welcome. Thank you, Sir Stephen DAG, on behalf of SABIC.

So I'm

probably going to address you at slightly greater length than some of the other parties have today. If I am going over ground that you don't want to hear, please do all I'd ask is not to go over ground that we've probably covered in detail already, but appreciate that you are right to make your points.

Thank you. So in part, it is due to the

inadequacies as my client perceives them, of the protector provisions that were included in the net zero order. And so we, for that reason, we want you to fully understand

subjects, position, which is, again, why?

Why are we saying what I'm what I'm going to say? I'm instructed by sub UK petrochemicals, limited subject T's, holding limited and Subic petrochemicals, BV,

the first two companies are affected persons and hold land and rights as set out in paragraphs, one point 4.1, and 4.2 of subics, detailed written representation. That's rep two, dash 100 the rights and land are extensive. So, so I won't, I won't repeat them all now,

I will be as brief and to the point as I can be, but I would like to make three main points today

to set out. Firstly, the operational context of subjects objections. Secondly, the approach to protected provisions. And thirdly, key issues in relation to those provisions.

So the first key point is the operational context.

In order for you to properly consider subjects objections, you need to understand in broad terms their operations. A detailed description of those operations is set out in section three of.

Of its detailed written representation, neither 100

but in brief, ethane is shipped into the north T site. It

then passes through link line corridors and tunnel number two into Wilton.

At Wilton, it is processed into ethylene by the cracker and

the ethylene produced has a number of destinations. Some goes to the subix LDPE plant, where it's processed into low density polyethylene, which is used in a variety of products.

Some passes through the link line corridor back to North T's for liquefaction and onward shipping.

Some is transmitted through the transparent trying transpennine Pennine ethylene pipeline to North West England.

Surplus ethylene is sometimes stored at Wilton until it's required in underground storage cavities, which is situated there, and the site is also connected by pipeline to similar ethylene plants in Scotland.

And ethylene must be received from or returned to Scotland on a continual basis, and that's via the Wilton to Grangemouth ethylene pipeline. And that allows all three businesses to operate.

The key point, sir, is this, the constituent parts of SABIC operations must be understood as a single, interconnected holistic system, rather than a fragmented mosaic of separate operations. A

helpful analogy might be an electrical circuit. If the circuit is broken temporarily, even to a very small extent, the whole circuit fails.

What is different is the consequences of an interruption to Subic system, as set out in paragraph 5.1, point two, of subics, detailed written representation, the cracker cannot be turned on and off at the flick of a switch. If

it was forced to shut down for any reason, it would have to be restarted, and that process could take between three two and three weeks.

This would interrupt operations at the LDPE plant, and will also prevent supply to other local, national and international users,

the result would be of significant detriment to SABIC it would lead to a huge loss of revenue likely to run into 10s of millions. It would delay the fulfillment of orders. It would cause reputational damage, and also the resetting operation would cause noise nuisance to the local community.

Sabba is a very large employer, and its activities bring significant amounts of revenue into the region, both directly through its activities with local businesses and its employees, and indirectly through the multiplier effect of local spending.

Its operations are of national significance, and due to the scale and nature of its operations, it would be right to give a similar weight to its objections as to those of a statutory Undertaker,

it follows that suitable and adequate protective provisions are therefore necessary, both in respect of preventing the works interrupting The circuit, but also and pertinent to this hearing preventing SABIC land from being acquired or rights from being extinguished such that that circuit is broken.

The second key point

is the approach to protective provisions.

SABIC provided the applicant with a copy of its protected provisions during the consultation phase on the 23rd of January, 2024

and these were submitted to the examination as part of Savic deadline three response, and that is reference rep 321,

Savic protected provisions broadly aligned with those included in the York potash DCO, where SABIC took a very active role in the examination.

Despite now being deep into this examination, we only received a cost undertaking in respect of sabic's legal costs in negotiating protected provisions last week,

and we only received a substantive reply to SABIC protected provisions yesterday evening.

We're there for a long way behind where we would like to be in negotiations, and it just has not been possible to review the applicant's position with my client in order to take detailed instructions,

SABIC

stands ready to discuss and negotiate suitable and adequate protected provisions with the applicant, where the applicant provides substantive justification for departing from subics protected provisions.

The third key point, sir is the.

The issues between the parties,

having received the applicants response so late in the day, it's impossible to say definitively what issues lie between the parties, and I'm therefore caught between the need to put my clients case forward at today's hearing, and not really knowing the detail of what issues are between the parties

in the circumstances. So I think it probably is helpful to consider the inadequacies of the protected provisions as made in relation to the net zero scheme

as set against what SABIC has previously been granted in the York potash scheme. And I wouldn't intend to go into the details of what, what differences there may be between the parties, because I don't know them.

But in in

it may be helpful to cover a number of key points which SABIC needs to be included in its protector provisions in order that it can continue with its operations.

To be honest, I think if you could put those in the response to the hearing, I think that would be helpful, because I think then we would have them quite clearly for the applicant to see as well, and I'm sure you will have the opportunity to respond to those as well. So without wanting to stop you in your flow, I think rather than reiterating those points when you haven't had the chance to see what has been submitted to you, I think if you could cover those in your summary of this meeting, I think that would probably be a useful approach for us. Yes, sir. Thank you. If it helps. On behalf of the applicant, sorry. Harry wood

Philpot, on behalf of the applicant, I would certainly say we don't have any objection to waiting to see those points in writing. We haven't seen them in writing yet. We don't currently know in any detail what the issues are with the NZT protective provisions. And I fully understand Mr. DAG's difficulty that he needs to have client instructions on the version that we provided to him in order to understand what the issues are. And certainly, we won't take any point about issues not having been articulated already in what is primarily a written process. We are very happy to see those in writing and respond accordingly and indeed, of course, to engage outside the hearing to see what we can agree and resolve, which I'm sure you'll do. And Mr. DAG, I think Mr. Butler's point earlier about the potential for another ca hearing in January will give further opportunity. But as you say, there's there seems like some progress, but it seems that it might be too early to have a detailed discussion now about what that progress is, notwithstanding the comments that you have made, and I'm conscious I stopped you mid flow in terms of your new points. Was there anything after that, that you were going to be mentioning

your microphone? Start off again. Thank you. Sorry. Steven Doug, on behalf of sabec,

so there are probably two or three points which it might be helpful for me to to articulate very briefly.

The first arises from comments that Mr. Philpott has made previously about protected provisions and how

and how and whether it will be possible for protected provisions to resolve

objections that have been put forward.

I think protected provisions are potentially way forward to resolve suffix objection. I think I do have reservations and concerns about whether we will be able to get that

so in principle, yes, they will. But there are certain issues like

protection in relation to compulsory acquisition of rights, for example, which are absolutely key to find that balance between continued operation of SABIC and the need for the the

scheme to progress.

That was the first point,

the second point. And again, I will go into this a little bit. We will go into this in detail in our written submission.

But the nature of sub x operations is perhaps slightly unusual in the sense that the contents of its pipes

is

owned during processing by.

Be another group company,

which is a position that perhaps won't be covered in very many sets of protected provisions.

If I may briefly revive the circuit analogy, that there isn't any pretend any purpose in protecting the copper wire in the circuit from being removed,

from being removed,

if the electricity in the wire and the processes that that electricity is driving and are also protected. That is a slightly unusual request that we, that we will be making, sir, I think that,

I think that, I think that was all and thank you very much. Mr. Football. I know you had you've already made one comment, but I'll ask the applicant to respond in full to Mr. Dag.

Thank you. So I think probably it's best if we wait to see these points fleshed out in more detail before then I can take instructions, and clients can take instructions, my professional clients, and then we can respond in writing. I think that's probably the most efficient way. Yes, and please don't feel that you have to wait until the deadlines that we've given. Please feel free to to exchange those details as soon as you feel you can. That would be very helpful. Thank you very much.

Sorry. I am asked to point out that, in principle, the protected provisions can cover the to take the analogy the electricity in the circuit, there's no difficulty in principle with that. We just need to understand what the issues are, and then get into discussion of how best to address them. I don't think there's a problem of capacity, of protective provisions in principle to deal with all of these issues. I was expecting you to say that, but that's that's really useful to cover. Thank you very much. Mr. Dag. You happy for us to continue with others? Yes, sir. Thank you. Thank you very much indeed. So Mr. Peetz,

to Josh, repeat for the applicant. The applicant, sorry, semcorp utilities, UK, limited.

The applicant has been in discussions with semcorp Regarding the proposed development scope, and is working with semcorp to refine detail and requirements for the project, to incorporate into relevant voluntary agreements and protect provisions.

And the applicant and SEM Corp have a regular weekly meeting with each other.

The applicant has now issued sem Corp with draft heads of terms and protect provisions for the various interactions and land agreements required for the construction and operation of the proposed development.

Now that these draft documents have been issued and principles established between the parties, the applicant anticipates that heads of terms can be agreed prior to the end of examination.

Thank you. I'll ask Mr. Nesbit to come back. What maybe his last time?

Thank you, sir. Yes, the last half of the day. Pete in a bit on behalf of semcorp utilities, UK Limited,

just firstly, like to confirm the accuracy of Mr. Pete submissions. There

again the the various plots are listed in semcorp. Relevant representation

sem corps interests are

scattered across the Teesside area. So I'm afraid it's going to be difficult to refer to a specific plan. Perhaps the the overlay plan might be the best

to have up whilst I'm speaking,

just, we'll do that. But if you, if we do that, if you can continue speakers, I'm just conscious of time, and if you'd like to cover those points, because I know, by all means, maybe similar to the others that you've made. Indeed, Sen Corp is a leading provider of sustainable solutions supporting the UK's transition to net zero.

It helps energy users and suppliers improve their efficiency, profitability and sustainability. At the Wilton site, which you can see in sheets, 1819, 2120,

on the overlay map, there sem corporate supplies customers with development land, energy and utilities that they need to operate, semcorp also provides the essential semcour pipeline corridor crossing the river tees and takes the crucial role of coordinating all users of the pipeline corridor.

Full details.

Of that are contained within the relevant representation.

The importance of Wilton and its connections with the various industry at North tees and Billingham,

again, is fully explained in the relevant rep.

And I noted Mr. DAGs very helpful analogy

of a circuit, I think that could be extended in this instance and used to describe this network

of interrelated businesses, each supplying each other with raw product

and being interconnected using predominantly the semcorp corridor,

in essence, in connection with semcorp pipeline corridor,

what it does is act as a central body responsible for the management of all infrastructure within That corridor, including the organization and coordination of activities, including new construction. It maintains the shared infrastructure within the corridor, and it facilitates the safe operation of that infrastructure.

Semcorp role is importantly underpinned by an interconnected web of reciprocal rights and obligations. These are essential in order for semcorp to discharge its functions and to ensure the ongoing safe operation of the infrastructure. The rights are enforceable against semcorp as the contracting party to the easement or licenses, and conversely, semcorp is able to enforce customers obligations in order to protect the collective interest in the safe, efficient and effective operation of the pipeline corridor and the businesses that use it, whether at Wilton or elsewhere from Teesside,

the applicant seeks to compulsorily acquire extensive new permanent rights and be able to extinguish and override the rights of others within what's described in semcorp relevant representation as the semcorp pipeline corridor, which runs between Wilton and Billingham via the North tees area.

In addition to pipeline corridors within Wilton itself, such rights have historically only ever been granted by private treaty agreements, as I've explained, allowing semcorp to continue to perform the role described in its relevant representation. If unchecked compulsory acquisition is permitted, it has the potential to remove sem Corp's key role and seriously undermine and prevent it from performing its functions as agreed with other parties, using the current utilizing that corridor

previous projects that have sought such powers such as net zero Teesside were able to agree suitable protective provisions with Cem Corp to ensure that this risk was managed. Ultimately, this was followed by a suite of private treaty agreements which followed the previous convention. The applicant seeks to follow this successful approach, and has recently shared a draft set of protected provisions and heads of terms for private treaty agreements. Whilst this is welcome, it was hoped that more progress might have been made by this stage of the examination, in line with paragraph 25 of the CA guidance,

parties are now meeting regularly to progress matters as quickly as possible, as Mr. Pete outlined,

should suitable protective provisions not be agreed, then semcop considers that compulsory acquisition power should not be granted over the semcorp pipeline corridor within the DCO, because this would

seriously undermine and creates a detrimental effect to a significant number of existing businesses reliant on the continued, safe and uninterrupted operation of the infrastructure within the corridor. Thank you. Thank you very much, Mr. Nesbit.

If I ask the applicant for any comments,

so there's Harry was talking on behalf of the applicant, there's not a lot to respond to because, as Mr. Nesbit is very fairly pointed out, we're following an approach here which has precedent and has agreed to be an acceptable way of dealing with it. The only point I would clarify is that the Mr. Nesbitt characterized it as essentially, if we can't agree protective provisions, then compulsory acquisition should not be authorized. I would say that's that's not quite right. If we can't agree protected provisions, then it becomes a matter for the Secretary of State to decide what protected provisions ought to be on the face of the order. So if Mr. Nesbitt case was accepted in those circumstances, it wouldn't be that there's no compulsory acquisition, it would just be that his client's preferred protected provisions would govern the use of those powers. That would be the outcome. That's absolutely fair point to make. Thank you for clarifying that before I did.

If there's no further comments on a.

And Semco will move on. I think we're getting towards the bottom of the alphabet here.

Mr. Pete Ramsay, speaking of the on behalf of the applicant, the next affected person is southeast group, and I'll be providing the general update on the south east group. In terms of voluntary land agreements, we have been in continuous negotiations with disasters group over a volunteer land agreement for

the Phase One area

for more than two years now, and I am pleased to report that we there's a substantially negotiated form of voluntary land agreement that exists for phase one. It's not quite finalized yet. We're hopeful that it will be that form of the

Phase One voluntary land agreement will be finalized shortly between the parties. The applicant's general strategy has been to finalize the Phase One land agreement and then take the key principles, commercial technical principles that will have been substantially negotiated as part of phase one, and apply them to a

to a similar agreement for for the phase two area,

we are starting discussions on that for the phase two area. Think the last thing I wanted to add is that in terms of the protected provisions,

we have discussed this was the solstice group

and their external solicitors, and we've agreed that Solstice group will provide the first draft of the protected provisions for applicants review, and we are looking forward to receiving those.

Thank you very much. Just scribbling.

You Mr. Henderson, you've been sitting to my left very patiently for most of the day.

Thank you, sir. Tom Henderson, Arthur, the South tees group, to begin with some introductory points. The StG land interests

for completeness, are listed in rows, 5152 and 58 of the Church of negotiations

being those parts of the teas work site that within the order limits. Now clearly there's a large number of plots I wasn't proposing to recite those SDGs. Fundamental concern is to ensure that the teas work site is regenerated and developed in a way which maximizes the benefits that it can bring, both in terms of economic growth and job creation. And as the examination has progressed, SDG has sought to increase its understanding of the proposals through the examination submissions and through negotiation with the applicant. And in this vein, SDG has welcomed the recent change application to reduce the order limits. However, SDG maintains that the order limits are too extensive and will adversely impact on its ability to bring forward other critical national infrastructure within the T's work site. So having given that introduction, our submissions today are divided essentially into two areas, one in relation to the main site, and then secondly, in relation to corridors for services to and from the main site.

So turning to the main site at this point, I think it'd be helpful if we could put up on screen. I think so the works plan. The best plan, I think, to show the phase one phase two areas that have been referred to is the works plans, sheets one and two. Those could be

put up on screen. I

i Yeah, I think that that is it. Thank you. So I think that's sheet one. So the area that you can see there is, is the phase one area of the main site, and then the

the blue line indicates the land for

phase two. So this is the area known as the foundry on the seas work sites, which you may have seen on your your site visit,

approximately 90 acres is is devoted there to phase one, and the remainder, the vast majority of the range where the Foundry is proposed for phase two.

And then, as has been mentioned, the applicant has been in negotiations with STG for an option agreement to secure the main site area. But over the course of those negotiations, the applicants limited the extent of that option to the 90 acres, equating essentially to phase one of the proposed development. So it doesn't include the rest of the main site,

which comprises land originally earmarked, as we understood it, for the high Green Project. Which we understand is is not now proceeding. And as far as we're concerned, at this point.

Hypothetical area for phase two, and I'll come on to elaborate on that. But the key point to underline is there's no option or lease agreement being negotiated by the applicant for the remaining 150 acres of the main site in that foundry area.

In view of those circumstances, STG has been in active negotiations, and is progressing legal documentation with another developer in respect of development and disposal of all of the phase two land at the foundry outside of that that 90 acre area that I that I referred to the applicants in dialog with the applicant for now the identity of the other developer negotiating with STG for that land is strictly confidential, but the project will involve the development of critical national infrastructure that will bring in billions of pounds worth of inward investment into the region, into the region. Sorry,

under this third party proposal, the phase two land would come forward for remediation in spring of 2025 with the development then taking place. Shortly after remediation is completed, commercial terms are agreed in principle for that development, and lawyers are instructed on both sides to prepare the relevant documentation. The

level of certainty provided by the other development is not being afforded by the applicant's proposals, even in relation to phase one of HTT side which the applicant proposes to acquire any under option at this stage, let alone phase two, in respect of which the applicant has not offered sufficient assurances or certainty. And therefore, SDGs position is that phase two of the proposals, as they stand should be removed from the order limits, absent which it would not be able to maintain its in principle support for the development.

So that outlines the key facts and SDGs current position. I'll now turn to the relevant compulsory acquisition

tests in law and guidance.

STG overall position in respect of those as that they're not made out in relation to the proposed circa 150 acres of phase two, as I've said

so, starting with section 122

to a of the 2008 act, this provides that the land must be required for the development to which the development consent relates. And the 2013, compulsory acquisition guidance, which has been referred to, elaborates on this. At paragraph nine, it states that the applicant must have a clear idea how they intend to use the land which is proposed to be acquired. And then at paragraph 11, it said that the applicant should be able to demonstrate the satisfaction of the Secretary of State. The land in question is needed for the development for which consent is sought, the Secretary of State will need to be satisfied that the land to be acquired is no more than is reasonably required for the purposes of the development. And we say these tests aren't met in relation to phase two. And in support of this conclusion, I'd like to just refer you to a couple more plans, if we could start with

the interrelationship report, which IS rep 2038,

if we could share that, please. You.

I think it's the first plan appended to the document which shows the interface with the high green development.

Thank you. If you could just zoom in on the on the main site there,

so you can see that the gray area is the HTT inside main site, and within that, the Greenland is the proposed main site for hygiene, to the extent that it's still a proposal that's going ahead.

Now,

the interface between the two projects, from our perspective, is not entirely clear, but I think it's

quite fair to say that the applicant it shouldn't be using this DCO to secure land for another project. It, of course, must be consented separately.

But the fact that the eight the phase two land is extensive and flexible enough to presumably incorporate what's proposed for phase two and an entirely separate project within the same site that's very significant his own right, causes us to question the extent of flexibility being sought in this area. So that's the first key point.

Secondly, if we can then turn to another document,

the Indicative hydrogen production facility and above ground installations plan, which is as zero to eight.

There's two relevant plans here, so that's that's a plan view

of the same site. And

as far as we're concerned, this plan showed that there's no.

Do substantive information in the area allocated to phase two to understand why that land has been incorporated in into the order limits.

And if you if whoever's controlling screen could close, scroll down, you can see there, from a plant, from a 3d perspective, the left hand side of of the of the document, the vast majority of the area we're talking about doesn't appear to have any development included upon it.

I mean, I think that, by my eye, that's about two thirds of the land allocated for phase two in the in the order limits.

And then, thirdly, as noted earlier, the applicant is not pursuing an option agreement in relation to this phase two land. And we note in passing that that's not compatible with the CA guidance at paragraph 25 which obliges applicants to seek to acquire land by agreement and only resort to compulsory acquisition powers where agreements failed.

So drawing those three points together in our submission, it's clear that the extent, extent of land being sought is not justified, and there is no clear idea how that land is proposed to be used. And we say it's not satisfactory, nor compliant with law or guidance for the applicant to seek to justify that land on generalized statements about flexibility or or first of the kind technology. It's also not satisfactory to say that some of the land will only be needed temporarily and will be reduced on acquisition, because all of the land is currently blighted by CA and therefore it must be justified in that context.

So that's our submissions in relation to Section 1222,

a

turning, then to Section 122, subsection three of the 2008 act, our position is that a compelling case in the public interest has not been made out in relation to the proposed phase two land. Now, in considering this test, it's worth

emphasizing five preliminary principles which are established in law and guidance. Firstly, that the Secretary of State will need to be persuaded that there's a compelling evidence, sorry, that the public benefits that will be derived from compulsory acquisition will outweigh the private loss.

Secondly, proving a compelling case requires a significant degree of justification, given that the private property interest in question carries substantial force in human rights terms.

Thirdly, the existence and nature of alternative critical national infrastructure proposals for the same site, which avoids the need for CA is relevant to whether the test is met.

Fourthly, the existence of alternative land to develop the proposed scheme is also a relevant consideration. And fifthly, there may be an urgent need for

in policy terms for a particular type of project, but that doesn't necessarily mean that a compelling case is made out under section 122

so our submission is that that test isn't made out noting in particular the following circumstances in SDGs case. The first is the particular status of STG as you'll be aware, it has a special status of a landowner, in the sense that its statutory purpose through South TS Development Corporation is to facilitate the regeneration of the TS work site, in pursuit of which it was granted its own compulsory purchase order for the entire site in 2019

the tees work site is a several 1000 acre brownfield development site with a multitude of major developments coming forward across a number of key sectors. And the proposed ca for Phase two will prevent STG from developing the site in a way which it considers would best maximize economic development and job creation.

Secondly, as I've referred to, there's clear uncertainty over the public benefits that will accrue from phase two of the development. As we've noted,

the option under negotiation only relates to phase one and doesn't encompass phase two. So we don't have certainty about whether Phase two will come forward, when it will come forward. We understand that's 2028, at the earliest, based on the interrelationship document, nor any certainty over the form that Phase two would take. But the net result of that is that a vast amount of the phase two, land would be blighted and sterilized from any other development if the DCO is made as applied for preventing other physical national infrastructure coming forward. And I've mentioned already the alternative development that SDG is pursuing for that site.

Further point is that SDG has offered to make alternative land available to HTT for the development, some 50 acres of separate land has been proposed as lay down space for HTT size. Should that land be needed.

It adjoins the 90 acres that we earlier saw on the on the screen that offers C.

Been rejected, as I understand it, by the applicant, although dialog is ongoing,

I mean, s, G's ultimate position is it's happy to make land available to the to the applicant, but only where the proposed development doesn't adversely impact other proposals that are coming forward.

So that concludes what I had to say on the main site. I've got some submissions to make on the on the corridors for services as well, although they're shorter than the ones I've made on the main site. Would you like me just carry on and carry on? I think you complete what I've got to say. Yep. Thank you. So turning to the corridors for utilities and services,

as I've said. STG welcomes the recent reduction by way of the change application, but it remains concerned about the width of the corridors and their impact on developable land. There are two key points that we wanted to raise. Firstly, we wanted to bring you to your attention a specific development that's coming forward from a developer known as NAT power. This is a battery storage project in the public domain, which will be located on roughly 50 acres of land, at the long acres part of the teas work site. Appreciate you don't have a plan of that at the moment. There isn't one in the examination library, but our post hearing submissions can provide links to where you can find out about that. In

relation to the NAT power development, SDG expects negotiations to be concluded over the next month or so, and once that's settled, the site will be remediated and the tenant will enter into a 40 year lease.

Now, the applicant's plans indicate that it intends to run services through part of the NAT power site. The plot references are 1536, 1539, and 1540,

which, as far as we can see when being compatible with the proposed battery storage project.

The red line boundary for the NAT power project was plotted deliberately to a to lie outside of the proposed easement corridors for net zero T side. And we consider the same approach should be taken

here. In other words, the H 2t side development should adopt the same easement corridors that net 02 side has, so that there's no impact on the NAT Power Scheme.

And we've raised this matter with the with the applicant recently and and we understand they're looking at it, and we'd welcome further constructive dialog to try and find a resolution in respect of that. And then more Lastly, and more generally, we continue to query, and I guess you could say we're, in fact, finding mode still around the extent of corridors for other utilities and services across the teas work site,

we've been making various submissions in relation to the interrelationship document and the document that was produced to justify corridor widths and order limit widths.

We note that easement agreements have recently been negotiated for net zero T side for its utility corridors, and we reiterate the point that

efforts should be made to ensure that wherever possible, the same corridors can be used for for HTC side. And by way of example, there's a significant water services corridor running across the long acre site, which we consider can be produced in width to align with what's been agreed for the net zero T side. We understand it's the same service across the same route.

So in relation to this element of our representations, we asked for two things. First, as we requested in our deadline, three submissions, which was rep 3024,

we would like to see an updated version of the order, width limits, explanatory notes. Document, rep 2037, which addresses some of the gaps in the information that we're looking for. We're particularly keen for that document to work at a more granular level and actually explain, on a plot by plot basis, why particular corridors are as wide as they are at the moment, it takes indicative examples which we say doesn't go far enough. And secondly, we we request an update to the interrelationship document, which I think other interested parties have asked for to that document was rep two or 038, and again, in our rep, three submissions, we've articulated additional information that we would like to see on those plans to help us understand the impact of the proposals. And last, secondly, and lastly,

as has been noted by the applicant, we will be bringing forward protected provisions we outlined in our relevant representations the form that we anticipate these would take. But we've been trying, as I say, to fully understand the impact of the proposal on the site so that the protected provisions respond to those impacts.

But with it's an action on us to reduce those we anticipate, aiming to submit a version by deadline for which, I think is the 18th of December. And in advance of that, we'll, we'll discuss those with the applicant.

Is the deadline for is the 20th, 20th December, I'm sorry, so that's to just give you a heads up. That's our indicative target date for submitting those before the examination. Thank you very much. Just to clarify deadline for.

Is the 20th of November deadline, my deadline of December. Just one other point I wanted to make out, if you are making submissions, you'll need to submit the evidence you want us to consider. We won't be looking at links. So, so if you're providing a link to the alternative site for us to go and fish there. We won't look at that. So if you want to look at the specific evidence, please provide specific evidence. Thank you, sir. And that's understood. We'll, we'll download a copy and include in our submissions. And just to be clear, I Yes, deadline five, therefore thinking, obviously deadline force next week. So we won't be yes, yeah, thank you. That connects us our submissions. So thank you. I know there was a lot that you covered there, and I would ask the applicant to respond in in the way they wish. In a moment, I will just point out that a lot of the

the statements that were made about the main site and the high green interaction were going to be

a point of an additional question we had, which wasn't listed in the agenda item. I won't now cover that again, but I might well follow up on some of the points that were made so that we cover our questions about high green and the main site in this topic. Does that? Does that make sense? I think so. So I'll see. I think it makes sense to me. Let's see how we get we'll get on. So, Mr. Philpot, if you'd like to take Mr. Henderson's points, yes, thank you.

First of all, in terms of there are various points of fact and factual clarification which I might need to pick up as I go along. But just before I go into the submissions I had intended to make, I just want to pick up this point that you have heard from Mr. Mr. Ibrahim Zadi, before Mr. Henderson, spoke about the approach that the applicant has taken to seeking to acquire the land rights by negotiation, which is to focus, for understandable, commercial and practical reasons, on the first phase of the facility in order to agree the approach there and then to move to phase two. And I understand my instructions are that,

as Mr. Ibrahimzadi said earlier, that recently, the Phase One negotiations, having reached a stage where they are well advanced and approaching the final furlong that my clients have sought, to initiate negotiations in relation to phase two, and we wish to commence and progress those negotiations If there is a willing partner on the other side.

So

having made that point and standing back and looking at the main site, first,

the upshot of what I understand SDGs position to be is that it is now effectively suggesting that phase two should not be proceeded with, in other words, that phase two should be taken out in some way from the application.

And so again, to respond to that notion first,

in accordance with the Secretary of State's direction, under Section 35

the applicant has brought forward a two phase scheme.

And taking those two phases together, it would deliver approximately 12%

of the UK's hydrogen target for 2030

and as the government's policy makes plain, meeting the net zero Challenge will only be possible if the necessary infrastructure is developed urgently. And as I said earlier, the clock is ticking. We're now at the end of 2024 and as time passes, the urgency only increases. So the applicant has brought forward an application which provides certainty that both phases can be delivered to meet the net zero challenge.

And so you and your colleagues will recall that when the Secretary of State made the section 35 direction.

For this project. This was on the basis of a conclusion that it was of national significance.

And the first two reasons given in the annex to the direction for So concluding were as follows. First, the proposed project is of national significance, taking into account that it is a large scale hydrogen production facility with a capacity of up to 1200

megawatts thermal and secondly, the proposed project will play an important role in enabling an energy system that meets the UK's commitment to reduce carbon emissions and the government's objectives to create a secure, reliable and affordable energy supply for consumers.

None of that has changed, and we have made the point in

various stages, in written submissions, that in order to achieve the conversion to hydrogen, there needs to be security and comfort and reassurance for those who are going to make the switch, that There will be a reliable long term supply and that requires the capacity to be created.

We now know that SDGs position, on the other hand, has changed

in its relevant representation. It made clear its in principle, support for the project, and did not suggest that phase two should be dropped.

And as yet, the evidential basis for suggesting the develop that a development that is phase two as part of this development that would in itself provide 6%

of the UK's total hydrogen target should be abandoned has not yet been made clear. We await that will respond further. Once it has become clearer, the developer and the development that is said to need the land

is unknown,

not stated, said to be confidentiality, confidential at this stage, the planning position in terms of that development unknown

at this stage. So we've with there's a limit to how far we can

respond to the specific suggestion that there is another development that should take priority.

So at this stage, what I would seek to do is to summarize and explain the applicant's position on the need for flexibility in respect of the location of phase two. And as we've sought to make clear, the size of the area that is allocated in the plans for phase two is reflective of the fact that the location of phase two within that area is not yet determined. And we explain that in the inter relationship document, which is rep two, zero, 38 and we identify certain main reasons for this. The first is the demolition and remediation works are still not complete with the industry first blast furnace demolition on the phase two land in particular, still needed. Second is that there's a lack of Gi data. Third, there's a need to ensure appropriate separation distances between the phase one and phase two facilities. And fourthly, there's a need to manage the potential overlap with the high Green Project, both in terms of whether it will come forward, meaning that its land could be used, or if it does come forward, allowing for appropriate separation between the two facilities. But for the avoidance of doubt, it is not proposed to acquire land for use by high green. The inclusion of the land that high green could potentially come forward on is to allow for that land to be used if, in fact, that project doesn't happen. By the application development for phase two,

a point was made

in submissions by Mr. Henderson that high green is not coming forward. Now I don't act for high greens a separate entity. I don't have any instructions on that point. I have to take that away, and we'll come back to you in writing on that. But the approach to the phase two part of the main site encompasses the possibility that it would.

Come forward, but we'll have to confirm the factual position outside this hearing.

But as we explained in the first issue, specific hearing, and we've summarized this in rep 1008,

there is some shared infrastructure between phases one and two, including incoming utilities, office and administered buildings where there is duplicated infrastructure for each phase that's to ensure sufficient availability and reliability of hydrogen supply to customers. And it's typical for projects of this nature to build trains and phases to ensure one remains operational in the event of maintenance or unplanned shutdowns of the other and as I've explained before, that's particularly important in the hydrogen market because it's a nascent market with limited supply, and it's necessary to ensure sufficient redundancy to cater for market demand, to provide reassurance as to security of supply for those considering switching to hydrogen, but the non sharing of infrastructure has a minimal impact on the order limits on the main site. We've sought to take an approach in the packaging of works that allows for efficiencies to be made where it's possible to do so by sharing infrastructure, albeit the works plans and order limits cater for the possibility this may not be

possible

as this development, NEP, NZT, high green and other T's worst developments come forward. This product is proceeded on the basis of seeking to assure there's enough room for it to be built in whichever permutation of detailed design comes forward for the other projects and to allow for meaningful negotiations with STG, amongst others, in relation to those matters. In addition, and I might ask Mr. Ibrahim Zaidi to add to this, in due course, there needs to be sufficient working space to construct all of these developments, plus phase one and phase two of this project. And the approach is intended to balance the need for flexibility at this stage in the design and delivery of this urgently needed, nationally significant project, and the need for room to accommodate and work around these other important developments. Now we would like to seek negotiations, continue negotiations with STG on this issue, try and find a way in which its current concerns can be allayed.

Now, moving from that issue to the issue of utilities and services. Reference was made to a battery storage scheme, the planning position in relation to that scheme, I don't think was covered. My understanding is that it's currently gone through the screening process for the purpose of EIA, I think that's where that's that's what I'm told, is the position in terms of planning. But no doubt Mr. Henderson will be able to

tell me if that's wrong. I was then going to turn with your leave sir, to Mr. Ibrahim zali to add anything further on either the main site, but also particularly on utilities and services

elderly Brian's others speaking on behalf of the applicant,

in terms of the construction laid down area that Mr. Footport was referred and also Mr. Henderson referred to earlier, I take note of the examining authority point that it's a the alternative area has not been submitted to the examination,

and we are looking forward to receiving that in recent submission into the examination. I would like to make a quick point that I think the accompanied site inspection and the context that examining authority so from yesterday will be helpful in understanding the context in which the applicant has concluded that, working together with his technical advisors, that that area is not the alternative area that's been put forward in terms of for construction, lay down area is not suitable for a safe, efficient and timely delivery of the phase one as well as phase two. And the reason for that is that there is a there is railways and active road

between the the alternative construction laid down area that's been put forward and the Phase One construction area. And also, crucially, the

the proposed alternative for the construction laid down area is at a different, significant different elevation than the main site, so it brings a an insurmountable level of safety challenges to the to the delivery of the project, as well as cost and schedule challenges once the alternative construction laid down area is the.

Submitted into the examination will respond in writing to outline the reasons as to why we have not been able to accept that as an alternative construction laid down area as to the utility corridors. I think at the philosophical level, there is no disagreement with what Mr. Henderson was saying. Our general philosophy has been to follow the established either the T's works or NZ, TN, EK pipeline corridors. However, key points to flag here is that while the detailed design is ongoing and while HTTP side and other projects are being brought forward with different connections, there needs to be an understanding that there is a as per the applicable national and international design standards, there is a level of proximity, distance that will be required between these different connections that are being put forward by different parties, including H to T side, nztep caseworks and other potential developers on the caseworks estate. So our utility corridors and

the flexibility we've sought in the utility corridors take that into consideration.

And also, I would like to point out that as part of the

voluntary land agreement that we've reported that we've been negotiating for over two years now, between the technical teams, there has been a significant level of discussion with regards to the flexibility that's needed in the easement corridors for incoming and outgoing connections to the main site and also the locations of those corridors.

Thank you very much. I'm conscious that there was quite a lot that Mr. Henderson covered. And if there's anything that hasn't been covered in enough detail, I'm sure it will be in response to these points.

I think the only thing that I would was going to add, as I alluded to in a further question that Mr. Henderson didn't cover in his part of this question,

the statement of reasons at

paragraph nine, point 1.77,

it's the point where it discusses the high green. And I'm not going to go into discussion about where high green is in its development. I'm going to approach this purely in terms of land requirements.

It states that the high green main site overlaps with the main T site. Nothing hidden there is purely is expressed and but all it says is that the area, if high green doesn't come forward, would

be able to use, be able to use for other things,

a deadline to the interrelationship report then introduces the potential that phase two might not be

in the location that is shown and all The indicative information at the application it's unless you can direct me otherwise, it's the first suggestion that phase two might not be in the location that it is here. And bearing in mind, we had quite a detailed discussion about design in issue specific hearing one, there was no inference or mention in that meeting that phase two might not be suitable in this point. It's always been up until deadline. Two suggested that that is the preferred and probable location

added to which, if high green does proceed, phase two simply won't be able to go where high green is. Therefore it will have to

go elsewhere, reducing the flexibility that you're trying to afford yourself. And that's the correlation that I would like to understand more, and I'm very happy to that be

explained further in your written submissions

that you're trying to introduce, quite understandably, flexibility, but hygiene in itself, may you may may reduce that flexibility for you, which is out with anyone's control here. So I'd like an understanding of of

why the flexibility is therefore needed

in the light of what I have just said,

I think the the lack of understanding about what happens in the the brown areas, which which we discussed at the issue specific hearing One, I think it doesn't help our understanding. And lastly, my point, I think, in response to what one of Mr. Philpotts points is, in terms of temporary use of this area, the main site is being requested for permanent acquisition, but we had a discussion about temporary construct.

Area. So again, an explanation, a more detailed explanation, I think my final, final point in the interrelation report, it suggests that you're waiting on ground conditions and completion of the remedial work that's happening. And as we saw yesterday, that that remedial work is pretty sound and impressive remedial work. And I'd be very interested to know what the residual concerns may be about the suitability of one part of that remedial work compared to another, which is what has been suggested in the interrelationship report.

So unless you'd like to repeat now, I can certainly reply to the first two of those points and see if that assists. And then I'll ask Mr. Philbrock, can I just stop you there for a second? Can we stop sharing the screen so that people are watching the

virtual aspect can actually see who's speaking when we're discussing because all they've got is a little screen otherwise. And I've just had a message saying I can't tell who's speaking, so that's that's understood. Thank you in relation to the first issue, specific hearing, so I was

surprised to hear you say that you hadn't understood prior to the interrelationship, report that the point was that phase two could go anywhere within that land. And I look back at rep 1008,

to remind myself of what we said. And I because I recall discussing this point, we say the isometric drawing this is on page off of Page nine is an indicative plan showing one potential layout for phases one and two of the main site the works plans allow for flexibility in that phase two could be built in any of the areas colored brown on the plan which are not covered by phase two.

This is to allow for flexibility in the matters discussed above, discussion of the StG, to allow for the possibility of the high Green Project not coming forward prior to the project, to provide appropriate space and setbacks within the main side. And I certainly had understood the case that we'd articulated in that first issue, specific hearing as making clear that the brown land could be where Phase two would go. And it's the flexibility is to allow phase two, amongst other things, to move, to move around. And if,

if I didn't make that clear in that hearing, that's my and if I understand the point, thank you, I will go away and and remind myself of that point. But I certainly, so far as my instructions are concerned, I don't understand that to be a change. That's as I had understood it and sought to articulate it. I think that without you know, going into detail, I think that the fact that the statement of reasons doesn't suggest that as well, possibly

maybe

we would be worthy of an update. So I that that points taken on board, and clearly, if the point hadn't got through, that's our responsibility to make sure you understand our case. And we'll, we'll see to make that clear

that the second point in relation, thank you to

high green, clearly, as we've sought to articulate, the flexibility is in is in part to reflect the fact that if high green does come forward, that will be one part of the site which we won't, where we won't be able to locate phase two, and that that's one of the reasons for requiring flexibility. But similarly, if it doesn't come forward, that site becomes available, and that's the relationship. It's not that we're, as I've said, we're requiring land for high green so far as the temporary use is concerned, that this is one of those areas where you'll recall that I explained in my initial introduction to the way that the powers are constructed. Where permanent acquisition is proposed, it is also possible to take land temporarily, as long as the powers have not been exercised. So land that is ultimately used for phase two, for example, on a permanent basis, could, prior to the powers being exercised to acquire that land outright, on a freehold basis, be used on a temporary basis to provide a construction compound, whether for phase one or for phase two. So that's and the flexibility at the moment allows for construction compounds for phases one and two to be located anywhere within that side. So I hope that helps, at least providing some sort of initial response to the No, that's that's helpful. I will await some further for the comments, and I think I don't need, at this moment,

any further response regarding ground conditions. I'm very happy for that to be covered in responses.

Right, however.

And so I'm reminded, and it echoes points that I sought to make in submission. Hopefully it will become, it will be apparent to you from what I've said, that in order to respond fully to the position that now appears to be adopted on behalf of STG, we need to have complete clarity as to the planning

position of any third party development that is said to be so important that it warrants refusing consent for phase Well, refusing consent for the DCO

and or a suggestion that we in some ways should be dropping half of the proposed capacity in the light of that now coming up on the rails, as it were, and I'm sure Mr. Henderson will be either responding very briefly now or supplying that information,

whatever he can. Tom Henderson, for SDG, given the importance of this issue, so I did just want to make a small number of points. Take me a minute. Please do so. Just in relation to the alternative development point, I've conveyed as much information as I'm permitted to do. So we'll keep that under review, and if we're able to say more, we will do so, but that's only really one part of the overall case we're trying to make here on the on the point of flexibility. The context of section 122

there must be a limit to flexibility. Of course there must. And we say there's excessive flexibility where you can fit two projects into your order limits, not one. That's the simple point. Um,

in relation to the approach being taken to land, as I say,

it doesn't align with the guidance to defer negotiation negotiations over land to a later point. And there is a real concern on our side that phase two blights any other development coming forward, but phase two never sees the night of day, and that's not an acceptable position to STG

on the NAT PowerPoint. I think it's right, as Mr. Philpott said, that it's at screening stage. We'll clarify that in our post, hearing submissions,

and then finally, in relation to remediation, there's a counter

argument that the development should have a weighted GI and survey work before they define what the order limits are. We are, where we are, as seems to be the phrase being used today. But It

is notable that other projects taken

the option of surveying the land, doing those site surveys and investigations before determining what the limit the limits of the scheme should be.

Thank you very much. I'll ask the applicant for any final response. Yeah, finally. So just on those points, first of all, on the alternative bullet point. This is SDGs case. If it can't say any more, it can't make its case, so it's over, over to them, we will respond if it seeks to make its case good. If it doesn't, this case should fail. That's a simple point. The second point on flexibility, we've explained why we need the flexibility. We've explained why we need, potentially to move phase two around. It's for STG to be engaged with that justification and explain why we don't need that flexibility in order to counter our case for the Power Sword. And thirdly, on whether phase two sees the light of day. If we don't build it, they won't come. It's as simple as that, if you the government wants to have a significant conversion to hydrogen, there needs to be confidence that the capacity is there to meet demand.

If phase two is not there that serves to undermine capacity. This is 6% of the UK's total target capacity proposed to be dropped because it might not be taken up. Well, that's a that effectively is a vote of no confidence in the government's strategy for meeting net zero, and you build in the failure of that strategy in the decision making process at this stage, if you don't build the capacity to cater for the demand the government is seeking to create and encourage you effectively undermine the policy. Those are the short points. Thank you very much. Bruce Henson, I'll give you

one more chance to No. Not chance. I do apologize. Wrong choice of awards. Another option to respond if you feel. No further comments, sir, I've said everything we've got Okay. Thank you very much, and thank you for the I'm conscious of time. We are going to have a 10 minute comfort break any moment. But I think we're so close to the bottom of the alphabet, if we could just finish two, I thought we thought we had two more as well. So we're online. Mr. Pete.

Joshua. Pete, on behalf, of the applicant Stockton on tees Borough Council, the applicant has held a number of meetings with Stockton on tees Borough Council, with the next being scheduled for the 25th of November. These have been in relation to both open space.

Space land and open space replacement land and associated land agreements. Heads of terms are being progressed.

Thank you.

And finally, Venator materials limited, the applicant is engaged in negotiations with Venator

and recently agreed heads of terms, and is progressing discussions to long form legal agreements for the relevant voluntary land agreements.

Draft protector provisions have been issued to Venator,

along with the side agreements and the applicant looks forward to receiving their comments on these.

Thank you very much.

Thank you all for your time in getting through those. I think it was very important that everybody that had registered had the opportunity to make their case. I know that there's some conversations we cut short, but hopefully those in the latter stages, we didn't cut short in

in respect of timing, when we gave to people other opportunities. So thank you for your time. It's now just gone quarter to or I'm going to suggest a 10 minute break just for topping up drinks and comfort. So

for the sake of time, we'll say

four minutes to so that we can make sure we squeeze as much in before five o'clock. So

there or thereabouts. So I'm adjourning the this session for 10 minutes. Thank you. Applause.