

**SOUTH TEES GROUP (20049389)**

**H2TEESSIDE DCO EXAMINATION**

**DEADLINE 6A SUBMISSION: WRITTEN SUMMARY OF SUBMISSIONS FOR**

**(1) COMPULSORY ACQUISITION HEARING 2 HELD ON 13 JANUARY 2025 AND  
(2) ISSUE SPECIFIC HEARING 4 HELD ON 15 JANUARY 2025**

This document sets out South Tees Group's (STG) written summary of comments made at Compulsory Acquisition Hearing 2 (CAH2) and Issue Specific Hearing 4 (ISH4) into the Development Consent Order. Where an agenda item is not listed in the table below, it was not commented on by STG at the hearing.

**Compulsory Acquisition Hearing 2**

	<b>Agenda Item</b>	<b>Submissions</b>
<b>1</b>	<b>Welcome, preliminary matters and introductions</b>	Tom Henderson (TH), Partner at Broadfield UK LLP, represented the South Tees Group (STG). As set out in STG's Deadline 5 cover letter <a href="#">[REP5-090]</a> STG also comprises Steel River Power Limited (14753711).
<b>4</b>	<b>Individual objections, issues and voluntary agreements</b>	
<b>4(i)</b>	<p>The Applicant will be asked to provide a brief update on the progress of negotiations into CA and TP of land and rights since CAH1, and deadlines for conclusions of any associated voluntary agreements.</p> <p>Each AP registered to speak will be asked to provide an update of its objection/ concern and summary of negotiations.</p>	<p><b><u>Recap of Objections</u></b> <a href="#">[REP4-056]</a></p> <p>There are three key elements to STG's compulsory acquisition ("CA") objections:</p> <p><b><u>1. Objection to land forming Phase 2 of the authorised development (approx. the location of work 1A.2 covering approx.150 acres).</u></b></p> <ul style="list-style-type: none"><li>- There has been active negotiation with Applicant to seek a resolution – but this has not been achieved at this stage. Any resolution would require the Applicant to put in a reduction to the Order Limits in this area, before the end of the examination.</li><li>- STG agrees with the Applicant that such a change would be non-material and can be accommodated within the time remaining in the examination.</li><li>- Absent satisfactory resolution, it would remain STG's position that the CA tests are not met in relation to the Phase 2 land, and this area should not be consented for the reasons set out in full at CAH1 <a href="#">[REP4-056]</a>.</li></ul> <p><b><u>2. Clash with NatPower scheme</u></b></p> <ul style="list-style-type: none"><li>- STG submitted information about the location of the NatPower scheme in the Annex to its Deadline 4 submissions <a href="#">[REP4-056]</a>.</li><li>- The NatPower site clashes with plots 15/34, 15/35 and 15/36 shown on sheet 15A of the Land Plans <a href="#">[CR1-004]</a>.</li></ul>

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		<ul style="list-style-type: none"> <li>- STG is seeking that the Order Limits are adjusted to avoid this area – again, this would require Applicant to put this change to the Order Limits into the examination.</li> <li>- STG is grateful to the Applicant for confirming that this change will be put forward – STG endorses that it is non-material and can be accommodated within the remainder of the examination.</li> </ul> <p>3. <u>Corridor widths for services</u></p> <ul style="list-style-type: none"> <li>- STG remains unsatisfied with the Applicant’s approach which STG considers contains excessive and disproportionate levels of flexibility, which blights and risks sterilising regeneration of the STG site and for which sufficient justification has not been advanced by the Applicant.</li> <li>- Given the stage of the examination, resolution of this element of STG’s objection requires robust protective provisions (“PPs”) in favour of STG.</li> <li>- If PPs cannot be fully agreed by the end of the examination, STG will submit its preferred form of PPs and invite the Examining Authority to recommend those to the Secretary of State.</li> </ul> <p><i>Post hearing note – Protective Provisions:</i></p> <ul style="list-style-type: none"> <li>- <i>At Deadline 5, STG submitted the form of PPs which it seeks to be included in the DCO to protect its interests satisfactorily <a href="#">[REP5-088]</a>.</i></li> <li>- <i>These use the consented NZT PPs as a base, with additional measures included given the nature of this project and the complex interactions with other developments coming forward on the Teesworks site.</i></li> <li>- <i>Accordingly, the PPs cover three main elements:</i> <ul style="list-style-type: none"> <li>o <i>They replicate the NZT provision to allow STG to request alternative locations for H2T pipeline and access works (known informally as a “lift and shift” mechanism) prior to construction.</i></li> <li>o <i>They include asset protection procedures equivalent to those afforded to statutory undertakers and which are necessary to protect STG-owned apparatus on the site.</i></li> <li>o <i>They also include controls over DCO powers for works, CA / temporary possession, streets powers and deemed consent – this is to ensure STG can manage the complex project interfaces across the site and avoid the DCO impairing the bringing forward of other development.</i></li> </ul> </li> </ul>

	<b>Agenda Item</b>	<b>Submissions</b>
		<ul style="list-style-type: none"> <li>- <i>The Applicant's version of STG PPs (also submitted at D5 [REP5-006]) does not align with those being sought by STG. STG is in negotiation with Applicant to narrow down the points in dispute – STG understands that the Deadline 6A DCO update from the Applicant will accommodate such amendments as the parties can agree by that date.</i></li> </ul>
	<b>Update following CAH1 and the ExA's Second Written Questions</b>	
<b>5(vii)</b>	Further to the response to ExQ2.6.15 [REP5-044] and details contained in the Order Width Limit Explanatory Note [REP2-037] the ExA will ask further questions regarding the design progression after the close of the Examination and ongoing land requirements, in particular with regard to the width of pipeline corridors.	<ul style="list-style-type: none"> <li>- The principle of flexibility in DCO promotions is acknowledged but it needs to be reasonably minimised and adequately justified.</li> <li>- STG has been seeking site specific justification through its submissions, but has been frustrated that this has not been forthcoming in the Order Width Limit Explanatory Note [REP2-037]. The Applicant stated in response to ExQ 2.6.21 [REP5-044] that further justification would make the document "very long", which in STG's view is not an acceptable reason.</li> <li>- In its response to written questions ExQ2.6.15 [REP5-044], the Applicant acknowledges that it will not require all of the land currently subject to powers and its actual land requirements will only be apparent after detailed design.</li> <li>- However, this approach provides limited comfort in the context of the Teesworks regeneration site and STG's statutory functions. The land will be blighted at the point CA powers are granted, irrespective of whether the exercise of such power is narrowed or not used later. Furthermore, there is no mechanism in the DCO to relinquish CA powers after detailed design. This will affect STG's ability to develop the Teesworks site.</li> <li>- Given the stage the examination has reached, resolution of this element of STG's objection requires robust protective provisions in favour of STG. These are needed not just for STG's benefit, but also for prospective tenants looking to invest in the site.</li> </ul>
<b>5(ix)</b>	Further to the response to ExQ2.1.11 and the plans contained in Appendix 5 of the Response to General and Cross Topic questions [REP5-039], the Applicant will be asked to aid the ExA's wider understanding of how the three proposed scheme which have their main sites at the Foundry, may co-ordinate the use of pipelines and services infrastructure.	STG noted that Appendix 5 does not show the means of access for the NZT / Hygreen projects and asked if these could be added.
<b>5(x)</b>	Further to the responses to ExAs second Written Questions [REP5-039], the ExA will ask further questions relating to the Main Site	STG has noted the Applicant's response to ExQ2.1.7 (iv) [REP5-039] where the Applicant confirms that Phase 2 of the authorised development could be located outside of the Hygreen site. This means that the Applicant has

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	and the progress of, and relationship with, the proposed HyGreen and NetZero Teesside projects	<p>conceded that this land is not required for the project, as it can situate Phase 2 elsewhere. Given this reasonable alternative, the land forming Hygreen should not form part of the Order Limits.</p> <p>Whilst acknowledging that an amendment to the Order Limits is under discussion – and without prejudice to STG’s wider objections to Phase 2 – in relation to the Hygreen site, the Applicant’s response underscores the concerns STG raised at CAH1 [REP4-056] about the inclusion of more land than reasonably required, and excessive flexibility within the main site.</p> <p><u>Post hearing note:</u></p> <p><i>The ExA queried STG’s comment that STG understood Hygreen was not going ahead. STG can confirm that there are no negotiations ongoing with Hygreen concerning a lease for the site (which would be an essential precursor to implementing the planning permission). Negotiations over an option for a lease were active some time ago through BP but were subsequently discontinued. Since then, STG has progressed lease negotiations with another developer of critical national infrastructure, as explained at CAH1 [REP4-056].</i></p>

#### **Issue Specific Hearing 4 into the Draft Development Consent Order**

	<b>Agenda Item</b>	<b>Submissions</b>
<b>1</b>	<b>Welcome, introductions, arrangements and purpose for the Hearing.</b>	Tom Henderson (TH), Partner at Broadfield UK LLP, represented the South Tees Group (STG).
<b>4</b>	<p><b>Schedule 2 of the draft DCO – Requirements</b></p> <p>The Applicant will be asked to provide an overview of the Requirements, as amended by the CR. The ExA will then ask questions, seeking responses where appropriate from the Applicant, the Local Authorities, and any other IPs who have registered to speak. These IPs will also be invited to ask questions of clarification in relation to the draft DCO requirements.</p>	<p>On Requirement 33:</p> <ul style="list-style-type: none"> <li>- STG is supportive of NZT and H2T sharing infrastructure to reduce the impact of the projects on the Teesworks estate.</li> <li>- The Applicant’s DCO drafting amendments at Deadline 4 [REP4-004] improved the clarity and intent of the provision. Having reflected on the provision since then, STG has four drafting comments: <ol style="list-style-type: none"> <li>1. It is important that any shared infrastructure (e.g., water supply, wastewater, power) is capable of accommodating both projects. Where provision is made for reliance on an earlier discharge of detailed design in relation to NZT, STG queried how the operation of Requirement 33 in this DCO provides independent oversight that the design of the asset can accommodate both projects.</li> <li>2. The term “part” appears to be used simultaneously in relation to a physical part of the H2T project, and a “part” of the NZT requirements – can alternative terms be used for clarity?</li> </ol> </li> </ul>

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		<p>3. At paragraph 33(1)(a), there is reference to the “relevant part” of the NZT Requirements 3 and 11, but “relevant part” is not obviously defined when such terminology usually would be – can this be considered?</p> <p>4. Paragraph 33(1)(c) refers to infrastructure “<u>to be</u> constructed, maintained and operated” but STG assumes it should also accommodate the scenario where shared infrastructure has already been constructed under the NZT scheme?</p>