

# 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 H2 Teesside Order

Document Reference: 8.61 Response to Deadline 8 Submissions

Planning Act 2008



**Applicant: H2 Teesside Ltd**

Date: February 2025

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## **2.0 INTRODUCTION**

### **2.1 Background**

2.1.1 This document has been prepared on behalf of H2Teesside Limited (the 'Applicant'). It relates to an application (the 'Application') for a Development Consent Order (a 'DCO'), that was submitted to the Secretary of State for Energy Security and Net Zero ('DESNZ') on 25 March 2024, under Section 37 of the Planning Act 2008 (the 'PA 2008') in respect of the H2Teesside Project (the 'Proposed Development').

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

### **2.2 The Purpose and Structure of this Document**

2.2.1 This document provides the comments of the Applicant in response to the submissions made at Deadline 8 of the Examination (24 February 2025).

### 3.0 RESPONSE TO DEADLINE 8 SUBMISSIONS

**Table 2-1: Response to Deadline 8 Submissions**

PARTY	SOURCE DOCUMENT(S)	COMMENT AT DEADLINE 8	APPLICANT RESPONSE
Network Rail Infrastructure Limited	REP8-045	<p>Network Rail Infrastructure Limited has not introduced any new points in its Deadline 8 submission but refers to its continued objection to the Proposed Development as contained in [REP7-051] submitted at Deadline 7. Network Rail hopes to reach agreement with the Applicant before the close of the examination period or soon after.</p>	<p>The Applicant has provided detailed submissions regarding its preferred protective provisions at deadline 7A [REP7a-025] which are sustained for Deadline 9. These comments should be seen in the context that the Applicant has sought to engage with Network Rail Infrastructure Limited’s solicitors and has repeatedly requested a meeting to discuss matters still in issue. Most recently, on 27 February 2025 the Applicant requested a meeting between the parties and is awaiting a response from NRIL’s solicitors.</p> <p>The Applicant has sought to progress negotiations with NRIL but has found that responses have not been forthcoming, which has made it difficult to understand NRIL’s position and reach agreement. For example, the Applicant requested NRIL’s preferred form of Framework Agreement on 5 December 2024 but did not receive this document, as well as NRIL’s preferred protective provisions, until 4 February 2025. This hampered efforts by the Applicant to reach agreement before the end of Examination.</p> <p>The Applicant will seek to continue to negotiate with NRIL to reach agreement as soon as possible after Examination.</p>
Anglo American	REP8-046	<p><b>Engagement</b> – Anglo American has raised concerns regarding engagement between the parties for the side agreement and property documents. Anglo American expects the parties will be able to reach agreement on the side agreement and various property documents.</p> <p><b>Key issue: compulsory acquisition:</b> Anglo American considers restrictions on the Applicant’s compulsory acquisition powers are necessary. Anglo American stated that the reciprocal nature of the compulsory acquisition powers in the Applicant’s preferred Schedules 3 and 29 has no effect as the compulsory acquisition powers in the York Potash Order have expired. Anglo American claim that the side agreement does not contain any commitments by the Applicant to avoid exercising its compulsory acquisition powers over Anglo American’s land.</p> <p><b>Key issue: piling:</b> Anglo American considers that the construction of the Proposed Development should not be carried out until Anglo American completes the piling for its project (the ‘Woodsmith Project’).</p> <p><b>Key issue: interface arrangements:</b> Anglo American does not consider the design of the Proposed Development has sufficiently developed to understand the interactions of its project and the Proposed Development. On this basis, Anglo American does not consider it appropriate for the protective provisions to have</p>	<p><b>Engagement between the Applicant and Anglo American</b></p> <p>The Applicant has been progressing its negotiations with Anglo American in relation to the side agreement and property arrangements throughout the examination period. The Applicant has attended weekly meetings with Anglo American to discuss the interactions between the Woodsmith Project and the Proposed Development, various technical matters, the side agreement, protective provisions and property arrangements. <b>Appendix 1</b> outlines the list of meetings that have occurred between the parties. At the request of Anglo American, the Applicant cancelled the weekly meetings in January 2025 and has replaced these with focussed meetings on particular issues. The Applicant has re-established regular monthly meetings in addition to these focussed meetings to ensure all matters are generally progressing. The first of these monthly meetings is scheduled for 3 March 2025.</p> <p>As outlined at the CAH2 and repeated in the Applicant’s deadline 7A submission [REP7a-040], the parties’ overall approach has been to agree the technical matters before undertaking substantive drafting of the side agreement and public PPs, a necessary and logical sequence of events. Those technical meetings have happened as the Proposed Development matured, and now the substantive drafting has meaningfully progressed.</p>

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		<p>specific controls for each 'shared area' (being the key interfaces between both projects).</p> <p><b>Key issue: Anglo American as a consultee:</b> Anglo American have requested to be a consultee for requirements 3, 15, 18, 22 and 28 of the draft DCO.</p> <p><b>Key issue: article 48:</b> Anglo American have requested amendments to article 48 so that it includes Environmental Permit NB3498VD and that the article should refer to the impact or effect of the authorised activity, rather than the activity itself.</p> <p><b>Key issue: operational noise requirement:</b> Anglo American have requested that the draft DCO contain a requirement for the operational noise of the Proposed Development.</p> <p><b>Anglo American's comments on the Applicant's submissions in support of the Applicant's preferred version of Schedule 3:</b> Anglo American has responded to the Applicant's deadline 7a submissions on the Applicant's preferred version of Schedule 3 [REP7a-026]. These largely repeat the above submissions. At paragraph 3.5 of its submission, Anglo American outlines its position in relation to Schedule 3 as:</p> <ul style="list-style-type: none"> <li>• "The Shared Areas are individually identified on the Shared Area Plan</li> <li>• The provisions of Schedule 3 must differentiate at these areas (see paragraphs 3, 5 and 6) such that the Woodsmith project at RBT and Bran Sands is not frustrated or exposed to uncertainty</li> <li>• Schedule 3 otherwise provides reciprocal arrangements with Schedule 29"</li> </ul> <p><b>Anglo American's comments on the Applicant's submissions in support of the Applicant's preferred version of Schedule 29</b></p> <p>Anglo American has responded to the Applicant's deadline 7a submissions on the Applicant's preferred version of Schedule 29 [REP7a-025]. Anglo American has made submissions in relation to the Applicant's definitions of 'property arrangements' and 'shared area plan.'</p> <p>Anglo American has also repeated its submissions in relation to compulsory acquisition and piling.</p> <p>Anglo American has requested the Applicant obtain Anglo American's consent regarding the location of all temporary construction compounds, including those that form part of the Proposed Development.</p> <p>Anglo American has claimed the parties have reached agreement in relation to the principles of the indemnity.</p>	<p>Most recently the Applicant issued the updated side agreement to Anglo American on 19 February 2025 and is awaiting a response. The updated side agreement responded to various commercial and technical matters raised by Anglo American. Many of the matters previously still at issue in the side agreement are now agreed and negotiations are ongoing.</p> <p>Where relevant, the parties have agreed to base the property agreements on those used for the NZT project, provided that commercially sensitive terms are redacted. Where the design of particular aspects of the Proposed Development is at an advanced stage (e.g. natural gas and hydrogen pipelines), the parties have agreed to the redactions of the NZT documents and the Applicant's solicitor is drafting long form agreements. Where the design of particular aspects of the Proposed Development is still being developed (e.g. tunnel head design), HoTs are being negotiated to agree the principles of the property documents. Most recently, HoT were issued to Anglo American in in February 2025 and Anglo American has provided comments. The Applicant is currently reviewing the comments received and will revert to Anglo American shortly. The Applicant agrees with Anglo American that it expects the parties will be able to reach agreement on all planning and property matters.</p> <p><b>Key issues: general</b></p> <p>The Applicant will continue to negotiate with Anglo American in relation to the key issues raised in its deadline 8 submissions and is confident the parties can reach agreement to resolve these matters.</p> <p><b>Key issue: compulsory acquisition</b></p> <p>The Applicant repeats its submissions in the Applicant's PPs Position Statements [REP7a-025] and [REP7a-026], Response to landowner Deadline 7A Submissions [REP8-018], Statement of Reasons [APP-024] Supplementary Statement of Reasons [CR1-013] regarding the need of compulsory acquisition powers. For the reasons outlined in those documents, the Applicant has not included restrictions on the Applicant's compulsory acquisition powers.</p> <p>The Applicant remains confident that it can obtain the necessary land rights by agreement with Anglo American. Even though negotiations are ongoing between the parties in relation to the necessary property rights for the Proposed Development, compulsory acquisition powers are required as a backstop to ensure the deliverability of the Proposed Development, in the event that the property arrangements are not agreed between the parties.</p> <p>The Applicant does not agree that the reciprocal nature of the compulsory acquisition powers in the Applicant's preferred Schedules 3 and 29 has no effect. Although the time period for acquiring land and new rights in land compulsory acquisition powers in the York Potash Order may have expired, the powers to override / extinguish third party rights may still be active. This is because these</p>



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		<p>Anglo American prefers the President of the Institute of Civil Engineers to be the body who appoints the expert to determine any dispute between the parties.</p> <p><b>Anglo American's updated Schedules 3 and 29:</b> Appendices 2 and 3 of Anglo American's submission contain an updated version of its preferred protective provisions to be included in Schedules 3 and 29 of the draft DCO.</p>	<p>rights are not limited by a time period, but rather, come into effect when the undertaker (being Anglo American) accesses the land. As such, the reciprocal nature of the restriction of compulsory acquisition powers still has benefit for both the Proposed Development and the Woodsmith Project.</p> <p>The Applicant does not agree with Anglo American's explanation of the regulation of compulsory acquisition powers in the side agreement. It is common for an applicant to commit to rely on voluntary agreements where those are in place, but retaining a backstop position of being able to rely on compulsory acquisition powers in the event (for instance) there is a default of the agreement by the landowner. However that can only work where the land agreements are contractually secured.</p> <p><b>Key issue: piling</b></p> <p>The Applicant repeats its submissions in paragraph 3.2 of Appendix 1 of Response to landowner Deadline 7A Submissions [REP8-018], namely that the Applicant cannot agree to this restriction. Paragraph 9(c) would not be subject to any timing arrangements, meaning that the delivery of the Proposed Development would be entirely dependent on Anglo American carrying out works for its own development. The Applicant would have no control over the timing of Anglo American carrying out those works. As such, this requirement could cause significant delays, or even jeopardise the delivery of the Proposed Development.</p> <p><b>Key issue: interface arrangements</b></p> <p>The Applicant considers the details of the specific interfaces (which are described as 'shared areas' in Schedules 3 and 29 of the draft DCO) are known well enough for the protective provisions to provide adequate protections for the Proposed Development and the Woodside Project. This is evidenced by the detailed protections that are outlined for each specific shared area in paragraph 7(1)(b)-(g) of Schedule 29 [REP8-005] and paragraph 7(1)(k)-(l) of Schedule 3 [REP8-006].</p> <p>The Applicant's protective provisions Statements [REP7a-025] and [REP7a-026] and Response to landowner Deadline 7A Submissions [REP8-018] provides detailed submissions that outline the appropriateness of these protective provisions. The Applicant disagrees with Anglo American's assertion that the protections provided in the side agreement are 'loose' and 'inadequate.', particularly as very similar wording was agreed to by them on NZT</p> <p><b>Key issue: Anglo American as a consultee</b></p> <p>The Applicant's position on Anglo American being a consultee for requirements 3, 15, 18, 22 and 28 is outlined in the Applicant's Response to landowner Deadline 7A Submissions [REP8-018].</p> <p><b>Key issue: article 48</b></p>

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			<p>The Applicant's position on article 48 is outlined in the Applicant's Response to landowner Deadline 7A Submissions [REP8-018]. The Applicant has proposed updates to Article 48 to address some of Anglo American's concerns. The Applicant's position on the indemnity in respect of the Environmental Permits is outlined in paragraph 6 of Appendix 2 to this document.</p> <p><b>Key issue: operational noise requirement</b></p> <p>The Applicant refers to its response to Q2.9.9 in Response to ExQ2.9 Draft Development Consent Order [REP5-045], namely that it is not necessary to include an operational noise requirement in the draft DCO for the reasons set out therein.</p> <p><b>Anglo American's comments on the Applicant's submissions in support of the Applicant's preferred version of Schedule 3: Applicant's response</b></p> <p>The Applicant's above submissions address Anglo American's concerns regarding compulsory acquisition powers, property arrangements, the adequacy of the protections included in the Applicant's preferred protective provisions contained in Schedule 3 [REP8-006]. Furthermore, the Applicant's preferred Schedule 3 protective provisions outline the restrictions necessary to the York Potash Order in order to ensure the delivery of the Proposed Development.</p> <p>Appendix 2 to the Applicant's Response to landowner Deadline 7A Submissions [REP8-018] outlines the Applicant's response to Anglo American's position, which is outlined in paragraph 3.5 of its submissions (and is quoted in the previous column).</p> <p><b>Anglo American's comments on the Applicant's submissions in support of the Applicant's preferred version of Schedule 29: Applicant's response</b></p> <p>Please see Appendix 2.</p> <p><b>Anglo American's updated Schedule 3: Applicant's response</b></p> <p>Appendix 3 of Anglo American's submission contains an updated version of its preferred protective provisions to be included in Schedule 3. The Applicant provides the following comments on that updated schedule, to the extent these matters were not already addressed in the Applicant's detailed submissions at Deadline 7A [REP7a-026] and Deadline 8 [REP8-018].</p> <p><i>Constructability principles</i></p> <p>The Applicant's preferred protective provisions [REP8-006] contain paragraphs 7(1)(k) and (l). Conversely, Anglo American's preferred protective provisions do not contain these paragraphs. Paragraph 6.5 of Appendix 2 of [REP8-018] explains why these paragraphs are necessary and must be included in Schedule 3.</p> <p><i>Interface design process</i></p>



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			<p>The Applicant's position on Anglo American's proposed amendments to the interface design process (paragraph 8) is outlined in paragraph 5.3 of Appendix 2.</p> <p><i>Indemnity</i></p> <p>Anglo American has now inserted an indemnity clause in its preferred protective provisions. The indemnity clause included in Anglo American's preferred protective provisions and the Applicant's preferred protective provisions differs in five respects.</p> <p>Firstly, the scope of paragraph 10(1)(b) in Anglo American's version is far broader than the Applicant's version. The Applicant's wording should be accepted as it more directly links to the matters outlined in paragraph 10(1) of both the Applicant's and Anglo American's protective provisions. The Applicant's drafting of paragraph 10(1)(b) is broadly consistent with the wording contained in the equivalent paragraph of the protective provisions for the benefit of Anglo American in Net Zero Teesside Order 2024 (see paragraph 10(1)(b) of Schedule 3).</p> <p>Secondly, Anglo American's preferred protective provisions do not contain paragraph 10(2) of the Applicant's preferred protective provisions. In relation to paragraph 10(2)(a), the Applicant considers this paragraph is necessary as it is unreasonable for Anglo American to be liable for any damage or interruption that is attributable to the Applicant. This paragraph was contained in the protective provisions for the benefit of Anglo American in Net Zero Teesside Order 2024 (see paragraph 10(2) of Schedule 3). Anglo American has not explained why this paragraph should be removed from Schedule 3 of the draft DCO. Paragraph 12(2)(b) of Schedule 29 of the Applicant's preferred protective provisions contains a reciprocal paragraph to paragraph 10(2)(a) of Schedule 3. In respect of paragraph 10(2)(b) of its protective provisions, the Applicant refers to paragraph 16 of its submission [REP7a-025].</p> <p>Thirdly, Anglo American's preferred protective provisions do not contain paragraph 10(4) of the Applicant's preferred protective provisions. The Applicant refers to its submissions contained in paragraph 8.2 of Appendix 2 of [REP8-018].</p> <p>Fourthly, Anglo American's preferred protective provisions do not contain paragraph 10(8) of the Applicant's preferred protective provisions. The Applicant considers this paragraph is necessary and is consistent with the 'reasonable' language that is contained in paragraph 10(1)(a), 10(3) and 10(5) of Anglo American's preferred protective provisions and paragraphs 10(1)(b), 10(5) and 10(6) of the Applicant's preferred version. The Applicant's preferred version of Schedule 29 contains a reciprocal paragraph to paragraph 10(8) of the Applicant's preferred protective provisions (see paragraph 12(7) of [REP8-005]).</p>

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			<p>Fifthly, Anglo American has included a liability cap in paragraph 10(7). The Applicant does not consider it appropriate for liability caps to be included in a development consent order.</p> <p><b>Anglo American’s updated Schedule 29: Applicant’s response</b></p> <p>The Applicant provided detailed submissions regarding its preferred protective provisions at deadlines 7A [REP7a-025] and 8 [REP8-018]. As part of these submissions, the Applicant commented on Anglo American’s preferred protective provisions that Anglo American submitted at deadlines 7 and 7A. Anglo American has since updated its preferred protective provisions at deadline 8 as contained in Appendix 2 of Anglo American’s submission. There are two new matters contained in Anglo American’s updated protective provisions, namely the amendments to the interface design process (paragraph 8) and the indemnity. The Applicant’s position on both of these matters is addressed in Appendix 2 of this document.</p>
BOC Ltd	REP8-047 REP8-048	<p>BOC has alleged that the Applicant has failed to provide the protective provisions in a form for execution, or a timetable for execution.</p> <p>BOC requests that the ExA programme a further hearing date in order to address protective provisions in favour of BOC if the protective provisions side agreement is not completed as at 28 February 2025, or alternatively that written representations be provided.</p>	<p>As set out in the Applicant’s DL8 submissions [REP8-018], the updates and accounts provided to the ExA by BOC’s solicitors are one-sided, partial and materially misleading.</p> <p>The Applicant was ready to proceed to engrossment of the side agreement on 17 February 2025 when BOC’s solicitors confirmed that the draft was agreed subject to two minor amendments.</p> <p>One of these amendments required the provision of additional information by BOC. This was requested from BOC and its solicitors on multiple occasions, including on 18, 19, 20 and 21 February 2025.</p> <p>The information was not in fact sent by BOC’s solicitors until close of business on Friday 21 February 2025.</p> <p>This was followed by a further email from BOC’s solicitors on the afternoon of Monday 24 February 2025 which contained an unexpected additional element and required further direct commercial discussions to take place between the Applicant and BOC. It was not possible for that to occur until Tuesday 25 February 2025, following which agreement was reached on a client to client basis.</p> <p>Accordingly, the Applicant instructed its solicitors to prepare the engrossment of the side agreement. This was sent to BOC’s solicitors on the afternoon of Wednesday 26 February 2025.</p> <p>BOC’s solicitors replied on the afternoon of Thursday 27 February 2025 to request further amendments to the engrossment.</p> <p>This necessitated the devotion of a significant amount of extra time by the Applicant’s solicitors during the course of the ensuing evening in order to clarify the extent and cause of the underlying issues. This has now been identified and it was agreed that a reconciliation would take place on Friday 28 February 2025,</p>

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			<p>which was completed. This has enabled the Agreement to be completed on today's date (28 February).</p> <p>It is noted that completion of this Agreement will not lead to any changes being required to the draft DCO.</p> <p>The Applicant considers that it can therefore be considered that all matters in relation to BOC have been agreed.</p>
CF Fertilisers Ltd (CF)	REP8-049	<p>CF does not consider that the compulsory acquisition powers sought by the Applicant within CF's site are necessary for the Proposed Development. CF does not consider that there is a compelling case for compulsory acquisition given future hydrogen connections are 'modest or speculative'.</p> <p>CF considers that the Applicant has not adequately explored alternative options that would avoid the need for compulsory acquisition.</p> <p>CF considers the pipeline should be routed along the existing pipeline corridor along the eastern edge of CF's site adjacent to the cooling towers, rather than being routed through CF's site.</p> <p>CF considers the temporary possession powers over plot 1/31 sterilises the land of future development and the Applicant should instead use the 'vacant site immediately to the north' which CF understands is currently available.</p> <p>CF is concerned that the protective provisions do not adequately address the safety impacts arising from the Proposed Development. CF is continuing to negotiate protections with the Applicant.</p> <p>It is not clear to CF whether its concerns can be resolved by protective provisions.</p>	<p>The Applicant has explained the need for compulsory acquisition powers, its compelling case in the public interest and the consideration of alternatives in agenda items 3 and 6 of 8.21 Summary of Applicant's Oral Submissions at the Compulsory Acquisition Hearing 1 [REP4-015], the Statement of Reasons [APP-024] Supplementary Statement of Reasons [CR1-013] and the Applicant's response to Q1.6.19, Q1.6.23, Q1.6.24 of [REP2-024].</p> <p>The Applicant has responded to CF's assertions regarding future hydrogen connections within the Billingham area on page 104 of 8.4 Applicant's Comments on Relevant Representations and Additional Submissions [REP1-007] and pages 27-28 of 8.21 Summary of Applicant's Oral Submissions at the Compulsory Acquisition Hearing 1 [REP4-015].</p> <p>The Applicant has explained why the existing pipeline corridor to the eastern edge of CF's site could not have been used in its response to the Examining Authority's questions Q2.6.10, which is contained in 8.25.6 Response to ExQ2.6 Compulsory Acquisition and Temporary Possession [REP5-044]</p> <p>As noted on page 28 of [REP4-015], plot 1/31 was selected as the most suitable Temporary Construction Compound area to enable the delivery of this section of the pipeline network. The site was selected for a number of reasons and in particular due to its proximity to the planned AGI. The AGI is an essential component of the pipeline network in this area and having nearby access to the Construction Compound is required to ensure its effective delivery, from both a logistical and safety perspective (e.g. minimising walking between sites and process safety risks). The site is also of adequate size and condition to host a Construction Compound and Welfare area of this kind.</p> <p>The Applicant recognises the process safety requirements raised by CF Fertilisers but sees this as no different to any of the other sites where it has a planned Construction Compound, and where similar process safety requirements exist. The Applicant has chosen this site as a suitable area for it to comply with these requirements and is confident it will be taking all necessary action required to satisfy CF Fertilisers concerns. The Applicant considers the protective provisions contained in the draft DCO adequately address CF's concerns regarding safety. The Applicant refers to paragraph 3 of its submissions contained in the Applicant's PPs</p>

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			Position Statement [REP7a-023]. The Applicant remains confident that CF's concerns can be addressed by a side agreement. Negotiations are ongoing and the Applicant anticipates reaching agreement with CF Fertilisers on all aspects shortly after the end of examination.
Industrial Chemicals Ltd	REP8-050 REP8-051	<p>Outlines the negotiations that have been carried out to date. Most recently, the Applicant provided Industrial Chemicals a copy of the side agreement on 5 February 2025 and Industrial Chemicals provided its proposed amendments to the Applicant on 21 February 2025.</p> <p>Industrial Chemicals considers the side agreement can be completed relatively quickly if the Applicant agrees to the amendments requested by Industrial Chemicals.</p>	The Applicant and Industrial Chemicals make the following joint statement: "On 26 February 2025 the Applicant issued the updated side agreement to Industrial Chemicals and Industrial Chemicals are currently considering the Applicant's proposed amendments. There are only a few points that are being negotiated and the parties expect the agreement will be finalised and completed shortly after examination."
INEOS Nitriles (UK) Ltd	REP8-052	<p>INEOS Nitriles' position is outlined in its submissions made at deadline 7a [REP7a-057] and has not changed.</p> <p>At deadline 7a, INEOS Nitriles:</p> <p>4.0 referred to its submissions made in its relevant representations;</p> <p>5.0 referred to its preferred protective provisions;</p> <p>6.0 provided an update on the status of the side agreement; and</p> <p>7.0 noted that it anticipates that it will complete the side agreement with the Applicant by the end of examination.</p>	<p>At pages 106-107 of [REP1-007], the Applicant has responded to the concerns raised by INEOS Nitriles in its relevant representation. The Applicant has made detailed submissions on INEOS Nitriles' preferred protective provisions in the Applicant's PPs Position Statement [REP7a-020].</p> <p>The Applicant and INEOS Nitriles make the following joint statement: "On 26 February 2025 the Applicant attended a meeting with INEOS Nitriles. The Applicant raised some queries with INEOS Nitriles regarding INEOS Nitriles' proposed amendments to the side agreement and protective provisions. The Applicant expects to issue the updated agreement to INEOS Nitriles next week. There are only a few points that are being negotiated and the Applicant expects the agreement will be finalised and completed shortly after examination."</p>
Lighthouse Green Fuels Ltd	REP8-053 REP8-054 REP8-055	<p>Lighthouse Green Fuels ("LGF") outline the current position regarding private negotiations between the parties and raise the following remaining issues regarding the DCO Protective Provisions ("PPs"):</p> <ol style="list-style-type: none"> <li>1. Definition of "apparatus" –</li> <li>1. LGF are concerned that they would be disadvantaged by the current wording in the DCO PPs which seeks to limit the definition of apparatus to "mains, pipes, cables or other apparatus serving, belonging to, or maintained by LGF <b>as at the date of the Order</b>". They consider that the wording in bold underline would unfairly disadvantage them and would not provide protection to LGF if any changes to its apparatus are required within the ordinary course of business following the date of the Order (e.g. the replacement of an existing pipe as a result of wear and tear).</li> <li>2. LGF also state that the provisions in para 14 of the DCO PPs (in relation to the upcoming DCO application by LGF) are not detailed provisions to</li> </ol>	<p>A draft Side Agreement was issued to LGF's solicitors on 28 February 2025. The draft reflects discussions between the Applicant and LGF. The Applicant expects the agreement will be finalised and completed shortly after examination.</p> <p>With regard to the points raised by LGF in relation to the DCO PPs:</p> <ol style="list-style-type: none"> <li>(a) Definition of "apparatus" –</li> <li>(i) The Applicant has proposed an amendment to the definition of apparatus to remove the words "as at the date of the Order" and has instead sought to expressly exclude apparatus constructed in connection with the Tees Valley Project from the definition of apparatus. This will ensure that changes to LGF's existing apparatus during the ordinary course of business following the date of the Order will be protected.</li> <li>(ii) The Applicant remains of the view that the provisions contained in paragraph 14 of the DCO PPs provide sufficient protection to LGF in relation to its future DCO project and are reflective of the level of</li> </ol>

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		<p>address interactions by H2T with LGFs apparatus like the other provisions in the schedule.</p> <p>2. Acquisition other than by agreement – LGF have again sought to impose a restriction on acquisition of LGFs apparatus except by agreement. They have proposed the inclusion of some additional wording to require the parties to act reasonably to try to address the applicants concerns in this regard.</p> <p><b>8.0</b> Definition of “Tees Valley Project” – LGF suggests that the definition of the Tees Valley Project in the DCO PPs is too narrow and prevents future changes that may be needed in the project. LGF have therefore proposed some alternative wording.</p>	<p>information currently available regarding that project. As noted in the Applicant’s deadline [7] submissions, the parties’ intention is to amend paragraph [14] of the DCO PPs through the LGF DCO (if consented) to update the protections afforded to the Tees Valley Project once further information about that project is known.</p> <p>(b) Acquisition other than by agreement – the Applicant’s position remains as outlined in its deadline 7 submissions. The power to compulsorily acquire apparatus is required in order to protect the delivery of the nationally significant project. The insertion of wording requiring the parties to act reasonably does not provide the applicant with sufficient certainty that its ability to deliver the project, and to do so in a timely manner, will be safeguarded. By contrast, the DCO PPs provide appropriate protection for LGF’s operations and interests through requirements to provide alternative apparatus and to ensure that any right of LGF to maintain and gain access to its apparatus is not extinguished until alternative apparatus has been constructed, tested and is in operation, and access to it has been provided to LGF’s reasonable satisfaction.</p> <p>(c) Definition of “Tees Valley Project” – the applicant remains of the view that it is appropriate to refer to the information that is currently available on the Planning Inspectorate’s website when defining the Tees Valley Project as this reflects the information currently available in this regard. The reference to “ancillary development” in LGF’s proposed alternative wording is not sufficiently clear given the limited information currently available. As noted above, the parties’ intention is to amend paragraph 14 of the DCO PPs through the LGF DCO (if consented) to update the protections afforded to the Tees Valley Project, once further information about that project is known. To provide broader protection at this stage would be inappropriate and unnecessary.</p> <p>An updated form of the LGF PPs to reflect the above have been submitted alongside this document at Deadline 9.</p>
Natarra Global Ltd	REP8-056 REP8-057	<p>Natarra considers that “a comprehensive compromise agreement” incorporating both protective provisions and land/property agreements (to grant temporary and permanent rights over Natarra’s land so that the Applicant can construct and operate the Proposed Development) should be entered into.</p> <p>Natarra considers that negotiations for an agreement/protective provisions are not being progressed in a sufficiently timely manner.</p>	<p>The Applicant fundamentally disputes the incomplete and misleading account of the engagement between Natarra and the Applicant which has been presented by Natarra’s solicitors in these submissions.</p> <p>The engagement between the Applicant and Natarra during the examination has been extensive and goes back for several months, including prior to the submission of the Application and prior to the instruction of Natarra’s solicitors who were only engaged late in 2024.</p> <p>The engagement has included:</p> <ul style="list-style-type: none"> <li>i. Multiple joint meetings with the parties’ technical and legal advisors;</li> </ul>



PARTY	SOURCE DOCUMENT(S)	COMMENT AT DEADLINE 8	APPLICANT RESPONSE
			<p>ii. Joint site meetings;</p> <p>iii. The exchange of extensive draft documents; and</p> <p>iv. Sundry correspondence.</p> <p>Following the initial technical engagement, the Applicant prepared an initial draft set of protective provisions for potential inclusion in the dDCO which was provided to Natara’s agent on 8 November 2024. The Applicant’s agents were also seeking to agree heads of terms to clarify the matters in issue, the needs of both parties and how these should be addressed.</p> <p>A written response from Natara’s agent on the draft protective provisions was not forthcoming until 4 December 2024. This was high level and vague, merely asserting that points discussed at the previous joint site meeting had not been included in the draft. No detail was provided as to what specific points were alleged to be missing. Natara’s agent expressed that Natara’s preference was to conclude land/property agreements.</p> <p>Further exchanges of correspondence took place in which the Applicant and its agents sought to confirm the relevant heads of terms to facilitate the drafting of such agreements and the protective provisions, followed by a joint meeting on 18 December 2024.</p> <p>Following that meeting, Natara’s solicitors unilaterally drafted and circulated full form land/property agreements on 20 December 2024. In addition, Natara’s representatives refused to undertake any further meaningful engagement with a view to agreeing heads of terms for the agreements and the protective provisions.</p> <p>Despite the Applicant’s preference for protective provisions, the Applicant did review these agreements, however they were missing basic terms that any promoter would expect (such as rights to access land to carry out surveys of condition before taking possession) and were thus not considered an appropriate starting point.</p> <p>As such, the Applicant’s preferred approach was – and remained throughout – that the most appropriate way forward was to include protective provisions on the face of the dDCO setting out the parameters for the future use of the Order powers. This would give Natara comfort that the Applicant would not – and could not – exercise those powers without due and proper regard to Natara’s interests, and also ensure that once the detailed design of the Proposed Development has been further worked up then that information would be forthcoming for Natara to review.</p>



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			<p>This will also enable suitable voluntary land/property agreements to be negotiated and completed in the future in light of the more detailed project information which will then be available.</p> <p>In this context, and having not been able to agree the final form of the Protective Provisions with Natara, submitted alongside this response is the Applicant's updated form of preferred protective provisions in favour of Natara for inclusion as Schedule 45 of the dDCO. These have been discussed in detail between the Applicant and Natara. As far as the Applicant is aware there are now only very limited points of difference in issue (which are explained in more detail in the submissions), and Natara otherwise has no objection to the vast majority of the protective provisions proposed save for the items highlighted therein.</p>
Navigator Terminals Ltd	REP8-059	<p>Navigator Terminals' position is outlined in its submissions made at deadline 7a [REP7a-062] and has not changed.</p> <p>At deadline 7a, Navigator Terminals:</p> <p>8.0 referred to its submissions made in its relevant representations;</p> <p>9.0 referred to its preferred protective provisions;</p> <ul style="list-style-type: none"> <li>• noted the Applicant has not provided any information regarding the River Tees crossing to address its concerns;</li> <li>• noted there is a potential conflict between the Proposed Development and Navigator Terminals' planning permission with reference 24/1208/FUL. As such, Navigator Terminals strongly supports article 39 in the draft DCO.</li> </ul> <p>10.0 provided an update on the status of the side agreement; and</p> <p>11.0 noted that it anticipates that it will complete the side agreement with the Applicant by the end of examination.</p>	<p>At pages 108-109 of [REP1-007], the Applicant has responded to the concerns raised by Navigator Terminals in its relevant representation. The Applicant has made detailed submissions on Navigator Terminals' preferred protective provisions in the Applicant's PPs Position Statement [REP7a-021].</p> <p>The Applicant has discussed the River Tees crossing with, and provided information to, Navigator Terminals during its fortnightly meetings and is confident that Navigator Terminals' concerns can be addressed through the side agreement.</p> <p>As noted in the Applicant's response to landowner deadline 7a submissions [REP8-018], the Applicant welcomes Navigator Terminals' support on Article 39 in the draft DCO. This article is particularly important in the locality of the Proposed Development where a number of affected landowners have existing or proposed development proposals.</p> <p>The Applicant, Navigator Terminals Seal Sands Ltd and Navigator Terminals North Tees Ltd (<b>Navigator Terminals</b>) make the following joint statement:</p> <p>"On 24th February 2025 the Applicant received Navigator Terminals' comments on the side agreement and protective provisions. On 25th February the parties attended a meeting to discuss the agreement. On 26 February 2025 the Applicant issued an updated version of the agreement to Navigator Terminals. On 27th February the Applicant received further comments from Navigator Terminals on the side agreement. The Applicant expects to issue the updated agreement to Navigator Terminals next week. There are only a few points that are being negotiated and the parties expect the agreement will be finalised and completed shortly after examination."</p>
Net Zero North Sea Storage Ltd (NZNSS)	REP8-060 REP8-061 REP8-062	<ol style="list-style-type: none"> <li>1. Acknowledgement of the Applicant's addition of protective provisions in the Deadline 7A dDCO as a positive step forward.</li> <li>2. NZNSS considers that the Promoter's protective provisions contained in the Deadline 7A dDCO are insufficient for their intended purpose, i.e. to avoid serious detriment to NZNSS's undertaking.</li> </ol>	<ol style="list-style-type: none"> <li>1. The Applicant has engaged in further fruitful discussions with NZNSS following the submission of documentation at Deadline 7A and this has resulted in the updated form of protective provisions submitted by the Applicant for NZNSS's benefit at Deadline 8. Within the updated protective</li> </ol>

PARTY	SOURCE DOCUMENT(S)	COMMENT AT DEADLINE 8	APPLICANT RESPONSE
		<p>3. Detail of the Northern Endurance Partnership Project (NEP).</p> <p>4. Comment on the adequacy of the Applicant's proposed Deadline 7A protective provisions covering the following topics:</p> <ul style="list-style-type: none"> <li>a. Inadequate safeguarding provisions;</li> <li>b. Omission of provisions regulating use of DCO powers;</li> <li>c. Inadequate expenses provisions;</li> <li>d. Omission of indemnity provisions;</li> <li>e. Omission of acceptable insurance provisions; and</li> <li>f. Dispute resolution.</li> </ul> <p>5. Note that ongoing engagement is taking place.</p> <p>Request for NZNSS's preferred form of protective provisions to be included in any DCO the Secretary of State is minded to make.</p>	<p>provisions submitted, the differences between the parties have been significantly narrowed.</p> <p>2. The Applicant has engaged with NZNSS to ensure that the updated protective provisions submitted at Deadline 8 provide sufficient protections so as to avoid any potential for serious detriment to be caused to NZNSS as a result of the authorised development. The updated Deadline 8 protective provisions are much more closely aligned with the provisions requested by NZNSS and to the extent that any difference remains outstanding, this approach is fully justified at paragraph 4 below. Therefore, the Applicant is content that the updated protections included at Deadline 8 satisfy the requirements of section 127 of the Planning Act 2008 so that powers of compulsory acquisition can be granted over land owned by NZNSS without serious detriment to the carrying on of its undertaking.</p> <p>3. The Applicant is aware of the details of the NZNSS Project (NEP) and notes NZNSS's submissions in this respect. All three of the NEP, NZT and H2T Projects are part of the East Coast Cluster and have project overlaps and inter-dependencies. The Applicant's authorised development, together with the NZT Project, is an anchor carbon dioxide emitter for the NEP Project and both the H2T and NZT Projects are Track 1 Capture projects for government funding. The Applicant has been mindful of inter-dependencies when preparing the bespoke set of protective provisions for NZNSS's benefit.</p> <p>4. The updates made to the Applicant's proposed protective provisions at Deadline 8 substantially narrow the issues between the parties so that the only outstanding points of difference relate to the provision for insurance and provisions regulating the use of powers. The Applicant presents its position in respect of each of these points as follows:</p> <ul style="list-style-type: none"> <li>a. <b>Acceptable Insurance:</b>            The Applicant has generally not provided for insurance to protect any other statutory undertakers within the dDCO and, in this instance, does not consider that a departure from this approach is justified in respect of NEP. The indemnity provided in paragraph 8 of dDCO Schedule 44 gives sufficient comfort and protection to NEP in the event that there are any damages sought from the Applicant under the protective provisions. Therefore, NZNSS's proposed wording should not be required in addition to this indemnity.             On the basis of the indemnity provided, it is for the Applicant to determine whether insurance is needed to cover any works undertaken within the Shared Area to protect its own risk liability when undertaking such works. Such a decision should not be for NZNSS to make. It is inappropriate for injunctive relief to prevent delivery of this nationally significant infrastructure project in the</li> </ul>

PARTY	SOURCE DOCUMENT(S)	COMMENT AT DEADLINE 8	APPLICANT RESPONSE
			<p>event of a dispute over the terms of a specific insurance policy that may or may not be required.</p> <p><b>b. Regulation of DCO powers:</b></p> <p>The broad ranging list in NZNSS's proposed paragraph 6 would essentially add an additional layer of approval required for any works within the Shared Area. Such approvals process is already provided for under the provisions of paragraph 3 and so it is unnecessarily burdensome to add a further layer of consent in this regard.</p> <p>It is not appropriate to include this wide ranging list of restrictions on the basis of precedent alone without a clear justification for why such controls are needed for NZNSS specifically, taking into account other protections afforded to them within Schedule 44. A holistic understanding of the protections is needed. As noted above, there is already a robust approval mechanism in place through paragraph 3, which ensures NZNSS have the power to approve works within the Shared Area. Whilst some restrictions on powers have been included elsewhere in protective provisions agreed with other third parties, this has been agreed by the Applicant where there is a specific need for such approval and the list of powers to be approved is much more refined than that proposed by NZNSS.</p> <p>The list proposed by NZNSS goes to the heart of powers required to deliver the authorised development and would require numerous consents to be obtained in writing with no recourse as to the timescale for such approvals. This would impose unreasonable restrictions on the Applicant as it would jeopardise the delivery of the authorised development. These powers are required to ensure the authorised development can be constructed, operated and maintained and also to ensure that the authorised development's nationally significant public benefits can be realised, including supporting the Government's policies in relation to the timely delivery of new hydrogen production capacity and achieving ambitious net zero targets.</p> <p>The imposition of such approvals would have the potential to dramatically delay delivery of the authorised development, incurring additional costs which, as a government subsidised project, could affect the taxpayer.</p> <p>As has been acknowledged by the Secretary of State in determining the Associated British Ports (Immingham Green Energy Terminal)</p>

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			<p>Order 2025<sup>1</sup>, it is not necessary for this additional layer of approval regarding exercise of DCO powers to be included within protective provisions for a risk of serious detriment to be avoided.</p> <p>5. Notwithstanding these outstanding points of difference, positive engagement remains ongoing between the parties. In addition to discussions regarding the form of protective provisions to be placed on the face of the dDCO, the Applicant is engaging with NZNSS regarding a side agreement to ensure the interfaces between the respective projects are sufficiently protected and the Applicant is confident that agreement will be reached in short order.</p> <p>6. On the basis of the above justifications, it is the Applicant's position that the form of protective provisions included on the face of the dDCO at Deadline 8 are sufficient to allow for the grant of compulsory acquisition powers over land owned by NZNSS without causing serious detriment to the carrying on of its undertaking. The Applicant requests that, in the event that the Secretary of State is minded to grant the DCO for the authorised development, the protective provisions contained within REP8-017 are taken forward into the DCO .</p>
<p>Net Zero Teesside Power Ltd (NZT)</p>	<p>REP8-063            REP8-064            REP8-065</p>	<ol style="list-style-type: none"> <li>1. Acknowledgement of the Applicant's addition of protective provisions in the Deadline 7A dDCO as a positive step forward.</li> <li>2. NZT considers that the Promoter's protective provisions contained in the Deadline 7A dDCO are insufficient for their intended purpose, i.e. to avoid serious detriment to NZT's undertaking.</li> <li>3. Detail of the NZT Project.</li> <li>4. Comment on the adequacy of the Applicant's proposed Deadline 7A protective provisions covering the following topics:               <ol style="list-style-type: none"> <li>a. Inadequate safeguarding provisions;</li> <li>b. Omission of provisions regulating use of DCO powers;</li> <li>c. Inadequate expenses provisions;</li> <li>d. Omission of indemnity provisions;</li> <li>e. Omission of acceptable insurance provisions; and</li> <li>f. Dispute resolution.</li> </ol> </li> <li>5. Note that ongoing engagement is taking place.</li> </ol> <p>Request for NZT's preferred form of protective provisions to be included in any DCO the Secretary of State is minded to make.</p>	<ol style="list-style-type: none"> <li>1) The Applicant has engaged in further fruitful discussions with NZT following the submission of documentation at Deadline 7A and this has resulted in the updated form of protective provisions submitted by the Applicant for NZT's benefit at Deadline 8. Within the updated protective provisions submitted, the differences between the parties have been significantly narrowed.</li> <li>2) The Applicant has engaged with NZT to ensure that the updated protective provisions submitted at Deadline 8 provide sufficient protections so as to avoid any potential for serious detriment to be caused to NZT as a result of the authorised development. The updated Deadline 8 protective provisions are much more closely aligned with the provisions requested by NZT and to the extent that any difference remains outstanding, this approach is fully justified at paragraph 4 below. Therefore, the Applicant is content that the updated protections included at Deadline 8 satisfy the requirements of section 127 of the Planning Act 2008 so that powers of compulsory acquisition can be granted over NZT land interests without serious detriment to the carrying on of its undertaking.</li> <li>3) The Applicant is aware of the details of the NZT Project and notes NZT's submissions in this respect. All three of the NZT, NEP and H2T Projects are part of the East Coast Cluster and have overlaps and inter-dependencies. The Applicant's authorised development, together with the NZT Project, is an anchor carbon dioxide emitter for the NEP Project and both the H2T and NZT Projects are Track 1 Capture projects for government funding. The Applicant</li> </ol>

<sup>1</sup> [TR030008-001432-FINAL - DL - Immingham Green Energy Terminal.pdf](#), paragraph 183 of the Secretary of State's Decision Letter.

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			<p>has been mindful of inter-dependencies when preparing the bespoke set of protective provisions for NZT's benefit.</p> <p>4) The updates made to the Applicant's proposed protective provisions at Deadline 8 substantially narrow the issues between the parties so that the only outstanding points of difference relate to the provision for insurance and provisions regulating the use of powers. The Applicant presents its position in respect of each of these points as follows:</p> <p>a) <b>Acceptable Insurance:</b></p> <p>The Applicant has generally not provided for insurance to protect any other statutory undertakers within the dDCO and, in this instance, does not consider that a departure from this approach is justified in respect of NZT. The indemnity provided in paragraph 8 of dDCO Schedule 43 gives sufficient comfort and protection to NZT in the event that there are any damages sought from the Applicant under the protective provisions. Therefore, NZT's proposed wording should not be required in addition to this indemnity.</p> <p>On the basis of the indemnity provided, it is for the Applicant to determine whether insurance is needed to cover any works undertaken within the Shared Area to protect its own risk liability when undertaking such works. Such a decision should not be for NZT to make. It is inappropriate for injunctive relief to prevent delivery of this nationally significant infrastructure project in the event of a dispute over the terms of a specific insurance policy that may or may not be required.</p> <p>b) <b>Regulation of DCO powers:</b></p> <p>The broad ranging list in NZT's proposed paragraph 6 would essentially add an additional layer of approval required for any works within the Shared Area. Such approvals process is already provided for under the provisions of paragraph 3 and so it is unnecessarily burdensome to add a further layer of consent in this regard.</p> <p>It is not appropriate to include this wide ranging list of restrictions on the basis of precedent alone without a clear justification for why such controls are needed for NZT specifically, taking into account other protections afforded to them within Schedule 43. A holistic understanding of the protections is needed. As noted above, there is already a robust approval mechanism in place through paragraph 3, which ensures NZT have the power to approve works within the Shared Area. Whilst some restrictions on powers have been included elsewhere in protective provisions agreed with other third parties, this has been agreed by the Applicant where there is a</p>



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			<p>specific need for such approval and the list of powers to be approved is much more refined than that proposed by NZT.</p> <p>The list proposed by NZT goes to the heart of powers required to deliver the authorised development and would require numerous consents to be obtained in writing with no recourse as to the timescale for such approvals. This would impose unreasonable restrictions on the Applicant as it would jeopardise the delivery of the authorised development. These powers are required to ensure the authorised development can be constructed, operated and maintained and also to ensure that the authorised development's nationally significant public benefits can be realised, including supporting the Government's policies in relation to the timely delivery of new hydrogen production capacity and achieving ambitious net zero targets.</p> <p>The imposition of such approvals would have the potential to dramatically delay delivery of the authorised development, incurring additional costs which, as a government subsidised project, could affect the taxpayer.</p> <p>As has been acknowledged by the Secretary of State in determining the Associated British Ports (Immingham Green Energy Terminal) Order 2025<sup>2</sup>, it is not necessary for this additional layer of approval regarding exercise of DCO powers to be included within protective provisions for a risk of serious detriment to be avoided.</p> <p>5) Notwithstanding these outstanding points of difference, positive engagement remains ongoing between the parties. In addition to discussions regarding the form of protective provisions to be placed on the face of the dDCO, the Applicant is engaging with NZT regarding a side agreement to ensure the interfaces between the respective projects are sufficiently protected and the Applicant is confident that agreement will be reached in short order.</p> <p>6) On the basis of the above justifications, it is the Applicant's position that the form of protective provisions included on the face of the dDCO at Deadline 8 are sufficient to allow for the grant of compulsory acquisition powers over land owned by NZT without causing serious detriment to the carrying on of its undertaking. The Applicant requests that, in the event that the Secretary of State is minded to grant the DCO for the authorised development, the protective provisions contained within REP8-016 are taken forward into the DCO.</p>

<sup>2</sup> [TR030008-001432-FINAL - DL - Immingham Green Energy Terminal.pdf](#), paragraph 183 of the Secretary of State's Decision Letter.



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Northern Gas Processing Ltd	REP8-066	The NSMP Entities are satisfied that the updated draft development consent order provided at deadline 7a ([REP7a-003] [REP7a-004]) contains appropriate protective provisions (set out at schedule 37) and requirements to address the NSMP Entities' interests. As such, the NSMP Entities have no objection to the development consent order being granted on these terms.	The Applicant notes and welcomes the confirmation from the NSMP Entities.  The Applicant can also confirm that the relevant provisions remain in the dDCO without amendment.
North Tees Group Limited	REP8-067 REP8-068 REP8-069 REP8-070	The Applicant's preferred PPs are unacceptable to NTL and the Applicant is invited to respond to NTL's preferred versions.  Reference is made to the 'Sembcorp Protection Corridor Plan' and that NTL have not had sight of this document.	General  <u>The Applicant has responded to NTG's Deadline 7 and 8 submissions in an additional document submitted alongside this one at Deadline 9.</u>  <u>Protective provisions</u>  The Applicant has responded on the protective provisions proposed by North Tees Group in the Applicant's North Tees PPs Position Statement submitted at Deadline 9 (document ref. 8.44.21). This supplements the Applicant's North Tees PPs Position Statement submitted at Deadline 7A [Rep7a-036].  <u>PPs supporting plans</u>  The Applicant confirms that the Sembcorp Protection Corridor protective provisions supporting plans [AS-052] have been finalised and agreed between the Applicant and Sembcorp and were submitted between deadline 8 and deadline 9.
Northumbrian Water Ltd	REP8-071	Issue 1: Restriction on DCO powers  Issue 2: Alteration extension removal or relocation of apparatus  Issue 3: Consent time frames for alteration, extension, removal, or relocation of operators  Issue 6: Stopping Up  Issue 7: Indemnity	The Applicant notes the comments made by Northumbrian Water Limited ('NWL') in respect of the progress of negotiations to date in respect of the PPs and side agreement.  The Applicant has engaged with NWL and their representatives since March 2024 and throughout the Examination period. NWL confirmed with the Applicant that they are unable to grant the rights at plots 11/128 and 11/129 and that these rights will be granted by their landlord (Anglo American). The Applicant will therefore be engaging with all three parties on a tripartite basis moving forward.  The Applicant maintains its position as set out in the Applicant's PP Position Statement with Northumbrian Water Limited [REP7a-028] (the 'Applicant's DL7A position statement') and has expanded on these submissions where appropriate in response to NWL's Deadline 8 submission [REP8-071].  <b>Issue 1: Restriction on DCO powers</b>  The Applicant maintains its position in the Applicant's DL7A position statement that compulsory powers are required to ensure the authorised development can be constructed, operated and maintained. As noted above, the Applicant will be engaging with NWL and Anglo American on a tripartite basis to seek to secure the land rights required for delivery of the Project via voluntary agreement.  NWL notes in its Deadline 8 submissions that the Applicant has agreed to include National Gas Transmission plc's ('NGT') preferred compulsory acquisition

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			<p>provisions in the protective provisions for the benefit of NGT in the draft DCO. NWL argues that the Applicant should take a consistent approach in respect of NWL's proposed restrictions.</p> <p>The decision to agree to NGT's preferred compulsory acquisition provisions was made in the context of the specific land rights considerations relevant to NGT and technical discussions regarding the Project Union tie-in.</p> <p>The Applicant notes that, consistent with its position in relation to NWL, it has opposed restrictions proposed by other parties (including statutory undertakers) on the Applicant exercising its compulsory acquisition powers, temporary possession powers and powers to appropriate, acquire, create, extinguish or override any easement or other interests. The Applicant refers, for example, to its PPs Position Statements with NGET [REP7a-016], Redcar Bulk Terminal Limited [REP7a-032] and PD Teesport [REP7a-031].</p> <p><b>Issue 2: Alteration, extension, removal or relocation of apparatus</b></p> <p>The Applicant refers to paragraphs 2.1 to 2.3 of the submissions in the Applicant's DL7A position statement.</p> <p>These paragraphs set out the Applicant's justifications for opposing the relevant additional provisions included in NWL's preferred form of PPs.</p> <p>The Applicant submits that the Net Zero Teesside Order 2024 is relevant as a recent example of provisions included on the face of a made Order in favour of NWL for a project of a similar nature in the same locality. The Applicant reiterates its observation that the protections afforded to NWL Net Zero Teesside Order 2024 have been expanded to include additional protections relating to protective works following negotiations with NWL.</p> <p><b>Issue 3 - Consent timeframes for alteration, extension, removal or re-location of apparatus</b></p> <p>The Applicant submits that it is common for similar timeframes to be attached to an approval regime in protective provisions in addition to an obligation not to unreasonably withhold or delay a decision (see, for example, paragraph [5] of Schedule 25 (Navigator Terminals Seal Sands Ltd), paragraph [5] of Schedule 32 (Breagh Pipeline Owners) and paragraph [5] of Schedule 35 (PD Teesport) of the draft DCO [REP7a-003]).</p> <p>A 28-day timeframe is a common timeframe for protective provisions of this nature for projects of similar complexity. NWL argues that, in some cases (perhaps concerning a minor alteration), an approval decision may be made in a shorter timeframe than 28 days and states that imposing an 'arbitrary' timeframe of 28 days in those cases would lead to unnecessary delay and increased costs for the Applicant. The Applicant submits that, as drafted, the protective provisions</p>

PARTY	SOURCE DOCUMENT(S)	COMMENT AT DEADLINE 8	APPLICANT RESPONSE
			<p>require NWL to grant the necessary approval <i>within 28 days</i> of the date that the plan of works proposed has been submitted which means that an earlier decision is both possible and contemplated. As NWL submits, it is under an obligation to not unreasonably withhold or delay an approval and accordingly in cases of minor alterations, NWL must only take as much of the full 28-day timeframe as is necessary. The current drafting accommodates this.</p> <p>The Applicant is content to continue discussions in relation to this provision and in terms of what period NWL can justifiably require.</p> <p><b>Issue 6 – Stopping Up</b></p> <p>The Applicant disagrees with NWL’s submissions on this point.</p> <p>NWL has not confirmed in its DL8 submission that any NWL apparatus or access to any NWL apparatus will be affected in this manner and it is not appropriate to include a provision in protective provisions on the basis that it is ‘more usual than not’ that circumstances exist that the relevant provision may apply to.</p> <p>As noted in its DL7A position statement, the Applicant remains willing to work with NWL to arrive at a solution and provide requisite comfort to NWL in respect of this issue, if required.</p> <p><b>Issue 7 – Indemnity</b></p> <p>The Applicant strongly refutes the suggestion in NWL’s Deadline 8 submissions that the Applicant’s proposed amendments to NWL’s preferred form of protective provisions provide little to no protection to NWL by way of an indemnity.</p> <p>The Applicant refers to paragraphs 7.1 to 7.9 of the Applicant’s DL7A position statement which contain full justifications for its preferred drafting of the indemnity provision and notes that, other than the few amendments proposed, the vast majority of the indemnity clause is agreed.</p> <p>NWL refers to various other Schedules in the draft DCO [REP7a-003] where it states that indemnities have been accepted and agreed with other undertakers on terms that are not dissimilar to those put forward by NWL. NWL requests that the Examining Authority takes a consistent approach in the case of NWL’s interests and argues that there is no justification for a difference in treatment.</p> <p>Respectfully, the Applicant does not follow this reasoning. The scope of all the indemnities set out by NWL are different to the indemnity currently afforded to NWL. Further, the drafting of some indemnities listed (such as PD Teesport, National Grid and National Gas) also do not contain the terms ‘indemnify and keep indemnified’ which the Applicant understands to be NWL’s central concern in respect of this provision (please see paragraph 8 of Schedule 35, paragraph 10 of</p>

PARTY	SOURCE DOCUMENT(S)	COMMENT AT DEADLINE 8	APPLICANT RESPONSE
			Schedule 19 and paragraph 11 of Schedule 20 respectively of the draft DCO [REP7a-003]).
PD Teesport Ltd	REP8-072	PDT provided an update on discussions and background to their byelaws	<p>The Applicant and PD Teesport make the following joint statement:</p> <p><i>“The Applicant and PD Teesport continue to engage frequently and positively in relation to the protective provisions and side agreement and most recently held a meeting on 26 February 2025. PD Teesport has issued an updated version of the side agreement on 26 February 2025 which the Applicant’s legal advisers are currently reviewing.</i></p> <p><i>The parties are continuing to discuss the proposed disapplication of the Tees and Hartlepoons Port Authority Act 1966 and the interactions between the proposed trenchless crossing of the River Tees and PD Teesport’s proposed port container development. The Applicant and PD Teesport note that negotiations are progressing well and confirm that the parties have agreed key principles to provide mutually acceptable solutions on these matters. Both sides remain committed to resolving these points through voluntary negotiations.</i></p> <p><i>The parties anticipate that the side agreement and protective provisions will be agreed and completed shortly after the end of examination.”</i></p>
SABIC	REP8-073 REP8-074 REP8-075	Please refer to Appendix 3 below.	Please refer to Appendix 3 below.
Teesside Gas and Liquids Processing	REP8-076	The NSMP Entities are satisfied that the updated draft development consent order provided at deadline 7a ([REP7a-003] [REP7a-004]) contains appropriate protective provisions (set out at schedule 37) and requirements to address the NSMP Entities’ interests. As such, the NSMP Entities have no objection to the development consent order being granted on these terms.	<p>The Applicant notes and welcomes the confirmation from the NSMP Entities.</p> <p>The Applicant can also confirm that the relevant provisions remain in the dDCO without amendment.</p>
Teesside Gas Processing Plant Ltd	REP8-077	The NSMP Entities are satisfied that the updated draft development consent order provided at deadline 7a ([REP7a-003] [REP7a-004]) contains appropriate protective provisions (set out at schedule 37) and requirements to address the NSMP Entities’ interests. As such, the NSMP Entities have no objection to the development consent order being granted on these terms.	<p>The Applicant notes and welcomes the confirmation from the NSMP Entities.</p> <p>The Applicant can also confirm that the relevant provisions remain in the dDCO without amendment.</p>

## APPENDIX 1: ENGAGEMENT BETWEEN THE APPLICANT AND ANGLO AMERICAN

DATE	FORM OF ENGAGEMENT	DETAILS
9 February 2023	Face to Face Meeting	Meeting held directly between AA and bp to discuss the project.
12 September 2023	Face to Face Meeting	Meeting held directly between AA and bp to discuss the project.
14 September 2023	First Consultation (statutory consultation) in accordance with Section 42 of the PA 2008.	The Applicant issued a Section 42 letter to Anglo American on 14 September 2023 consulting it on the Proposed Development.
9 December 2023	Virtual Meeting	Meeting held directly between AA and bp to discuss the project.
13 December 2023	Second Consultation (statutory and non-statutory) in accordance with Section 42 of the PA 2008.	The Applicant issued a Section 42 letter to Anglo American 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.
26 April 2024	Virtual Meeting	Technical interface meeting between the parties.
15 May 2024	Virtual Meeting	Technical interface meeting between the parties.
17 June 2024	Virtual Meeting	Technical interface meeting between the parties.
2 September 2024	Virtual Meeting	Technical interface meeting between the parties.
4 September 2024	Consultation on proposed changes to the DCO Application.	A letter was issued to Anglo American on 4 September 2024 consulting it on a number of proposed changes to the DCO Application.
23 September 2024	Virtual Meeting	Agenda: All Parties Project Updates, Progress PPs / Side Agreement, Land Agreement Status, Action Point Review, Agree Next Steps.
21 October 2024	Virtual Meeting	Agenda: All Parties Project Updates, Progress PPs / Side Agreement, Land Agreement Status, Action Point Review, Agree Next Steps.

4 November 2024	Virtual Meeting	Agenda: All Parties Project Updates, Progress PPs / Side Agreement, Land Agreement Status, Action Point Review, Agree Next Steps.
11 November 2024	Virtual Meeting	Agenda: All Parties Project Updates, Progress PPs / Side Agreement, Land Agreement Status, Action Point Review, Agree Next Steps.
18 November 2024	Virtual Meeting	Agenda: All Parties Project Updates, Progress PPs / Side Agreement, Land Agreement Status, Action Point Review, Agree Next Steps.
2 December 2024	Virtual Meeting	Agenda: All Parties Project Updates, Progress PPs / Side Agreement, Land Agreement Status, Action Point Review, Agree Next Steps.
5 December 2024	Onsite Meeting	Technical onsite meeting held between AA and bp technical.
9 December 2024	Virtual Meeting	Agenda: All Parties Project Updates, Progress PPs / Side Agreement, Land Agreement Status, Action Point Review, Agree Next Steps.
9 January 2025	Virtual Meeting	Agenda: Tunnel Head Requirements, Basis of Long Form Agreements, Survey Licence Requirements, Action Point Review, Agree Next Steps.
21 January 2025	Virtual Meeting	Meeting to discuss comments on the Tunnel Head / Tunnel Heads of Terms.
23 January 2025	Virtual Meeting	Meeting between legal and technical advisors to discuss technical aspects of side agreement and protective provisions.
5 February 2025	Virtual Meeting	Meeting between both parties to discuss key commercial points



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## APPENDIX 2 – ANGLO AMERICAN’S COMMENTS ON THE APPLICANT’S SUBMISSIONS IN SUPPORT OF THE APPLICANT’S PREFERRED VERSION OF SCHEDULE 29: APPLICANT’S RESPONSE

1. As noted above, the Applicant considers the protective provisions in Schedule 29 [REP8-005] (**Sch 29 DCO PPs**) provide adequate protections for both the Woodsmith Project and the Proposed Development.
2. In responding to Anglo American’s submissions, the Applicant adopts the same headings as outlined in the Anglo American’s submission [REP8-046].
3. **Issue 1 – various amendments to definitions**
  - 3.1. **Property Arrangements:** It is not clear why Anglo American are pressing this matter given its preferred protective provisions do not contain the definition of ‘property arrangements.’
  - 3.2. Anglo American states it has been ‘clear’ that the Redcar Bulk Terminal lease relates to Anglo American’s ‘Port Handling Facility’. However, Anglo American’s submissions do not provide any further detail about this area and as such, is far from being ‘clear’.
  - 3.3. The Applicant also cannot make commitments in respect of the leased area to the extent that it conflicts with the constructability principles outlined in the Schedule 3 of the draft DCO, particularly paragraphs 7(1)(k) and (l).
  - 3.4. Anglo American’s position is outlined in paragraph 3.11 of its deadline 8 submission, which states:
    - 1 Schedule 29: provides for Anglo American consent (to be justified and not unreasonably withheld) prior to H2 Teesside works in any Shared Area;
    - 2 Specific arrangement as to interface of the Respective Projects at Redcar Bulk Terminal are not provided for in the Protective Provisions as these are not agreed;
    - 3 Schedule 29 necessarily includes restriction on the exercise of the Compulsory Acquisition powers in the DCO without Anglo American’s consent (see further paragraphs 3.15-3.20 below);
    - 4 Schedule 3: Anglo American will cooperate with H2 Teesside. No specific interface arrangements are provided for in Schedule 3, as these are not yet agreed (as set out above)
  - 3.5. Appendix 1 to the Applicant’s Response to landowner Deadline 7A Submissions [REP8-018] and the Applicant’s Protective Provisions Statement [REP7a-025] outlines the Applicant’s response to Anglo American’s position.
  - 3.6. **Shared Area Plan:** In respect of defining the ‘Shared Area’, the Applicant refers to paragraphs 1.5-1.7 of the Applicant’s Protective Provisions Statement [REP7a-025].
  - 3.7. The Applicant agrees with Anglo American that Shared Areas 1-6 should be clearly defined. The Shared Area Plan that is included in Appendix 3 to Anglo American’s submissions does not clearly delineate where each shared area starts and ends. Rather, Shared Areas 1-6 should be defined by reference to specific plots in the land plans submitted with the DCO application. This is consistent with the approach taken in the Sch 29 DCO PPs. This is provided for in the Shared Areas Plan that has been submitted alongside this response.
4. **Issues 5 & 6 – regulation of powers over the shared area**

- 4.1. The Applicant refers to its submissions above under the heading 'Key issue: compulsory acquisition'.
- 4.2. Anglo American has raised concerns regarding the interaction of the tunnel head (which forms part of the Proposed Development) and the Woodsmith Project, as well as the phasing of piling works necessary for the Woodsmith Project and the installation of the H2T pipelines. The parties are continuing discussions about these matters and the Applicant is confident that the parties will be able to reach agreement on a solution that is mutually acceptable.

## 5. Issue 7-12 constructability principles

- 5.1. Paragraph 3.22 of Anglo American's submission states "Anglo American does not share the Applicant's view that the interface in every area has been agreed." The Applicant's Protective Provisions Statement [REP7a-025] does not state that the parties have agreed 'the interface in every area'. The Applicant has included protective provisions in Sch 29 DCO PPs that it considers are appropriate in order to protect the Woodsmith Project and the Proposed Development. The Applicant's detailed submissions at deadlines 7a and 8 explain the Applicant's position: [REP7a-025], [REP7a-026] and [REP8-018]. The Applicant will continue private negotiations with Anglo American in this regard and is confident the parties can reach agreement.
- 5.2. The Applicant reiterates its submissions in paragraph 8 of its submissions contained in the Applicant's Protective Provisions Statement [REP7a-025] in relation to temporary construction compounds.
- 5.3. Anglo American has replaced the word 'approval' with 'acceptance' in paragraph 8 of its preferred protective provisions. The Applicant considers 'approval' is more appropriate as it is standard language used in protective provisions generally and reflects the language used in the Net Zero Teesside Order 2024 (see paragraphs 8 of Schedule 3 and paragraph 236 of Part 18 of Schedule 12).
- 5.4. The Applicant refers to its submissions above under the heading 'Key issue: piling'.

## 6. Issues 14-16 – indemnity

- 6.1. The Applicant **has not** agreed to the drafting of the indemnity clause with Anglo American in the public protective provisions. The Applicant refers to paragraphs 14-16 of its submissions contained in the Applicant's Protective Provisions Statement [REP7a-025].
- 6.2. As noted in Anglo American's deadline 6A and 7A submissions [REP6a-022] and [REP7a-053], the Applicant understands that Anglo American is agreeable to progress negotiations regarding the indemnity for the environmental permits privately. As such, the Applicant does not consider that the indemnity contained in Schedule 29 to the draft DCO should address the environment permits.

## 7. Issue 17 – dispute resolution

- 7.1. The Applicant refers to paragraph 17 of its submissions contained in the Applicant's Protective Provisions Statement [REP7a-025].

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## **APPENDIX 3 – APPLICANT’S COMMENTS IN RESPONSE TO SABIC’S DL8 SUBMISSIONS**

## SUBMISSIONS:

### 1. Introduction

- 1.1. This Appendix sets out the Applicant's closing submissions in response to the submissions made on behalf of SABIC UK Petrochemicals Limited, SABIC Tees Holdings Limited and SABIC Petrochemicals BV ("SABIC") at DL8.
- 1.2. These comprise the following:
  - 1.2.1. SABIC's closing submissions [REP8-073];
  - 1.2.2. SABIC's preferred form of protective provisions [REP8-074]; and
  - 1.2.3. SABIC's DL8 reply to the Applicant's DL7A "Protective Positions Position Statement with SABIC" [REP8-075].
- 1.3. Taken together, these documents comprise over 100 pages of material, and repeat the case made in SABIC's previous written submissions to the ExA (e.g. [RR-035], [REP2-100]).
- 1.4. In these circumstances, in order to reduce the overall time required for the ExA to consider the key outstanding issues, the Applicant has not undertaken a line-by-line analysis of the SABIC DL8 representations. Instead, this Appendix addresses each key point or theme in turn, with appropriate cross-references to the examination library where relevant.
- 1.5. This Appendix is accordingly structured as follows:
  - 1.5.1. **Section 2:** comments on the three principal substantive points of difference between the Applicant and SABIC as far as the protective provisions are concerned:
    - 1.5.1.1. **2A:** The proposed restrictions on the exercise of the Order powers without SABIC's consent;
    - 1.5.1.2. **2B:** The scope of the costs and compensation recovery provisions; and
    - 1.5.1.3. **2C:** SABIC's proposed extension of the scope of the protective provisions so as to include SABIC Petrochemicals BV ("SABIC BV") as an additional beneficiary;
  - 1.5.2. **Section 3:** comments on why the Net Zero Teesside Order 2024<sup>1</sup> ("NZT DCO") is a more appropriate and relevant precedent than the York Potash Harbour Facilities Order 2016<sup>2</sup> ("York Potash DCO") alluded to by SABIC;
  - 1.5.3. **Section 4:** comments on the likely impact of the authorised development on SABIC's operations;
  - 1.5.4. **Section 5:** engagement with and by SABIC throughout the course of the examination and the bilateral protective provisions negotiations.
- 1.6. This Appendix should also be read in conjunction with the Applicant's previous written representations submitted at DL7A [REP7a-030] and DL8 [REP8-008].
- 1.7. Taken together, this demonstrates that the Applicant's preferred form of protective provisions strikes the most appropriate and proportionate balance between providing a suitable level of protection for SABIC's interests without prejudicing the Applicant's ability to implement the Proposed Development without delay to programme or unnecessarily increased costs, and to realise its significant public benefits.
- 1.8. The Applicant's preferred form of protective provisions should therefore be recommended by the ExA to the Secretary of State.

### 2. Comments on three principal substantive points of difference

#### *2A: Proposed restrictions on the exercise of the Order powers without SABIC's consent*

- 2.1. The Applicant rejects the inclusion of SABIC's proposed general restrictions on the exercise of the identified Order powers. These powers are required to ensure the Proposed

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<sup>1</sup> S.I. 2024 / 174 as corrected by S.I. 2024 / 1384

<sup>2</sup> S.I. 2016 / 772 as amended by S.I. 2022 / 919

Development can be constructed, operated and maintained and also to ensure that its nationally significant public benefits can be realised, including supporting the Government's policies in relation to the timely delivery of new hydrogen production capacity and achieving ambitious net zero targets.

- 2.2. The restrictions proposed by SABIC would impose unreasonable constraints on the Applicant as it would jeopardise the delivery of the authorised development, including in terms of programme, constructability and funding drawdown (see also [REP8-008] paras. 11.3 to 11.12).
- 2.3. Moreover, aside from the significant practical impediments that SABIC's proposed restrictions would have on the implementation of the Proposed Development, the restrictions proposed by SABIC do not logically flow from SABIC's stated underlying rationale (see, for example, [REP8-073] at 4.3 and 4.5).
- 2.4. To put the matter simply: the exercise of the identified powers would not in itself 'break the circuit' (to adopt SABIC's analogy). Even if land was acquired or SABIC's rights were extinguished, this would have no actual practical effect on the integrity of SABIC's apparatus or the wider network of which it forms part: the apparatus would still be there, intact, unchanged.
- 2.5. This is why the form of protective provisions proposed by the Applicant [REP8-009] focusses instead on practical matters, instead of specific powers. For example, paragraph 22 expressly prohibits the undertaker from removing or diverting any apparatus unless and until replacement apparatus has been approved and is in place. Similarly, none of SABIC's rights may be extinguished until a package of equivalent replacement rights has been approved and granted.
- 2.6. Further protection is provided by paragraphs 3, 4 and 9 to 17, which impose rigorous controls with which the undertaker must comply in order to reduce any potential risk to the integrity of SABIC's apparatus.
- 2.7. Insofar as SABIC's concerns about ensuring access to its apparatus is maintained, paragraphs 18 to 20 provide further protection, with the construction access plan an important prerequisite.
- 2.8. All of these detailed and extensive protections are further supported by the general duties on the undertaker to reduce the potential impact of the Proposed Development on SABIC and its apparatus wherever it is reasonably practicable to do so.
- 2.9. The Applicant submits that it is these pragmatic measures – which focus on achieving and securing practical outcomes – which are best tailored to address SABIC's underlying concerns. The additional general restrictions proposed by SABIC add no further substantive protection over and above these, but would pose significant risks to the delivery of the proposed development, including programme, costs and funding drawdown.

***2B: Scope of the costs and compensation recovery provisions***

- 2.10. The Applicant has previously made extensive representations with respect to these issues (see [REP8-008] at paras. 12.1 to 13.12). The Applicant's preferred wording is also consistent with other statutory liabilities of this nature under various bespoke protective provisions, including specifically in favour of SABIC.
- 2.11. The Applicant would draw particular attention to the fact that until DL7A SABIC had rejected inclusion of standard provisions such as the requirement for it to utilise reasonable endeavours to mitigate potential losses, which it would then seek to recover from the undertaker (see [REP6-010] para 27). These are commonplace for protective provisions compensation arrangements and are well-precedented (as set out in [REP7a-030] paras. 13.2, 13.8 and 13.9 and in [REP8-008] paras. 13.10 to 13.12).

2.12. For these reasons, the Applicant submits that its preferred form of protective provisions [REP8-009] strike the most appropriate balance and should be recommended to the Secretary of State.

***2C: Proposed extension of scope of the protective provisions to include SABIC BV***

2.13. As set out in the Applicant's DL8 comments [REP8-008] at paras. 2.8 to 2.11, there is no precedent for the inclusion of an inventory owner as the beneficiary of protective provisions in any made development consent order as far as the Applicant is aware. SABIC's submissions do not identify one either.

2.14. The Applicant further notes that SABIC put forward the same argument in relation to the NZT DCO where it sought the extension of the scope of the protective provisions to SABIC BV. SABIC's case was considered by the Secretary of State and subsequently rejected.

2.15. As set out above, the relevant interactions with SABIC's land and apparatus are broadly the same between the NZT DCO and the present Proposed Development. The risks to SABIC (including SABIC BV) are fundamentally the same with SABIC's business ownership arrangements, including the split between the apparatus operator and the inventory owner, being the same.

2.16. There is accordingly no justification for the ExA to recommend a different approach to the NZT DCO by extending the scope of the protective provisions to SABIC BV.

2.17. If there has been some material change of circumstances since the NZT DCO was made (a decision that remains the most recent precedent for this region) then SABIC has not articulated this. There is additionally no precedent for the approach advocated for by SABIC in the York Potash DCO it mentions.

2.18. Therefore, the Applicant submits that its preferred form of protective provisions should be recommended to the Secretary of State.

**3. Relevant precedents: York Potash DCO versus NZT DCO**

3.1. This section summarises the reasons why the NZT DCO is a more relevant and appropriate precedent in terms of assessing the level and scope of protective provisions that should be included in the dDCO in favour of SABIC.

3.2. As explained in [REP8-008] at para. 11.10:

3.2.1. The York Potash DCO relates to a different type of development in a different location, whereas the NZT DCO relates (as far as the interactions with SABIC's land and apparatus is concerned) to fundamentally the same type of development (a pipeline system) in the same location as the present Proposed Development.

3.2.2. The Order limits for the present Proposed Development are essentially the same as for the NZT DCO. The principal point of difference in the present case is the inclusion of certain plots in the vicinity of the North Tees Facilities (such as plots 10/3 to 10/14 – see [REP7-003] Sheet 10) which are required in order to serve that site should SABIC or a future owner/operator wish for this to come forward.

3.2.3. The NZT DCO is significantly more recent and sets out the Secretary of State's clear position on the balance of risk as far as SABIC's apparatus is concerned.

3.2.4. The arguments made by SABIC in support of using the York Potash DCO as the starting point have been made by SABIC to the Secretary of State in relation to the NZT DCO – and were subsequently rejected. There has been no change of circumstances articulated by SABIC to justify a different approach for this Proposed Development

3.3. Consequently, the Applicant submits that the NZT DCO is the most relevant and appropriate set of protective provisions, subject to the inclusion of the additional matters which are set out in the Applicant's preferred form of protective provisions and which have proactively been incorporated by the Applicant in response to SABIC's comments.



#### **4. Impact of the Proposed Development on SABIC's operations**

- 4.1. SABIC asserts that the Proposed Development will have significant impacts on or risks for their operations, which the Applicant disputes. For example:
- 4.1.1. Its closing submissions make generalised assertions about the Proposed Development's impact, which are unsupported by any objective analysis. [REP8-073] paras. 2.4 and 2.5, for instance, imply that the Proposed Development would put SABIC's activities at risk or prevent them from continuing. The Applicant submits that this is unsupported by any technical analysis – it is a bare assertion.
  - 4.1.2. The Proposed Development has in fact been carefully designed to take account of potential interactions with existing apparatus and businesses in the area – including SABIC's. That careful and considered approach will continue to be adopted as the detailed design is developed and, ultimately, during implementation of the construction and operational phases.
  - 4.1.3. The form of protective provisions proposed by the Applicant incorporates significant safeguards which will ensure that there is no adverse impact on SABIC's apparatus or operations, with the consenting requirements providing a mechanism for any concerns to be raised and for SABIC to refuse consent for the works altogether (acting reasonably).
  - 4.1.4. Similarly, at [REP8-073] para. 4.1 SABIC provides a further assertion about compliance with COMAH, yet as the extract quoted by SABIC at para. 4.1.5 itself makes clear, the Applicant is already obliged to comply with the COMAH requirements as a matter of general law. The DCO would not affect or displace this.
  - 4.1.5. The same applies to [REP8-073] para. 4.2, where a further speculative risk is put forward. This particular matter is already addressed by paragraph 17 of the Applicant's preferred form of protective provisions [REP8-009]. This expressly requires the Applicant to adhere to these sorts of existing security and health and safety requirements, and SABIC has been aware for some time that the Applicant had no objection to the inclusion of this provision.
  - 4.1.6. The proposed restrictions on the exercise of the Order powers without SABIC's consent (see [REP8-074] para. 22) are also not justified. This is because, even if SABIC's submissions regarding the impact of a break in 'the circuit' are taken at their highest ([REP8-073] paras. 4.3 and 4.5), there is no logical link between these alleged risks and the actual substance of the additional restrictions which SABIC is proposing (see Section 4B below).
  - 4.1.7. The NZT DCO constitutes a highly relevant and recent precedent in terms of establishing the level of protective provisions which should be considered appropriate as far as SABIC and its apparatus are concerned. SABIC's proposed approach would be inconsistent with this recently and clearly expressed judgment of the Secretary of State, including as to SABIC's proposed restrictions on the exercise of the Order powers and the inclusion of SABIC BV an additional beneficiary.
  - 4.1.8. SABIC advanced fundamentally the same case on these issues in relation to the NZT DCO, and the Secretary of State rejected it. To depart from that position now in the absence of any material change of circumstances or technical rationale would be inconsistent and SABIC has not provided justification to suggest otherwise.
- 4.2. For these reasons, the Applicant submits that SABIC's approach to the protective provisions is unreasonable in substance. It should be rejected and the Applicant's preferred form of protective provisions recommended to the Secretary of State.

#### **5. Engagement with and by SABIC**

- 5.1. This section sets out a summary of engagement with SABIC throughout the course of the examination and the bilateral protective provisions negotiations which has prolonged a resolution.
- 5.2. The Applicant has sought to accelerate progress with SABIC on negotiation of the protective provisions, taking a number of steps to advance discussions, including:
  - 5.2.1. Meetings with SABIC as and when required over a considerable period, and then setting up regular weekly calls since 2<sup>nd</sup> December 2024 to further maximise contact time;
  - 5.2.2. Making time available outside of these calls to discuss points of clarity directly with SABIC;
  - 5.2.3. Returning the Protective Provisions promptly whilst updating SABIC on progress throughout the drafting period.
- 5.3. The Applicant disagrees with SABIC's DL8 submissions around the history of engagement with the Applicant. For example:
  - 5.3.1. Lack of engagement with the Applicant in reviewing and providing comments on the draft side agreement and protective provisions (see [REP7a-030] paras. 1.2 to 1.4) - the updated draft documents were returned to SABIC's solicitors on 30 January 2025 and no substantive comments thereon have been received. In addition, SABIC has not engaged in a timely way, including cancelling or not attending a number of the weekly meetings set up.
  - 5.3.2. SABIC has also not provided information which the Applicant has reasonably requested. For example, SABIC proposed the inclusion of various defined areas of land within the protective provisions ("Brinefields", "Wilton Complex", "North Tees Facilities", "pipeline corridor"), and that they be defined by reference to a plan.
  - 5.3.3. The Applicant confirmed that it had no objection to this and asked SABIC over the course of several months to identify where the relevant areas of land were located, whether by providing a narrative description or on a map. Whilst certain limited drawings were provided (see [REP8-075] Annex 2 para. 2.2), these did not identify the extent of all of these areas of land. Subsequent requests for clarification by the Applicant have not received a response.
  - 5.3.4. Definitions of these areas were not provided by SABIC until DL7A on 17 February 2025 and the Applicant has since swiftly arranged for a set of plans showing the extent of the relevant areas of land to be produced, and these were promptly submitted to the ExA at the next examination deadline, DL8 on 24 February 2025.
  - 5.3.5. At [REP8-075] para. 2.4.2 and annex 2 para. 1.3, SABIC refers to a costs undertaking provided by the Applicant's solicitors and alleges that a delay in the same being provided prevented progress being made on negotiating the protective provisions. This omits relevant context such as that a costs undertaking had already been provided for an agreed amount, and the Applicant was only informed on 24 January that that had been significantly exceeded. The Applicant confirmed to SABIC's solicitors that there was no in-principle objection to the uplift, and then provided the increased undertaking as soon as it was able to.