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Your Ref: EN070009
Our Ref: 13626

DWD

69 Carter Lane
London
EC4V 5EQ

The Planning Inspectorate
National Infrastructure Planning
Temple Quay House
2 The Square
Bristol
BS1 6PN

By email: h2teesside@planninginspectorate.gov.uk

Dear Sir/Madam

ADDITIONAL SUBMISSIONS ON BEHALF OF NET ZERO TEESSIDE POWER LIMITED

EN070009 – APPLICATION BY H2TEESSIDE LIMITED FOR AN ORDER GRANTING DEVELOPMENT CONSENT FOR THE H2TEESSIDE PROJECT

We write on behalf of Net Zero Teesside Power Limited ('NZN Power') in respect of the H2Teesside Project ('H2Teesside') for which a DCO application (the 'Application') was submitted by H2 Teesside Limited (the 'Applicant') to the Secretary of State for Energy Security & Net Zero on 25 March 2024.

NZN Power is an undertaker for the Net Zero Teesside Project and is an affected party having an interest in land within the proposed Order Limits for H2Teesside and submitted representations into the H2Teesside Examination on 1 July 2024 [AS-024]. Those representations advised the Examining Authority that it was in commercial discussions with the Applicant, that those discussions had been positive and that it was confident of reaching agreement but that in the event that agreement could not be reached, NZN Power would require that appropriate protections are included within the H2Teesside Order.

The purpose of this written representation is to provide the Examining Authority with an update on NZN Power's discussions with the Applicant and request that appropriate protective provisions should now be included in the H2Teesside Order for the reasons set out below.

The Net Zero Teesside Project ('NZN')

NZN Power is named as an "undertaker" for the purposes of the Net Zero Teesside Order 2024 (the 'NZN Order'). The NZN Order came into force on 11 March 2024 and grants development consent for the Net Zero Teesside Project, including a gas-fired electricity generating station with carbon capture plant; gas, electricity grid and water connections; a water outfall pipe; a carbon dioxide gathering network; a high pressure carbon dioxide compression station; a high pressure carbon dioxide export pipeline; and associated and ancillary development.

NZN Power will develop the gas-fired power station with carbon capture plant, as well as gas, electricity grid and water connections, and the water outfall pipe. This will be developed alongside the Northern Endurance Partnership ('NEP') Project (which will be developed by Net Zero North Sea Storage Limited). NEP encompasses the carbon dioxide gathering network, including pipeline connections from industrial facilities on Teesside to transport the captured carbon dioxide; the carbon dioxide

compression station to receive the captured carbon dioxide from the gathering network; and the onshore and offshore elements of the carbon dioxide export pipeline, which will transport the carbon dioxide from Teesside to the Endurance store in the North Sea.

The NZT Power, NEP and H2Teesside projects form part of the East Coast Cluster ('ECC'), one of the UK Government's selected CCUS clusters (including Teesside and Humberside), supporting its pathway to net zero emissions by 2050. NEP will be the carbon dioxide transport and storage provider for the ECC. On 10 December 2024 NZT Power and NEP announced financial close and entry into the execution stage of the Project. Construction work is set to start from mid-2025 and the NZT Power and NEP projects are expected to enter operation from 2028.

As a gas fired power station with carbon capture and storage, NZT will be the first of its kind globally, and has been selected by the UK government as part of a competitive process in support of the UK's obligations to achieve net zero, as well as a crucial step towards the government's Clean Power 2030 ambition.

Relationship with H2Teesside

H2Teesside's Order limits include land within the NZT and NEP projects already consented by the NZT Order. As well as pipeline corridors and other areas, this includes parts of the Net Zero Teesside Main Site (Work Nos. 1 and 7), as shown in the Applicant's First Change Application Report [CR1-044]. The extent of this spatial overlap between the projects is NZT Power's principal concern, particularly given that NZT is entering the delivery stage.

In this regard, the NEP infrastructure will serve a number of projects on Teesside, including NZT and H2Teesside. NZT and H2Teesside were selected together as the first two emitter projects as part of the ECC, with CO₂ to be transported and stored by NEP. NZT Power took FID alongside NEP in December 2024 and will be the first project to start up.

NZT, NEP and H2Teesside have been collaborating as the first two emitter projects and associated CO₂ storage project and have had success in identifying synergies in order to reduce cost and risk across the projects. This includes:

- NZT and NEP will be constructed together by a common consortium, on a co-located site and under a single DCO, (i.e. the NZT Order referred to above).
- NZT Power will construct an outfall pipeline for water which will be used by NZT, NEP and H2Teesside.
- NZT Power will construct a number of bridges, crossings and pipeline supports which will be used for pipelines for NZT Power, NEP and H2Teesside.

As such, **both NZT Power and NEP are essential for the delivery of H2Teesside**. Given this fact, NZT Power would expect to agree with H2Teesside terms which ensure there is no risk of delaying or obstructing NZT Power, as this would also have a negative impact on H2Teesside.

Update and need for protective provisions


NZT Power's July 2024 representations advised the Examining Authority that it was in commercial discussions with the Applicant, that those discussions had been positive and that it was confident of reaching agreement. Whilst discussions between the parties are ongoing, NZT Power does not expect them to have concluded before the end of the Examination. Accordingly, NZT Power requires

appropriate protective provisions to be included in the H2Teesside DCO (if granted) for NZT Power's benefit in order to ensure that the construction and operation of NZT is not compromised or prejudiced by H2Teesside, as well as to ensure compliance with relevant safety standards.

NZT Power understands that the Applicant will be including a set of protective provisions for the benefit of NZT Power in the updated draft of the DCO that it will be submitting at Deadline 7A. Whilst NZT Power has been provided with a set of protective provisions in draft form, it has not had sufficient time to meaningfully review or discuss the same with the Applicant before Deadline 7A. In light of this, NZT Power is unable to confirm at this stage that its concerns have been adequately addressed.

NZT will provide a further update to the Examining Authority at Deadline 8 and, in the event that a satisfactory position has not been reached with the Applicant, will submit its preferred set of protective provisions for inclusion in the DCO.

Yours faithfully,



DWD – on behalf of NZT Power