



H2Teesside Project

Planning Inspectorate Reference: EN070009

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

The H2Teesside Order

Document Reference: 9.2: Statement of Common Ground between H2 Teesside Limited and the Environment Agency

The Planning Act 2008



Applicant: H2 Teesside Ltd

Date: February 2025

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The Planning Act 2008
The Infrastructure Planning
(Applications: Prescribed Forms and
Procedure) Regulations 2009
The H2Teesside Order 2021

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STATEMENT OF COMMON GROUND

This Statement of Common Ground has been prepared and agreed by (1) H2 Teesside Ltd. and (2) the Environment Agency

Signed 

Ross Nickson
Environmental and Social Manager
on behalf of H2 Teesside Ltd.
Date: 24/02/2025

Signed 

Cameron Chandler
Planning Advisor, Sustainable Places, North East
on behalf of the Environment Agency
Date: 24/02/2025

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1.0 INTRODUCTION AND PURPOSE

1.1 Purpose of Statement of Common Ground

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

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

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

1.2 Parties to the SoCG

The Applicant and the Proposed Development

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

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

1.2.3 The Hydrogen Production Facility will be located at the Main Site within the Teesworks development site, as shown in Figure 4-1 of the ES [APP-084].

The Role of the EA

1.2.4 The EA is a non-departmental public body, the purpose of which is 'to protect or enhance the environment taken as a whole', so as to contribute to 'the objective of achieving sustainable development' (Environment Act, 1995).

1.2.5 The EA is a statutory consultee in respect of all DCO applications that are likely to affect land in England. Annex D of Advice Note 11 'Working with Public Bodies' produced by the PINS sets out in detail the role of the EA in the DCO process, including the level of input and agreement that might be expected from the EA.

1.2.6 The EA's role covers various topics including:

- managing the risk of flooding from main rivers, reservoirs and the sea;
- regulating major industry and waste;
- treatment of contaminated land;
- water quality and resources;
- fisheries;
- inland river, estuary and harbour navigation; and
- conservation and ecology of the aquatic environment.

1.2.7 The EA also has a role as the regulator for the Environmental Permitting regime and is responsible for granting, regulating and enforcing Environmental Permitting requirements for any installation that requires an environmental permit under the Environmental Permitting (England and Wales) Regulations 2016 (as amended).

1.3 The Purpose and Structure of this Document

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

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

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

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

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

- Section 2 – sets out the engagement and related discussions held between the parties.

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- Section 3 – sets out the matters discussed and agreed to date.
 - Section 4 – sets out the matters that are under discussion and to be agreed and the proposed way forward, where relevant.
 - Section 5 – sets out the matters, if any, where there is disagreement.

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2.0 ENGAGEMENT WITH THE ENVIRONMENT AGENCY

2.1 Summary of Engagement

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

Table 2.1: Engagement between the Applicant and the EA

DATE	FORM OF ENGAGEMENT	DOCUMENT REF. (IF ANY)	DETAILS
4 October 2022	Virtual Technical Meeting		An introductory meeting was held to provide the EA with an introduction to the Proposed Development and agree what advice services the Applicant would seek from the EA under their DAS service.
17 March 2023	Letter		A pre-application advice on the Proposed development, in particular, all utility connection map and charge request form.
9 May 2023	Scoping Opinion	See Appendix 1E: Scoping Opinion Responses [APP-188]	<p>A written representation in response to PINS's consultation in relation to the application for a Scoping Opinion submitted to PINS by the Applicant on 6 April 2023.</p> <p>The EA provided a range of technical feedback to help inform the DCO Application. Key topics raised in the PINS Scoping Opinion included:</p> <ul style="list-style-type: none"> • The location of the Order Limits of the Proposed Development in relation to Flood Zones 2 and 3. • The need for appropriate assessment of the flood risk vulnerability of the Proposed Development and for this assessment to conduct a comprehensive assessment based on detailed data. • A notification of flood risk information and other general environmental information held by the EA that could be used in

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DATE	FORM OF ENGAGEMENT	DOCUMENT REF. (IF ANY)	DETAILS
			<p>developing the Applicant’s assessment.</p> <ul style="list-style-type: none"> ● A notification of EA proposed flood alleviation schemes which may interface with the Proposed Development. ● A notification that various documents including but not limited to a WFD assessment and a Construction Environmental Management Plan; and various clarifications including but not limited to the drainage strategy and reclaimed water supply should be submitted in support of the DCO Application. ● An early indication of potential licences that may be required for the Proposed Development including but not limited to a Water Resources Licence and Impounding Licence. ● The need to provide a nutrient neutrality assessment and to ensure no additional nitrogen is entering the River Tees as a result of the Proposed Development. ● The need to thoroughly assess the potential for the proposal to affect EA flood defence assets and notification that existing flood standard of protection must be maintained throughout all phases of the Proposed Development. ● Details on construction methodologies and maintenance activities in proximity to flood defences. ● Recommendation on drainage strategy.

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DATE	FORM OF ENGAGEMENT	DOCUMENT REF. (IF ANY)	DETAILS
			<ul style="list-style-type: none"> • Requests that the future baseline considers the ongoing ecological recovery efforts taking place in the Tees Estuary. • Requests information on foul drainage be covered in the DCO application. • Notification of EA and Partner projects and an invitation for the Applicant to consider supporting them. • Information on certain aspects required to be assessed within WFD Assessment. • Query regarding noise and vibration effects on migratory fish.
12 June 2023	Virtual Technical Meeting		This meeting was to provide an overview of the work related to Water Framework Directive (WFD) impact assessment and the Nutrient Neutrality Screening and assessment.
14 September 2023	First Consultation (statutory consultation) in accordance with Section 42 of the PA 2008.	See Consultation Report [APP-030]	<p>The Applicant issued a Section 42 letter to the EA on 14 September 2023.</p> <p>The EA provided a range of technical feedback to help inform the DCO Application. Key topics raised in the Statutory Consultation response included:</p> <ul style="list-style-type: none"> • Notes that a Flood Risk Assessment and WFD Assessment should be submitted in support of the DCO Application. • Notes that flood risk mitigation will need to be included within the Proposed Development.

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DATE	FORM OF ENGAGEMENT	DOCUMENT REF. (IF ANY)	DETAILS
			<ul style="list-style-type: none"> • Notes that the Proposed Development Site may interact with EA flood defence assets. • Notes that existing flood standard of protection must be maintained throughout all phases of the Proposed Development. • Notes that the Proposed Development construction should be protective of relevant watercourses and other features of interest. • Notes mitigation factors considered to be relevant to environmental assessments. • Acknowledgement of the quantitative modelling undertaken. • Requests that an assessment of water availability should be provided. • Requests that proximity to landfill be taken into account in assessment. • Requests air quality assessment to also consider commissioning, tuning and optimisation processes. • Discusses potential scenarios and relevant licenses. • Requests additional consideration of various environmental factors.
October 2023	Environmental Permit Pre-application Meeting		Pre-application engagement for the Environmental Permit application was held to seek advice from the EA.
24 November 2023	Virtual Technical Meeting		This meeting was to provide an update on assessments related to Water Environment, including WFD

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DATE	FORM OF ENGAGEMENT	DOCUMENT REF. (IF ANY)	DETAILS
			impact assessment, the Nutrient Neutrality Screening outcomes, Hydrodynamic Modelling, and Flood Risk.
13 December 2023	Second Consultation (statutory and non-statutory) in accordance with Section 42 of the PA 2008.	See Consultation Report [APP-030]	The Applicant issued a Section 42 letter to the EA on 13 December 2023 consulting it on a number of changes to the Proposed Development as a result of further design development and technical work undertaken and also responses received to the First Consultation. The EA provided a range of technical feedback to help inform the DCO Application. Key topics raised in the Statutory Consultation response included: <ul style="list-style-type: none"> • A notification of EA proposed flood alleviation schemes which may interface with the Proposed Development and request for clarifying information to ensure there will be no impacts on EA flood defence improvement works. • Requests that additional ecological surveys are carried out following Order Limits changes.
21 August 2024	Virtual Technical Meeting		This meeting was arranged to discuss Examination programme and actions, collaboration going forward and specific detail on EA Relevant Representations regarding flood risk.
4 September 2024	Consultation on proposed changes to the DCO Application.	n/a	A letter was issued to the EA on 4 September 2024 consulting them on a number of proposed changes to the DCO Application.
Deadline 1 – 17 September 2024	Statement of Common Ground	n/a	The Environment Agency and the Applicant engaged in discussions to agree the contents of this document,

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DATE	FORM OF ENGAGEMENT	DOCUMENT REF. (IF ANY)	DETAILS
			submitted into Examination at Deadline 1 [REP1-013]
7 November 2024	Email	n/a	The Applicant issued an email to the Environment Agency regarding the Part 2A Investigation site adjacent to the Proposed Development Site.
20 November 2024	Statement of Comment Ground	n/a	The Environment Agency and the Applicant engaged in discussions to agree the contents of this document, updated and submitted into Examination at Deadline 4.
18 December 2024	Statement of Common Ground	n/a	The Environment Agency and the Applicant engaged in discussions to agree the contents of this document, updated and submitted into Examination at Deadline 5.
29 January 2025	Email	n/a	The Environment Agency provided the Applicant with a standard set of protective provisions for consideration.
6 February 2025	Statement of Common Ground	n/a	The Environment Agency and the Applicant engaged in discussions to agree the contents of this document, updated and submitted into Examination at Deadline 7.
21 February 2025	Email	n/a	The Environment Agency provided the Applicant with proposed changes to protective provisions, including wording adjustments.

3.0 MATTERS AGREED

3.1.1 Table 3.1 below sets out the matters agreed between the parties.

Table 3.1: List of Matters Agreed between the Applicant and the EA

MATTER AGREED	AGREED POSITION
DCO requirements	Except where noted in Section 4.0 of this SoCG, the EA have no comments on any other part of the draft DCO.
Eels Regulations	It is agreed that no abstraction from the estuary is proposed for the Proposed Development and therefore no Eels Regulations compliance issues have been identified.
Carbon Capture	It is agreed carbon capture performance will be monitored as a requirement of the site Environmental Permit and be part of the Process monitoring requirements.
Habitat Classification	It is agreed the Applicant's use of the Phase 1 habitat survey classification is suitable.
Impact to Species	Following the production of an amended Framework CEMP submitted into the Examination at Deadline 2, it is agreed the issues raised by the EA regarding INNS, otter and water vole are being addressed appropriately.
Energy Efficiency	It is agreed the Applicant is considering appropriate technologies to maximise energy efficiency as part of the Proposed Development.
Flood Risk	EA1, EA2 and EA3 of the EAs Relevant Representation are now agreed as per the EAs Deadline 6 submission [REP6-008]. Details of any flood risk mitigation for the construction and operation of the Proposed Development will be provided as part of Requirement 11.
Water Quality Modelling Report	EA8 of the EAs Relevant Representation is now agreed as per the EAs Deadline 6 submission [REP6-008], following the provision of further clarifications on the water quality modelling undertaken for the Proposed Development.
Habitat Enhancement	The Applicant is currently in discussions with a number of stakeholders regarding environmental enhancements however these are unlikely to be committed to before the end of the Examination process. The Applicant would welcome continuing dialogue with the EA beyond the Examination process on this matter.

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MATTER AGREED	AGREED POSITION
Permitting	The Applicant’s Environmental Permit application was confirmed as Duly Made on 6 December 2024.
Adjacent Site Investigation	<p>This matter is now agreed between the two parties. Following the provision of further information from STBC and the EA, the Applicant was able to confirm there is no overlap between the Proposed Development and the site subject to a Part 2A Investigation, reported at Deadline 6a.</p> <p>The EA advised despite there being no overlap, there could still be contaminated land impacts and asked for further clarity on the works proposed in this area.</p> <p>The Applicant has subsequently advised the activities are not currently considered likely to involve ground breaking, but this cannot be confirmed at this stage (e.g. if foundations are needed for temporary buildings).</p> <p>However, to the extent that this such works are required, Requirement 12 of the DCO would apply and the Applicant would through this be able to confirm with the Environment Agency whether site investigation is needed, although this is considered unlikely at this stage.</p>
Protective Provisions and Section 150 Consent	<p>The Environment Agency provided the Applicant with a standard set of protective provisions for consideration (and were submitted publicly at Deadline 7A). After some discussion, the Applicant has now agreed to accept that standard set of protective provisions as being able to be included in the main DCO.</p> <p>As a result, the Environment Agency confirms by this statement that it grants section 150 consent to the disapplications contained in article 9(3) of the draft DCO.</p>
DCO requirements	Regarding Anglo American’s Bran Sands Permit (concerned with the control of leachate and landfill gas), the Applicant considers any activity from the Proposed Development will not result in additional leachate or landfill gas. To provide comfort on this point, the Applicant has proposed an additional groundwater and landfill gas monitoring point is installed

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MATTER AGREED	AGREED POSITION
	<p>and monitored to confirm no changes to the extant situation as a result of the Applicant's activities. This matter will be resolved through protective provisions between the two parties.</p> <p>EA have reviewed the wording of Requirements 10, 11, 12, 15, 21, and 28 and confirmed their satisfaction. The matter concerning DCO requirements is now agreed upon.</p>

4.0 MATTERS UNDER DISCUSSION

4.1.1 This section sets out the matters under discussion between the parties and the proposed way forward. **Table 4.1** provides a summary of the issues raised between the parties.

Table 4.1: Summary of Matters under Discussion between the Applicant and the EA

SOCG ID	MATTER	APPLICANT POSITION	EA POSITION

5.0 MATTERS NOT AGREED

5.1.1 **Table 5.1** provides a summary of the matters not agreed between the parties.

Table 5.1: Summary of Matters Not Agreed

SOCG ID	MATTER	THE APPLICANT POSITION	ENVIRONMENT AGENCY POSITION