

ISH1 Pt1

0:01

Good afternoon and welcome. It is now 2:00 PM and I'm starting the first issue specific hearing for the application made by Associated British Ports for an order granting development consent for Immingham Green Energy Terminal.

0:16

I appreciate that attendees who've attended the preliminary meeting this morning have already heard some of the stuff from about to go through, but I ask that everyone bear with me because I must repeat this for the benefit of new attendees and those who are, and for the purpose of recordings.

0:34

So we will introduce ourselves in a few minutes, but just a few housekeeping matters. Can I check that everyone can hear me at the back of the room? And if anybody's virtually, this is such a difficult question to ask, if you can't hear me, raise your hand. Well, then you can't hear me.

0:52

Umm,

0:55

OK then. Can I also confirm that meeting recordings and live streams have started? Super.

1:03

OK. Thank you.

1:06

Were there any requests for reasonable adjustments or arrangements to participate in the hearing?

1:13

No. OK. Thank you.

1:19

OK, no fire alarm drills today. So if there is a fire alarm, it will be a continuous alarm. Please vacate the building and the congregation. Point is the front garden directly outside but across suite.

1:33

Toilets are to my right,

1:37

right onto introductions. I'm Miss Sahai. I have been appointed by the Secretary of State for levelling up Housing and Communities as the lead member of the Examining Authority to carry out an examination of the above application.

1:50

I'll hand over to other members of the Examining Authority, Mr. Hunter.

1:55

Good afternoon. I'm Mr. Hunter, and I've also been appointed by the Secretary of State as a member of the Examining Authority.

2:02

Good,

2:05

Good afternoon. I'm Miss Metcalfe. I have also been appointed by the Secretary of State as a member of this examining authority.

2:15

Good afternoon. I'm Mr Paige, and I've also been appointed by the Secretary of State as a member of this examining authority. I'll now hand over to Mr Sheikh. Good afternoon. I'm Mr Sheikh. I've also been appointed by the Secretary of State as a member of this examining authority. I'll now hand over to Mr I

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also present today members of the case team. Case Manager is Mr Carl Jonas Johansson and Mr Johansson is supported by Miss Gina Shoreland.

2:44

If you have any questions or concerns about today's proceedings, please contact a member of the Case Team.

2:51

The audiovisual and Internet service today is provided by a team led by Mr Michael Young.

2:57

So that's the team on our end. We'll turn to attendees.

3:02

First, I just want to acknowledge and welcome those who are watching the live stream. Welcome and thank you very much for joining us.

3:10

I'll start with introductions from attendees. UM,

3:14

when I read out the name of your team, if you can just introduce members of your team who are present either in person or virtually.

3:24

My running order today will be the applicant NE Lincolnshire Council

3:32

Anglian Water

3:35

IT Operators

3:38

and I believe CLD and ports and PD Ports are not in attendance. No. If they if they come in then inform us and we'll take introductions then. OK. So if we can start with introductions from the applicant, please. Good afternoon, Madam. I appear on behalf of the applicant. My name is Hereward Phillpot Kings Council. I'm instructed jointly by Bryan Cave, Leighton Paisner on behalf of the applicant Associated British Ports and Charles Russell Speechley's ON

4:10

half of our products

4:13

this afternoon. There'll be various other people who'd be speaking on behalf of the applicant today. You you have their names in the response to the Rule 6 letter, which is PDA 001 on page four at paragraph one, point 2.3.

4:31

Before when we start our presentation this afternoon, I will introduce them again and explain what it is they'll be dealing with. But just to reassure you, in the post hearing notes that we submit at deadline one, we will provide written confirmation of the names, qualifications and professional expertise of each of the speakers you'll hear from.

4:57

Thank you. Mr Philpott,

5:00

are you introducing anybody else right now or do you? I'd prefer to do that, if I may, when I explain the nature and the format and the running order of the presentation, and then I'll be able to identify who's who and what they're speaking to,

5:15

that's acceptable to us. So then we'll move on to NE Lincolnshire Council.

5:21

Good afternoon. Richard Lima, senior planner for NE Lincolnshire Council

5:28

Anglian Water.

5:32

I don't don't Sweetland. Uh special planning manager for Anglian Water.

5:41

Thank you, Mr Sweetland. IT operators.

5:46

Good afternoon to the panel. My name is Alex Minhinnick, I'm a solicitor. I'm a partner at Burges Salmon and I'm representing the IT operators who are together Associated Petroleum Terminals, Eminem and Humble Oil Terminals Trustee Limited. I'm joined in the hearings today by a number of members of APT Associated Petroleum Terminals and I will just introduce them very briefly by name

6:17

if I may, at this stage, rather than, UH turning to each of them in turn. Um, they are Matt Burnley, who is the terminal manager.

6:26

Uh, Ollie Smith, who is the Marine Superintendent

6:32

And then finally Stephen Knott who is the operations controller.

6:38

And finally, before I turn off my camera, just a quick note, I don't know if this is the intended approach, but the cameras in the hearing are only showing us the panel at the moment. They're not turning to face the applicant when the applicant is talking. So I don't know if that's a technical issue that needs to be looked at. Thank you

6:57

for the purpose of the teams meeting Mr Minhinnick. It's actually that is the arrangement uh. However, during the recording it the camera is recording the person speaking. So if you were to look back at the recording, the camera is mobile, but for the teams meeting it is just facing us.

7:24

Wonderful. Thank you for clarifying that. OK.

7:28

All right.

7:31

So I think based on the number of people that I've got on my list, that's the end of attendees. Unless there's anybody else who wishes to introduce themselves,

7:44

OK, I don't see any hands on the teams meeting or in the room.

7:49

So I can move on to agenda item 2, which is the procedure for running the issue specific hearing today.

8:00

First, a few words to just acknowledge the format of the event. This is a blended event. It allows attendance both in person and virtually through Microsoft Teams. It's expected that both blended and fully virtual events will form part of the Planning Inspectorate's future operating model.

8:17

The examining authority is attending this meeting from Stallingborough near Grimsby, as are several other attendees. For those attending virtually, please be rest assured that you have our full attendance at all times, even if we are at times not looking at the camera. To avoid visual and noise distractions, please keep your cameras and microphones off unless we invite you to speak the proposed timings of the day. We will take a 15 minute break at approximately 3:30 PM with an aim to finish around 5:00

8:48

30 PM, but we will keep this under review. If the applicant indicates that they may not go on much longer than the three than 3:30 PM with their presentation, then we might ask our questions soon afterwards and and finish the meeting without a break. But we we'll just we'll keep that under review.

9:10

9:12

For virtual attendees, if you do decide to leave the meeting during a break. If you decide to have a break, then you can rejoin using the same link provided in your invitation e-mail.

9:23

And if you're watching the live stream, then please refresh your browser to resume each subsequent session.

9:30

Secondly, I'd like to make you aware that this event is both being live streamed and recorded. Digital recording that we make are retained and published and form a public record that can contain your personal information and to which the General Data Protection Regulation applies. The planning inspectors practise is to retain and publish recordings for a period of five years from the Secretary of State's decision on the Development Consent Order application. Consequently, if you participate in today's issue specific hearing, it is important that you understand that you will be recorded

10:02

and you therefore consent to the retention and publication of the digital recording. It's very unlikely that the examining authority will ask you to put sensitive personal information into the public domain. Indeed, we would encourage you not to do so. However, if for some reason you feel that it is necessary for you to refer to sensitive personal information, we would encourage you to speak to the case team in the first instance. We would then explore with you whether the information could be provided in written format, which may then be redacted before publication.

10:36

The Third Point is about the substantive matter of today's issue specific hearing itself, which is titled Strategic Overview of the Proposed Development.

10:45

An agenda for this hearing was published on the Planning Inspectors National Infrastructure Project web page on Friday the 9th of February 2024. Those are the only matters for discussion today.

10:59

To be clear, it's not intended to discuss all matters relating to the overview of the proposed developments today. Some matters will be pursued through rounds of written questions or at future hearings.

11:14

4th and final point is regarding post hearing actions should they arise during this hearing.

11:20

Miss Metcalf is noting hearing actions as they emerge

11:26

at the at the close of the meeting.

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We intend to go through the entire list of hearing actions which will then be issued as soon as practicable. However, on this occasion, given the responses to the first written questions are also expected at deadline one, it's likely that the examining authority will place many of the post hearing actions in questions to avoid duplication.

11:51

The assumption is that the Post Hearing actions alongside responses to written questions will be expected at the next deadline, in this case deadline one,

12:01

acknowledging any resourcing constraints on your end. If you feel that meeting that deadline will be difficult for you, please raise it at the hearing itself so that we can, if possible, accommodate that in the deadline set out in the Post Hearing Action list.

12:20

Does anybody have any questions?

12:25

Nodding heads. So that's good. Um,

12:29

OK. I will now turn to agenda item 3.

12:34

As the agenda has already been published, I don't intend to read what's written in the agenda, but I will just give a brief overview of what we're expecting

12:45

for this item. The Examining Authority has requested the applicant to deliver a presentation that provides an overview of the proposed development.

12:56

In the presentation, we've requested the applicant to cover a description of all components of the proposed development

13:05

and to describe the process from start to finish, explaining the green credentials at each stage.

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This is of course focused on the proposed users that the applicant knows are coming forward.

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We have also asked the applicant to provide a forecast of other users

13:26

and Jetty related activities that could be expected to be accommodated to fully use the port capacity.

13:36

We've provided some guidance on what the presentation might include, which I as I said, I don't intend to read out now, but these are agenda items 3/1 to 3/7.

13:50

The applicant is expected to cover these aspects of the proposed development as anything else

13:57

and anything else that you feel is relevant.

14:01

14:03

Our understanding is that the applicant's presentation consists of visual aids

14:08

and this will be in the examination library as soon as possible.

14:14

Now we do want to acknowledge the submission of the unmanned aerial vehicle video, which is PDA-011 in the examination library.

14:25

Thank you for the applicant for that submission.

14:28

Alongside the examining authorities USI, which is EV1-001, this footage has helped greatly in understanding the site for the proposed development. So the applicant in your presentation, you can assume that the examining authority has that understanding and you don't have to repeat go over that material again.

14:52

Now the Examining Authority may interject with questions during your presentation or we may take away our questions to process it and ask at appropriate points during the

15:04

issue specific hearings over the next couple of days.

15:08

However, for the IP's, may I please request that you write your questions and direct them to us, the Examining Authority, when we invite you to do so.

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I expect to invite questions from I I P

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on two occasions shortly before the break and then for a second time when the applicant completes their presentation.

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If that's clear to the applicant and all the other people in attendance,

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I don't see any hands raised with questions, so I will hand over to Mr Philpott.

15:47

Thank you, Madam. Yes, Mr Philpott Casey, on behalf of the applicant. So we have a set of slides, Miss Hannah Whiting from my instructing solicitor, Bryan Cave. Leighton Paisner will be in charge of the slides. So you'll have to forgive me if I ask every now and again to move them on. If we can go please, to the first of the slides,

16:15

what you have here is that the structure of the presentation and I want to take this opportunity both to explain the various parts and how they fit together and also to introduce to you those who will speak to each element. So as you'll see, first, there are some introductory comments which I will deliver once I've got to the end of this slide. After that, you'll hear from Mr Philip Rowell of Adam's Hendry on the issue of need by reference to The National

16:47

a policy statement for ports and the material provided with the application. And Mr Raul has sat here three seats to my right. And so that's Mr Rahul. After that, and in the context of what he says, you'll

have a statement by Associated British Ports that will be provided by Mr Simon Bird, who's immediately to my right at the applicants Regional Director for the Humber.

17:14

Mr Bird will provide an overview of ABP's experience and expertise in managing the development of port infrastructure in response to changing market demand and why it's decided to seek consent for this development.

17:29

After that you will have a statement from Miss Caroline Stancil, who's sat immediately. So Mr Bird's right and Miss Stancill's Air Products Executive Director, Hydrogen for Mobility at Europe and Africa. And she'll be providing an overview of Air Products experience and expertise in developing infrastructure to produce hydrogen and why it decided that this was an appropriate location to develop the proposed processing facility.

18:00

And after that, I will address you on the components of the NSIP and Nationally Significant Infrastructure Project and the application of Section 24 of the Planning Act 2008 in that context. And I will also address the components of the associated development and why they're appropriately considered to be associated development by reference to the Act and the guidance.

18:28

18:30

With you'll then hear 2 presentations from Mr Adam Varley. Now Mr Adam Varley is sat Mr Rowley's right and he is the applicant's project Development Manager.

18:46

He'll first, in the light of the explanation that I've provided about the NSIP and the associated development, provides a comparison with other liquid, bulk and port developments to illustrate some of those points. And he'll then talk through the operation of the NSIP part of the development.

19:10

After he's finished, you'll hear a presentation from Mr Tyman Robson who sat to Mr Varley's right. He's Air Products Product Project Director and he will talk through the operation of the Air Products facility, including the other elements of the supply chain

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for the import of ammonia and onward distribution of the green hydrogen and their green credentials.

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We will then have another presentation from Mr Philip Rowell. He'll deal with the forecasts above the users and jetty related activity. And then finally you'll hear from Mr. Allen Lewis of ACOM who sat to Mr Whiting's right. He's the projects environmental impact assessment lead. He'll deal with the construction programme. So that is, that's the structure.

20:11

I hope by the end of it, it will have covered the ground you had in mind, but at least you'll get our take on those matters.

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So without any further ado, if we go on to the next slide,

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you'll see that for these next four elements, there's no visual material I'm afraid This is just us speaking. But of course you'll get the, the, the, a note of this in due course. So starting with my introductory comments and in a moment, as I said, I'm going to ask Mr Rahul to to explain the approach to need that is set by the ports MPs and how that applies to the proposed development. Here

20:54

he will explain that the MPs that has effect in this case for the purposes of Section 104, is the ports MPs and that that establishes the need for substantial additional port capacity, including the type of capacity that would be created by the proposed development such that it is not necessary for the applicant itself to demonstrate need.

21:18

That reflects the approach that we've summarised in the planning statement, which is a P P226 at page 40, paragraph 512 in particular, and set out in more detail in Section 5 of that document. It's also reflected in what's said in Chapter three of the Environmental Statement, AP045, and indeed in other similar documents. But that is the intended role

21:48

of the National policy statement under the Planning Act. And in that context, it's perhaps helpful to remind ourselves that the Supreme Court has drawn attention to what was said in the 2007 white paper, Planning for a Sustainable Future. As to the mischiefs that the Planning Act was intended to address and how that translated into the Act itself. And the Supreme Court case I'm referring to is the Heathrow challenge will provide a

22:20

copy of this with the notes. But it's our on the application of Friends of the Earth versus Secretary of State for Transport, 2021 PTS. R 190 at pages 198 to 199. But what they highlighted, and as the White Paper explained, a key problem with the previous system, was that the national policy, and in particular the national need for infrastructure, was not, in all

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cases, clearly set out.

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The need for the infrastructure therefore had to be established through the inquiry process for each individual application,

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and the advent of the Planning Act 2008 and the role that it gave to national policy statements, was intended to address that mischief. And it has.

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And the courts have also been rigorous in policing efforts by some to use the Examining Examination process to question the merits of policy or or suggest that it's not up to date in order to try and circumvent that central feature of the system that's established by the Planning Act. So Mr Rao will therefore draw on what's said about need in the ports MPs and so far as relevant also the new overarching energy MPs, which is rightly acknowledged and treated

23:43

by the applicant as being an important and relevant document for the purposes of this application and he'll explain how it applies here.

23:52

He'll also draw attention to the fact the applicant has nevertheless gone further and, in the application material, has demonstrated a specific need for the proposed development here.

24:04

So once you've heard from him, you'll then hear from Mr Bird and from Miss Stansel about the commercial decisions that have led to the application being made. And their explanation of those matters needs to be understood against the background of what the National Policy Statement for Ports says about those issues. And in the National Policy Statement of paragraphs 331 and 332, the government describes as a fundamental policy

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that it seeks to allow judgments about when and where new developments might be proposed to be made on the basis of commercial factors by the port industry or port developers operating with the free market within the free market environment. And that said by the government to reflect the fact that the ports industry has proved itself capable of responding to demand in that way. And that policy approach is further developed in paragraph 3412, where the

25:07

MPs provides as follows. Port development must be responsive to changing commercial demands and the government considers that the market is the best mechanism for getting this right, with developers bringing forward applications for port developments where they consider them to be commercially viable and hence you'll hear from those who made those decisions.

25:31

But it's very clear that the national policy statement does not envisage the government itself or the Secretary of State, him or herself, deciding which commercial demands should be responded to. That's the job of the market. So against those introductory comments, I'm now going to ask Mr Raul to deal with the position on need.

25:58

Good afternoon, panel and good afternoon everybody.

26:02

As Mr Philpott said, my name is Philip Raul. I'm a a chartered Town Planner in the firm of Adams Henry Consulting Limited.

26:11

I have the privilege of appearing before you today to set out the case of the Applicant Associated British Ports on the need for the proposed development in light of the content of the National Ports Policy.

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At the outset I thought it might be quite helpful to start with some basic points and I'll try not to go over ground, which Mr Philpott has already covered, but try to set the scene for understanding the need for the proposed development. As we're all aware, the proposed development is a nationally significant infrastructure project for which the National Policy Statement for Port has effect.

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As such, section 104 three of the 2008 Act requires the Secretary of State for Transport to decide this application in accordance with that policy, except in a limited number of specified circumstances set out in the subsequent parts of section One O 4. At this point I would just highlight that through its application documentation

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the applicant has clearly demonstrated that the proposed development accords with the National Ports Policy and that none of the exceptions subsequently set out within section 104 of the Act apply

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in respect of the National Ports Policy. And, and I apologise that this might be going over ground covered by Mr Philpot, but it's quite an important point to make, is that a final contextual point is that no party is entitled to challenge what the policy says through this examination. Such a challenge to policy is only possible during the process of the policy being designated or reviewed.

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Whilst it is the case in this instance that the government has announced a review of national ports policy, it remains, or the 2012 policy remains at this time, extant national policy against which harbour facilities end. Tips are to be considered

28:09

and, before summarising the position on need within the ports policy, it's important to record at the outset and important principle in terms of that policy.

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And again, apologies that this is a a repeat, but that principle is that under the ports policy itself, there is actually no requirement for the applicant to demonstrate a need for the proposed development,

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even though it has done so.

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This is because an urgent and compelling need is already established in the policy statement which has been approved by Parliament.

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So, having set that introductory context, I'll now seek to explain that position in some further detail by reference to chapter three of the Ports policy. That chapter being the section of the policy which deals with need matters.

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As I will explain, chapter 3 demonstrates that there is a competing need for substantial additional port capacity. And in reaching this conclusion, the government in the policy statement has identified a number of matters which I will now seek to summarise.

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So the first matter is that the policy identifies that shipping will continue to provide the only effective way to move the vast majority of freight and bulk commodities in and out of the UK. And the provision of sufficient seaport capacity will remain an essential element in ensuring sustainable growth in the UK.

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And I'm setting out there what's set out in paragraph 3.1 dot four of the ports policy.

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The second matter is that the policy identifies that

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a ports have a vital role in the import and export of energy supplies, B that port handling needs for energy can be expected to change as the mix of energy supplies change,

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And see that ensuring security of energy supplies through ports is an important consideration, with ports needing to be responsive to changes.

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And that's a I'm setting out there what's set out in paragraph 315 of the ports policy.

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The next matter is that as part of what is described in the statement as its fundamental policy or sorry as fundamental policy,

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it is made clear that the government seek to encourage sustainable port development to cater for long term forecast growth in volumes of imports and exports by sea with a competitive and efficient ports industry capable of meeting the needs of importers and exporters cost effectively and in a timely manner.

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And again there I'm summarising what set out in the ports policy paragraph 331, bullet .1. And I just add that of course all of these references will will make sure they're in the in the in the written summary at the end. So apologies if I go a bit too quickly on the references.

31:05

A further important point or a further important part of the fundamental policy which the port policy identifies

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there is the government makes it clear that it allows judgments about when and where Newport developments are proposed to be made on the basis of commercial factors by the ports industry operating within a free market environment. And again, that's ports Policy 331, bullet 2.

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This policy reflects the fact that the ports industry has proved itself capable of responding to demand in this way. That's ports Policy 332.

31:43

And also that the ports industry and ports developers are best placed to assess their ability to obtain new business and the level of any new capacity that will be commercially viable. Subject to those of subject of course, to those developers satisfying decision makers that the likely impact of developments have been assessed and addressed. And that's a summary of paragraphs 3/4/12 and 3/4/13

32:09

the statement.

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This approach is important to then understand how the government's policy on need matters is to be implied in practise. Namely, that it's not for government or any other body or decision maker to undertake a predict and provide exercise in respect of the provision of capacity, but rather it is for the market to bring forward proposals it considers to be commercially viable, with such a consideration clearly relating to matters which go beyond more than just demand and forecast considerations.

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And in this respect, the ports policy makes it clear that the government's own assessment of the total need for infrastructure depends not only on the overall demand for port capacity, but also on three other matters,

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namely the need to retain the flexibility that ensures that poor capacity is located where it is required, on the need to ensure effective competition in port operations, and on the need to ensure effective resilience in port operations. And that's a summary of effectively what's set out in paragraph 341 of the ports policy.

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So if we take those matters, those elements, that of the government assessment of need in turn. So the first element, what I call the demand element,

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the government's assessment of this element is partly based upon its own forecast of demand for port capacity.

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At the time the policy statement was designated in 2012, the government anticipated that there might be updated forecast, but it did not expect any updates to result in any change in the policy. That that policy being that it is for each port to take its own commercial view and its own risks on its particular traffic forecasts. And again, that's a summary of 346 and 347 at the ports policy. And I would just add that the latest national forecasts which were from 2019

34:04

confirm that prescient approach. They confirm that this aspect of the need and they resulted in no revision to the policy.

34:14

Furthermore, in respect of this point, the government's assessment of the capacity needed to provide for the competition, innovation, flexibility and resilience elements of the total need of new infrastructure which it identifies is such that capacity can be delivered by the market and is likely to exceed that which might be implied by a simple aggregation of demand nationally. So it might actually be more than what the forecast predict. And that's MPs Paragraph 349,

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the second element of the government's assessment of the total need,

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which relates to capacity being in the right location.

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The government's assessment of this element highlights the capacity needs to be provided, to be provided at a wide range of facilities and locations to provide the flexibility to match the changing demands of the market. And again, that's poor

35:09

port policy. Paragraph 3, Port 11.

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It's further explained in this regard that forecasts do not attempt to predict locations where demand would manifest and the government does not wish to dictate where port development should occur.

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Port development must be responsive to changing commercial demands, and the government considers that the market is the best mechanism for getting this right with developers, as I've already explained, bringing forward applications for for port development where they consider them to be commercially viable. And again, that's three 412 of the ports statement,

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the third element of the government's assessment of the total need, which is the competition element. In respect of this element, the policy makes it clear that competition is a good thing and it is to be encouraged as it drives efficiency and lowest cost for industry and consumers, so contributing to the competitiveness of the UK economy.

36:09

Effective competition is identified as requiring sufficient spare capacity

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to ensure real choices for port users

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and also it recognises that this requires ports to operate at efficient levels rather than operate at full capacity.

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The policy also specifically notes that the total port capacity in any sector will need to exceed forecast overall demand if the port sector is to remain competitive.

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Again, has already indicated the government believes that the ports industry and the port developers are best placed to assess their ability to attain new business

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and determine what will be commercially viable. Again subject to developer satisfying decision makers that the likely impacts of development have been assessed and addressed. And again, that's a further reference to 3/4/13 of the ports policy,

37:03

the 4th element of the government's assessment, namely the resilience element. In respect of this element, it's highlighted that spare capacity also helps to assure the resilience of the national infrastructure where port capacity is needed at a variety of locations and covering a range of cargo and handling facilities. The government believes that resilience is provided most effectively as a byproduct of a competitive ports industry,

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and that's ports Policy paragraph 3415.

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So having undertaken that analysis,

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the analysis which I've just summarised and having regard to the various conclusions the government itself reaches in respect of the various elements of need, paragraph 3416 of the ports policy then sets out the overall conclusion of the government's assessment of the need for Newport infrastructure.

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And and and if you, if you will allow me, I will just quote that to you.

38:01

The government believes that there is a compelling need for substantial additional port capacity over the next 20 to 30 years to be met by a combination of development, already consented and development for which applications have yet to be received.

38:17

Excluding the possibility of providing additional capacity for the movement of goods and commodities through Newport, Development would be to accept limits on economic growth and on the price choice and availability of goods imported into the UK and available to consumers.

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It would also limit the local and regional economic benefits that new developments might bring.

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Such an outcome would be strongly against the public interest. And that's the end of the quote.

38:47

So the government's clear identification of the need for Newport infrastructure, which is set out in Section 3.4 of the Ports Policy, then leads to the very clear guidance in Section 3.5 of the policy

39:01

that when determining an application for a Development Consent Order in relation to ports, the decision maker should accept the need for future capacity for various matters, matters which clearly need to be read and understood in light of the preceding explanation of the government's assessment of the need for Newport infrastructure.

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In summary, paragraph 351 of the Ports Policy says future capacity is needed to cater for long term forecast growth indicated by the forecast figures with demand likely to rise,

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support the development of offshore sources of renewable energy,

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offer a sufficiently wide range of facilities at a variety of locations to match existing and expected trade ship call and inland distribution patterns and to facilitate and encourage coastal shipping,

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ensure effective competition amongst ports and provide resilience in the national infrastructure and finally to take full account of both the potential contribution port development might make to regional and local economies.

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The applicants proposed development provides capacity which will address various of the matters which I've just summarised from paragraph 351 of the Ports Policy,

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again only by way of a summary

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.1. Having taken its own commercial judgement, the applicant ABP, in conjunction with its first customer a product, has determined that there is sufficient demand from the energy sector for this development at the port of Immingham. The proposed development will provide capacity to cater for the expected growth in the import and exports of those liquid bulk products envisaged to be handled at the facility.

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And in this regard, I would just highlight that in addition to the commercial view being taken by the applicant

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within the latest national demand forecast, which again were mentioned earlier, produced in 2019 and they superseded the previous forecasts that were referred to in the ports policy, the 2012 ports policy.

41:11

The forecast is for a significant growth in liquidised gas products in the period to 2050. The headline figure for this cargo category is that there will be a growth of 68.2% between 2016 and 2050.

41:27

The second point I want to raise is that the proposed development will provide appropriate facilities at an appropriate location on the Humber to match existing and expected trade ship call and inland distribution patterns.

41:41

The proposed development also has the potential to be used for coastal coastal shipping purposes and further explanation of these points is provided in the planning statement and in the note. I'll make sure that we we put the correct paragraph references of the planning statement in for you rather than give you those now.

41:59

Third Point is the proposed development will contribute to effective competition amongst ports and provide resilience in the national infrastructure. And again, further explanation of those points are provided in the planning statement and will provide you the references.

42:14

And the fourth point is that the proposed development will make a significant contribution to the regional and local economy, again the position which is summarised in the planning statement.

42:27

So, given the level and the urgency of the need for such infrastructure that summarised in paragraph 351 of the ports policy, the policy itself then makes it clear that the decision maker should start with a

presumption in favour of granting consent for applications for port developments, with that presumption applying only unless any more specified and relevant policies set out in the ports policy or any other national policy statement clearly indicate that consent should be refused. And that's a summary of 3/5

42:58

two of the ports policy and in there, in that respect I would just emphasise the use of the word clearly,

43:05

as this indicates that

43:08

to disapply that it requires something meaningful or of assistance. The word is clearly in order to disapply that presumption

43:15

and for the avoidance of any doubt, there are no disapplication factors of relevance to this proposed development.

43:23

So from all of what I've just set out,

43:26

it's clear that it is already national government policy, again, which I emphasise no parties entitled to challenge in this examination, that there is an urgent and compelling need for the proposed development, for all the reasons identified in the National Ports Policy and which I have just summarised.

43:46

Having said all that, however,

43:48

the applicant, even though it does not need to do so, has produced further separate evidence of the urgent and compelling need for the proposed development at this location within the Humber estuary.

44:00

This separate identification of need relates to matters of energy security

44:05

ND carbonisation and the wider decarbonisation of the of the economy and society as a whole, and is in summary based upon three matters which, if you will allow me, I will just briefly explain in turn.

44:20

So matter one of the applicants separate identification of need is the need to achieve energy security through our diversity of technologies. Miss Mr Rowe, you're about to go into a slightly separate

direction. I I already have a few questions set out. If you don't mind, I'll just interject in there and then. That's fine, yeah,

44:41

and bear with me. I've been noting these down alongside my notes, so it'll take me a few minutes to articulate this.

44:48

So the first thing to say is that you've both yourself and Mr Philpott, you've very clearly made a distinction between the established need in the NPS and market demand. And we had, we had arrived at a similar distinction

45:04

and and I think our interest is

45:10

need is established, there is presumption in favour of development. It is that evidence of market demand which we want an overarching view of,

45:20

which you have, which you have explained, you know very clearly the policy analysis of it. We're looking for the evidence to demonstrate that for this specific procedure, proposed development.

45:34

Now you've mentioned two or three things. One is that the forecast was updated in 2019.

45:42

I'm just gonna highlight that as a hearing action. You may or may not want to go into it today, but if you can submit that into examination that will be very helpful.

45:53

The second point and relating to this 2019 forecast is

46:02

you have said that this forecast supersedes the forecast that informed the 2012 publication of policy. Am I quoting you correctly And it's it's supersedes the forecast which is specifically referred to in the 2012 policy. I think the forecast that we refer to were from around about 2009. Sorry, it's Phillip Brown on behalf of the applicant.

46:30

We're kind of that's a slightly tricky situation because the policy does not allow you to take a new forecast and assume a change in policy necessarily.

46:42

So

46:44

what would be really helpful is if you could explain either now or in your note

46:51

how this 2019 superseded forecast what

46:56

how you have, how you have treated that in terms of

47:02

the policy position that that you're responding to.

47:07

May I just jump in at this point because I I'm interested to understand and and if I may seek to clarify the starting point you. You have

47:20

identified the distinction between need which is established and market demand. And before we take this away in order to address it,

47:32

our position is that need, which absent policy starting absent a policy that establishes need, is a question of demand combined with it being in the public interest to meet the demand that creates a need,

47:50

need is established. OK? It is not for the applicant to demonstrate that there is a market demand that that's their commercial judgement. We have as it

48:01

turns out,

48:02

got the evidence of the market demand because the market demand is sitting right here. So we're in a beneficial position. We don't have to have that. We could just bring forward the Jetty without any any customer,

48:14

but I would just want to make sure I've understood the panels approach to this because it's something we'll obviously address in response to written questions. But because we say that need is established and it appears that that is also reflects the understanding of the panel

48:31

beyond that market demand doesn't have an obvious role to play in the decision making unless it goes to effects in some way. And we'll talk about the question of capacity in due course. And so when one looks at the forecasts,

48:48

the forecasts are informed of the policy. But in the policy of the government made clear that it didn't anticipate that future changes in the forecast would change the policy. And the point that Mister Rao was making is while there were updates to the demand, they haven't led to a change in the policy. It just so happens that what those forecasts show reflects the judgments that are made by the applicant in this case about the commercial good sense of bringing forward this proposal. We're not

49:19

seeking to suggest that the policy is out of date. Quite the reverse, yeah. Yeah, the policy establishes the need

49:26

and the forecast. The government said when it put the policy out. If they change, it's unlikely it would change the policy, which makes sense if the policy isn't hinged on demonstrating that you meet something which the government has predicted. Hence the At the outset I wanted to explain that and Mr Rahul has explained the policy is not predict and provide. You don't have to demonstrate that you fall within the prediction of need because need is established. And so if it's thought that beyond that evidence of market demand

49:58

as some separate role in the in, in the decision making, we would like to understand why that is thought to be the case so that we can address it. So that's very helpful. Mr Philpot, I'm glad you actually brought it up. I think So just to clarify.

50:19

Ohh.

50:21

50:25

Sorry, I've lost my train of thought. Yes. So

50:29

I don't think there's any disagreement there.

50:34

I think what you've just said if I could summarise is that need is established market demand and forecast has informed your application so to speak your proposed development and it does not necessarily play a part in determining decision making and so on.

50:52

Yes, the just to distinguish the my clients judgments about the commerciality, the commercial viability, the likely future demand will be explained in in due course. Yeah. The forecast to which Mr Raul was referring, those are the government's forecast of overall need That the, the simple point as I understood it that he was making is that they reflect the government's anticipation that the level of commercial demand for this particular type of

51:24

product being imported is consistent with the view of my client is taking. It's not that my client has based its commercial decision on the government's forecast, understood, because as the policy acknowledges and we'll explain in due course, my clients are best placed to make those those judgments understood. OK. So that's helpful.

51:44

Regardless if we can,

51:46

if we can just have those forecasts in examination, that would be enormously helpful.

51:53

Were you going to say something, We're just going to sort of highlight a a paragraph of the MPs that might help you in your consideration here, it's it's paragraph 347 which explains effectively the purpose of the national forecast. If I just read that out, the purpose of the national forecast will, unless it unless expressly stated otherwise as part of a review of any of the MPs Remainers, only to help set the context of overall national capacity need alongside competition and resilience.

52:23

Considerations are set out below, which I think effectively supports the position which Mr Philpott just just giving you.

52:34

Thank you. That's helpful.

52:37

Now, Um

52:39

Pasty,

52:45

one of the questions that I was going to put to you, but I think you've partially answered it as well.

52:52

ABP is the applicant. Air Products is your first customer

52:58

and I suppose the question that I was gonna ask you is that

53:04

has at what role has that played in your demonstration of need and so on and so forth. But I think you've briefly touched on it already and you're going to touch on it later. So,

53:14

so let let's not dwell on that, but perhaps that's something that

53:21

I believe Mr Rao's gonna touch on when you go into agenda item 36. OK.

53:27

OK. And then there was a another point, which is an action,

53:36

and that was,

53:39

bear with me,

53:48

the Heathrow challenge. And you said that there were some relevant points that you were gonna pull up there. So let's just get a note on that.

53:59

There was an explanation that you gave for paragraph 3, point 4.9. I don't want you to go through that again, but perhaps that can be clearer

54:09

in your post hearing. Note that's not necessarily an action, but just something for you to note.

54:18

Any other questions before Mr Raul moves on to the energy security? Yeah,

54:25

sorry, if I can, if I can just add, I can like, sorry if I can read my scribbles. So just just bear with me.

54:31

It what you helpfully set out was that a PB of have identified that the sufficient demand for our products, OK, there's sufficient market for the product, OK. And that you've identified an appropriate location. And that being the Humber you then went on to say, but can also be used for commercial for other commercial shipping purposes. And I just wanted to clarify what you meant by other commercial shipping processes.

54:57

And if understood you right, I I think this this is probably the matter that will be picked up when we come onto the capacity point and and and if I may I I don't not avoiding the question because we will tackle it head on, but I think it's best to provide it as part of that explanation if we may Happy. Yeah, that's fine. Thank you. Yeah.

55:22

Back to you, Mr Roll. Thank you. Could could I just clarify on that question? Was that, was it the reference to coastal shipping or was it a reference to commercial shipping,

55:34

Commercial shipping? He said so, yes. So it's just, it's just a clarification really of what that is. Yeah. Thanks.

55:47

I'll I'll continue miss Mr Raul on behalf of the applicant. So again I'm I'm running through the the the applicant separate identification of need and I'll try and deal this with with this quite shortly. So even though it does so, even though it does not need to do so because of the position that set out in the ports policy, the applicant has separately identified an urgent and compelling need. And there are three matters that that sort of feed into that the matter. One is the

56:15

need to achieve energy security through a diversity of technologies, fuels and supply routes.

56:21

As we're all aware, the UK is vulnerable to International Energy prices and is currently dependent upon imported oil and gas.

56:29

So the significance of this aspect of the need is explained in the application documents by reference to various statements of government policy statements which which again I emphasised no party is entitled to challenge and I would just give you by example one quote there from the overarching national policy statement for energy EN one. This highlights at section 2.5 the importance of having secure energy supplies. So by way of example, paragraph 251

57:00

the EN one states that given the vital role of energy to economic prosperity and social well-being, it is important that our supplies of energy remain secure, reliable and affordable.

57:13

Referencing EN1 is also made to the British Energy Security Strategy, which is said in EN1TO emphasise the importance of addressing our underlying vulnerability to International Energy prices by reducing our dependence on imported oil and gas, improving energy efficiency, remaining open minded about our onshore reserves, including shale gas, and accelerating deployment of renewables, nuclear, hydrogen, CCS and related network infrastructure. So it's so as to ensure

57:44

domestic supply of clean, affordable and secure power as we transition to net zero. And sorry, that was a quote from paragraph 256 of the of the of policy EM1. If I didn't give that at the outset,

57:58

and again further detail on that can be he's provided in the planning statement and again we'll give you the the the relevant references matter. Two of the applicants separate Identification of need is the need to scale up low carbon hydrogen production capability as an established alternative clean source of energy.

58:17

As others will be far more able to explain, hydrogen can be efficiently converted into energy for transportation and industrial uses without emissions of CO₂.

58:27

Policy documents such as EN1, the UK Hydrogen Strategy and the British Energy Security Strategy, all in various ways highlight the important role hydrogen production will play in future energy requirements. And again, we've got further evidence in the planning statement. I will give you the references in the statement.

58:47

The final matter of the applicants separate identification of need is the general urgent need for carbon capture and storage technologies to support decarbonisation and the related specific need to address the growing and changing needs of the energy sector. In respect of the decarbonisation of the Humber Industrial Cluster and the Humber Enterprise Zone,

59:09

the general urgent need for carbon capture and storage is explained in the planning statement and this highlights, amongst other things, that such infrastructure is considered by government to be fundamental to the decarbonisation of certain industries on which the country relies.

59:26

The Humber specific aspect is also detailed further in the planning statement and I won't detail that for you. Now.

59:32

The importance of tackling the decarbonisation of the Humber area is highlighted having regard to various aspects of government policy and guidance.

59:42

So, as will be clear from that very brief analysis and explanation, each element of the separate need identified by the applicant is itself both urgent and compelling.

59:53

So

59:55

drawing all of these various strands together into some overall conclusions. So five overall conclusions.

1:00:02

First, the applicant Associated British Ports, the owner and operator of the Port of Immingham and of various very obvious example of the ports industry, along with its first customer, Air Products, has made a judgement operating in a free market environment to bring forward the proposed development at this time in the form being applied for in the location proposed as a result of commercial factors it considers relevant to to make such a judgement.

1:00:30

This is entirely how the National Ports Policy envisages individual port infrastructure projects coming forward to create the capacity the Government identifies as being needed.

1:00:43

2nd Conclusion The need for the proposed development is already established by the relevant national ports spot and then by the relevant national policy that has effect, the National Policy Statement reports.

1:00:56

That need is clear, compelling and urgent, and as it is established by settled government policy cannot be questioned through this examination process.

1:01:07

Conclusion 3.

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The need, as established in the National Ports Policy is 1, which the decision maker has to accept, and is also of such a level and urgency that the decision maker is instructed to start with the presumption in favour of granting consent to the application for the proposed development.

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4th That presumption in favour can only be disappled in very limited circumstances, none of which, as the applicant wider evidence demonstrates, are relevant to the proposed development.

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5th And finally, although there is no need for it to do so in light of the clear position set out in the National Ports Policy,

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the applicant has separately demonstrated a need for the proposed development.

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That separate demonstration of need relates to urgent and compelling matters of energy security, energy decarbonisation and the broader decarbonisation of the wider economy and society.

1:02:02

That's

1:02:05

just on the point about your second conclusion. Need is established and so can never be challenged. Has there ever been a challenge to that case of need

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in your knowledge?

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Can I just clarify? Are you referring to an overall challenge to the policy position set out in the ports policy? Yeah. Has there ever been a challenge to the need that's been established in the NPS policy

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with regard to any application that's come forward? And as far as I'm aware there's been no challenge in terms of a challenge or review to the ports policy as it's set out. But I am aware that

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how are have been instances where other parties in terms of port development applications may have been challenging the need

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for the project and that

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and inevitably goes to whether people are challenging what the policy says or not. But in my experience,

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the answer to that query and the answer to that question goes back to, well, actually this is what the policy says, the policy is established and therefore it can't be challenged in that process. So yes, I have experience of people trying to challenge the need,

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but the answer, the answer which you go back to is always yes. But that's you cannot do that within the process of an examination or the process of considering a specific port development because the ports policies established and therefore it can't be challenged through that process. OK. I'm not going to come back with a question because I do need to process that response and then we'll probably ask it again at some point. But I'm assuming this very specific case of these five conclusions that you've just drawn, Miss Bird, you're going to cover that when you

1:03:57

more specifically into

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this proposed development and the information that you've got to support that. Well, Mr Burble, explain how ABP has reached the commercial decision. Right? It has, yeah. But but what, of course, Mr Rowell is doing is, is drawing together there a combination of matters that he's set out by reference to what's in the planning statement, some of which come from government policy. Yeah. Some of which come from wider initiatives and say, for example,

1:04:32

matters which are more geographically specific, such as government policy identifying the need for decarbonisation on the Humber. Mr Burt will touch on those but they're not necessarily the source of those is government as opposed to Mr Burr. But he can explain how they've fed into it. And just

before I turn to Mr Bird to introduce him and one of the documents which I, if I can add to the action list that we will put in as part of our post hearing notes, hopefully to help in responding.

1:05:04

Going to the question you raised about challenges to policy,

1:05:07

there is a useful decision which went through both the High Court and Court of Appeal stages and actually both judgments are helpful in this respect. This was a challenge to the government decision to approve the Drax gas fired power stations. It's the client one of the client earth challenges and that's an example of where there was a challenge to where the need was established by the policy. And although it's a different policy,

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the courts explanation of the legal framework and why one couldn't challenge policy through the examination in the way that had happened in that case may be useful just in terms of setting some of the framework for this. So we'll put that in as part of our post here in suite of documents that would be helpful no doubt. But anything more specific to ports, NPS would probably be more relevant. If there is anything, I'm not aware that there's been any

1:06:10

court action in in in relation to it, but the underlying principles are based on the court's analysis of the act

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and what it means and of course that is an analysis which is suitable for all MPs. Sure, the courts analysis of what was said in the energy MPs is is of course bespoke to that document understood. But I see your point that the principle was very similar. It was about the use of forecast to potentially

1:06:41

challenged the policy position. Yes. But yeah, and and and in that case, of course the question of whether or not matters had moved on after the advent of the policy in order to allow the examining authority or interested parties to raise the question of need.

1:06:58

God, I I was, I was going to move on to the next speaker. So you have another point.

1:07:04

Great. We're happy to move on now. Thank you. So I'm now going to ask Mr Bird to contribute. Now Mr Bird, if I can just introduce him briefly, he's a member of the Executive Board of Associated British Ports and he's he's there in the role of Regional director for the Humber Ports,

1:07:26

a position which he's held since 2015. And he served as an executive Board director of three of the UK's largest port companies, Mersey Docks and Harbour Company, now Peel Ports, the Bristol Port Company, as CEO and now at Associated British Ports. And he's also served as the Deputy Chair and Chair of the UK Major Ports Group, which is the trade association of the sector

1:07:58

and was appointed as a government ports adviser. In his earlier career he served in the Royal Navy and today holds a an honorary Commission in the rank of Captain in the Royal Navy Reserve. He's also chair of the Humber Freeport Company, so I'm now going to hand over to Mr Bird to provide the applicants view.

1:08:21

Thank you and good afternoon everybody. I now intend to to read my opening statement.

1:08:27

ABP is the UK's leading port group, their network of 21 ports across the UK.

1:08:33

Our mission is keeping Britain trading

1:08:35

as a vital part of the supply chains of businesses throughout the nation are 21 ports, support 200,000 jobs and contribute £15 billion to the economy every year, handling £157 billion of trade annually.

1:08:51

ABP takes its responsibility to meet UK need for port capacity very seriously and bases its investment decisions around that approach. This is the expectation of government policy. This is carried out through redevelopment of existing port infrastructure and expansion and further development to meet change requirements of customers and the market which is continually evolving as new technologies are developed.

1:09:17

ABP also offers large areas of development land across a wide range of strategic port locations, capable of attracting investment and delivering transformational benefits for the economy both locally and nationally.

1:09:31

The port of Immingham is the UK's largest port by tonnage, handing around 46,000,000 tonnes of cargo every year. Together with ABP's other ports in the Humber at Grimsby, Hull and Google, Immingham is part of the UK's leading port complex and unparalleled gateway for trade, connecting businesses across the UK, Europe and beyond.

1:09:52

The port is a crucial part of the supply chain for sustainable electricity generation and other energy production, helping power the nation and helping to cement the Humber as the UK's energy estuary.

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Immingham occupies a key strategic port location with access to short sea European ports as well as all the key international shipping lanes.

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It is centrally located within the UK with excellent deep water access which is capable of

accommodating some of the largest ships in the world and with excellent connectivity. With congestion free high speed Rd links from the M180 to the M18 and the M1,

1:10:31

Immingham is capable of accommodating a wide range of cargoes including agribulks, ruro liquid bulks, containers and offshore wind. Immingham has adapted to the change in the nature of cargoes over time, for example. That example for example the conversion of the Humber International terminal to create a state-of-the-art terminal accommodating biomass where previously took coal. The government's energy policy means the nature of the service has changed over time and is going to have to change further.

1:10:58

We invest in the infrastructure, equipment and skills we need to handle a vast array of cargo safely, efficiently and sustainably.

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We are continuously evaluating how we get best use of our poorest state in says The existing services we are offering and the new services we need to provide to maintain competitiveness and to meet market demand.

1:11:19

Our expert teams work collaboratively to build long term partnerships and deliver the right supply chain solutions for our customers, both existing and new including value added services and brand new facilities tailored to suit their business needs.

1:11:34

This involves ABP proactively looking for opportunities to meet customer demands and on occasions responding to direct approaches from customers to delivery of services and facilities that meet their requirements.

1:11:47

This approach defines how we take sustainable business investment decisions which deliver value to our customers, our shareholders and the UK economy.

1:11:57

Increasingly, this is being driven by the requirements of net zero and the energy transition in respect of which the Humber is a key strategic partner.

1:12:07

The imminent Green Energy terminal is a new bulk liquid terminal on the Humber.

1:12:11

Our first customer of the jetty is Air Products, who will import green ammonia to convert it to green hydrogen in their hydrogen production facility.

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Our commercial judgement is that the terminal will in future handles significant volumes of CO2 for the purpose of carbon capture and storage.

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This would involve import and export of carbon for the purpose of support decarbonisation with the Humber Industrial Cluster and the Humber Enterprise Zone and elsewhere.

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ABP and Harbour Energy announced in October 2022 that they had entered into an exclusive commercial relationship to develop a CO2 import terminal at the port of Immingham that would link the Harbour Energies, Viking CCS project and the CO2 Transport and Storage Network.

1:12:58

In December 2023, Harbour Energy, ABP and the London-based recycling and waste management company Quarry Group announced that its exclusive commercial relationship to collaborate on the transport and storage of shipped CO2 emissions from Corey's energy from waste facilities be processed through the Viking CCS project.

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The jetty has been designed for those purposes and objectives. Without the provision of the green energy terminal, these objectives cannot be met on the Humber.

1:13:29

We have been working with our products around the development of the Jetty and the Air Products facility since they approached us over two years ago.

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Having made that initial decision to investigate the viability of the green Energy terminal on the basis that Air Products will be our first customer.

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After a full evaluation of the viability and deliverability of the project internally within a BP and with their products, we have made the decision to promote the project through the development consent order process. We have assigned commercial agreement, an agreement for lease with their products. This is enabled us to take the business decision to invest in the Green Energy terminal as it enables Air Products to deliver their hydrogen production facility which Caroline will expand them on. We meet later.

1:14:12

ABP and Air Products have jointly developed and adopted a number of key objectives for the project. These objectives are concerned with the provision of essential port infrastructure for the import and export of liquid bulks in the in the energy sector in a safe, efficient and sustainable manner whilst minimising effects on the environment, the hearts, both the local and regional economy. This project represents the further evolution of facilities the Port needs to provide. This investment allows the Port to maintain its strategic contribution to the Humber

1:14:43

and the UK economy and to meet the changing needs of the energy sector.

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In our judgement, the Green Energy Terminal is a valuable addition to the Port of Immingham in terms of facility and opportunity it provides. It is an investment decision we've taken alongside our partners and products

1:15:00

and his decision that we will deliver valuable port capacity and resilience supports and the energy sector consistent with government policy.

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It is one of the first steps the UK needs to take in the step change towards its future energy provision and transition to Net 0.

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Have taken any questions?

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Thank you, Mr Bird. That was actually very clear.

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And there's a few things that you've mentioned.

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You've talked about the some of the partnership arrangements that you have with respect to future uses.

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Without going into it in too much detail right now and I know that we have a number of written questions in relation to that. It will be really helpful to have that elaborated

1:15:51

In response to written questions.

1:15:56

You also said that the Jetty has been designed specifically with the need of Air Products or with your first customer.

1:16:06

I think the panel would like to understand and I again I think this will be covered later on in the in some of the agenda items

1:16:15

whether that precludes the use of the jetty by potentially other types of uses.

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So I'm just putting a star against it. If it's not answered, we'll we'll cover that later on.

1:16:29

Um,

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there is again a wider question about,

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and you've you've done this in your conclusions,

1:16:41

um, where you've drawn A slight distinction between what's important and relevant and what you're bringing forward. You're bringing forward a Portuguese, which is established by NPS ports, which is the NSIP that you're bringing forward.

1:16:56

But what's also important and relevant is the decarbonisation. But almost entirely your presentation was about

1:17:04

decarbonization and the sustainability aspects of this jetty. Um

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and and I think that's really, really helpful but what the panel would find helpful to understand is how much you're relying on that to make

1:17:21

your case for the need for this proposed development. So again if you're gonna cover that in something then don't bother answering it right now but we can just come to it. I I can if it helps on on that matter. First of all, so far as the elements that Mister Bird is focused on, that you'll see in due course, will need to be understood in the context of what Miss Stancil will say. From the Air Products perspective, of course, what Miss Dancer can't deal with, which Mr Bird

1:17:53

has dealt with, is the commercial likelihood of the CO2 import coming forward, which is what Mr Bird is able to speak to because it's his company that's involved in those. But coming back to the direct question about the extent to which we rely on those matters in relation to need, as you'll recall, Mr Raul drew the distinction

1:18:17

between

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need, which is established by government policy, and what the applicant has done above and beyond what it has to do. Umm, in relation to need to explain the need that exists for this particular facility in this location. And as part of that decarbonization is an important element both in relation to our products as you'll hear in due course and then in relation to to CO2 and indeed other matters which we will cover in the later presentations

1:18:50

when it comes to the capacity point, because that's very much one of the things that Mister Rao would be touching on. So we're, we're alive to those questions, obviously also alive to the written questions, yeah, OK. But we we'll hopefully by the end of the presentation we'll have covered at least the the, the, the, the broad sweep of it.

1:19:08

Good. No, I did think that that was the case. Yes. So I just thought that it would be good to just put some markers down so that you can you can cover them off. That was very helpful. Thank you very much. I'm just very aware of time, it's 19 minutes past three and I think your next speaker is Miss Fallows, Miss Stancil. So Caroline Stancil will be my next speaker from a product from Air Products. And and what I would suggest depending on whether you're

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comfortable with this, I I suspect that Miss Danson's statement will be able to be delivered comfortably by 3:30. That would then come to the end of what we say about the need element and we'd be moving on to another topic. So that might be a convenient point at which to break. I think that makes absolute sense. I'm just very concerned that if we come back at 3:45 U happy that we would have covered, we would we would have reached the end of all your other items by 5:30, including our interjections.

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It is very difficult to predict on the interjections, but certainly our expectation was that we would finish by 5:30. I I'm conscious in saying that that the last item that you have asked us to cover the construction is also I think overlapping with the first item tomorrow. So if we had to lose anything from today, that would be the one that might most obviously be picked up on another occasion.

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I think that's really helpful indication. But for now, if we get missed Ansalon and if we can aim to try and finish by 3:30, that would be great.

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I'm now going to briefly just introduce Miss Stansel. As I said, she's the executive Director at Hydrogen for Mobility Europe and Africa. And Mr Ansell has regional responsibility for the company's renewable hydrogen business and responsible for driving growth, profitability and operational excellence. And she joined Air Products in 1989 after university. Over her career, she's held sales and marketing positions of increasing responsibility,

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working in all sectors of the industrial gas business. In 2014, she became marketing director for the European Africa region, and with the burgeoning growth potential for hydrogen as an energy source, she then transitioned to her present role. And she holds degrees in chemical engineering and managerial science from the Massachusetts Institute of Technology and the Sloan School of Management. So I'm going to hand over now to Miss Stancil.

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So Caroline Stancil on behalf of the applicant Air Products is a world leading industrial gas company

and we're one of the world's largest hydrogen suppliers. We own and operate more than 101 hundred hydrogen production plants and we operate 1100 kilometres of hydrogen pipeline globally.

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My role is as the Executive Director, Hydrogen for Mobility Europe and Africa. I'm responsible for the development of the company's renewable hydrogen business in these regions and as a result, I've been intimately involved in the decisions regarding the Immingham Green Energy Terminal as well as the other ammonia import terminals which we've worked on and evaluated across Europe. Hydrogen is not new to our products. We've been safely producing and supplying it for more than 60 years and we have a proven track record of delivering hydrogen projects.

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In terms of why we are seeing this investment now, there's two key items that we need to consider. One is the demand that we're seeing for the renewable hydrogen project product and the second one is the availability of the renewable ammonia feedstock, which is making this project possible.

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So addressing first the demand, the current customer base for hydrogen is industrial and at present most of the hydrogen that is produced is coming from fossil fuels. It's some sometimes called grey hydrogen. It's used as a feedstock or a process gas in refineries in chemicals, pharmaceuticals, glass, making, electronics and a variety of other industries.

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The industries and operators that we're working with are becoming increasingly aware of the impact that their production processes have on the environment and they're looking to improve their sustainability positions by altering and adapting their processes to have a lower environmental impact.

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This is giving a rise to a demand both from our existing customers as well as potential new customers for renewable hydrogen and renewable hydrogen. In distinction from the grey hydrogen or fossil fuel based hydrogen that I was talking about before is hydrogen that is made from renewable energy.

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The main markets that we're seeing for this renewable hydrogen are again twofold. The first one is a switching of current grey or fossil fuel hydrogen users to move to renewable hydrogen and the second one is a fuel switching. And the fuel switching is a desire that we're seeing from companies that are in hard to abate sectors. And a couple of examples of this would be for for example, logistics companies or whole years who want to fuel switch

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their long distance trucking from diesel to hydrogen that would allow them to eliminate tailpipe emissions from their trucks as their hauling product. Another example of the fuel switching is customers in the industrial sector that are running high heat furnaces where they're currently burning natural gas and they again are looking to switch to fuel, switch this natural gas or fossil fuel to renewable hydrogen, switching to a renewable energy source.

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The switch that I'm talking about from a fossil fuel to a renewable fuel is generally not something that can just be dropped in. It requires the operator to make a change to their process. So a haulier needs

to buy new trucks, a glass company would need to change burners, potentially change furnace etcetera just as examples. So customers who are considering this type of fuel switching need to know that if they switch the hydrogen

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that they'll be purchasing will be available in the quantities required and at the reliability required to allow them to

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continue their processes in a reliable way in accordance with their business plans and and obligations to their own end customers. The iget project that we're proposing looks to produce 300 megawatts of renewable hydrogen. This is a big investment as in and is an important step towards giving customers the security they need to begin this fuel switching. To put it into perspective, however, if you take the UK government commitment through the hydrogen

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strategy, which is to deliver 10 gigawatts of renewable hydrogen by 20-30, sorry, 10 gigawatts of renewable and low carbon hydrogen by 20-30, the iget project represents only 3% of that demand. So an important step, but they'll need to be many projects to deliver hydrogen of this sort of scale, in fact 30 to meet that target.

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This is a demand that we're seeing not just in the UK but globally. And as a result, Air Products alongside other companies is looking to provide projects that can deliver this renewable hydrogen product that customers are looking for. I mentioned earlier the fact that the other item that allows this project to be brought forward now is the availability of the renewable ammonia feedstock.

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The NEOM Green Hydrogen Company is building an \$8 billion plant in Saudi Arabia that will produce 1.2 million tonnes per year of renewable ammonia.

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It's

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perhaps useful to think of renewable ammonia as stored renewable energy. And if you take that 1.2 million tonnes per year, that's roughly equivalent to 400 wind turbines taking a kind of average wind turbine at an average load factor.

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The facility will be operational at the start of 2027.

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Air Products has secured an offtake agreement for 100% of the plant's green ammonia production and we're looking to move that that renewable ammonia to locations around the world who have both the ambition as well as the mandate to decarbonize

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and improve the green credentials.

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This is why we've already announced in addition to the iget project, the desire to develop similar projects in both Rotterdam and Hamburg. The iget project is really an opportunity to see the benefits from renewable hydrogen on the Humber and in the UK from 2027.

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It should be noted that there are other companies alongside Air Products who have announced intentions to develop similar projects. There's a company called Argus that does a lot of tracking of production facilities of this sort and they list 15 different terminal projects at various stages of development in both the UK and Europe.

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Terminals that we're talking about like this can't be built anywhere. When you're looking for a location for this sort of green energy import terminal, there's a number of things that you need to have come together. The first one is a deep water port capable of taking the large ships that transport the ammonia from its production location to the port location. The second one is that you need sufficient and suitable land in close proximity to the port

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in order to house the ammonia storage tanks, the hydrogen production equipment and other processing conditioning equipment that needs to be there in order to allow you to market the product.

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As with any commercial development, it's always very useful to be near to the market and of course good Rd transport links are very important and if you evaluate Immingham against all of these criteria, it scores very well for an import terminal. It is a deep water port and it can receive VLGC's very large gas carriers of product. It has a suitable plot available in close proximity to the port where we can build the hydrogen production

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facility

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within the Humber Estuary. There are a number of customers who can use and consume the renewable hydrogen and we're beginning to see receive commercial inquiries for it already. And of course, there's very strategically important Rd links from the Humber into the Midlands and the North North of England and beyond that are very useful for the onward distribution of the product as we start to take it outside of the Humber region.

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Building this type of facility is of course about energy transition and decarbonization, but it's also about innovation and growth, both on a local level and a national level, as well as jobs in the supply chain as well as in other adjacent industries. And this is really the sort of thing that we're looking to help to contribute towards on the Humber.

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And if it helps, we can we can provide

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with the written note an indication of those other terminal projects in various stages of the development, so you can get an understanding of how that market is emerging. I think I've just noted down three points which will give us that kind of context.

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One was that you talked about and this I've seen in your application material as well is that you're providing 3% of what UK has set out as to be its target. So if you could just paint a picture for us where else this target is being met

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and indeed actually the source of that UK target, you know where is that set out by the government that would be able to send you the government department link if that's helpful. So we can't actually accept links, we we can provide that. Well the the detail is in fact in the application material, but we can draw it out in our post hearing notes if that's helpful. I was just gonna say that if there's anything that's in the application then please just sign post rather than submitting again.

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Um,

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what's this one?

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Availability of renewable. I think you already explained that. Availability of renewable ammonia. You told us what renewable ammonia is, so that's not needed.

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Yes, you talked about many customers near you and I think it would be again helpful for us to just understand,

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you know,

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I'm assuming these are the customers who are ready to make do the fuel switching as you referred to. So I think, I think that'll that'll help us as well.

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And then you've already picked up the third one which is

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the other projects,

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so other projects by a company called Argos who's proposing 15 projects across UK and Europe. I think I think it was the data by Argos tracks projects. So the developer is not Argos. Like my understanding is that Argos pulls these this information together and we in due course will provide that information to you. OK. So, so I think that will help. Just set up the context.

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OK. Several questions. So

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thanks.

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So would the renewable hydrogen be subject to low carbon certification? And if not, how do we establish certainty about the green credentials of the product? And so we do have a presentation coming up later this afternoon about the operation of the facility where Mr Tymon Roberts will deal with low carbon certification specifically. And so if I can ask you to sort of bear with us until we get to that point,

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because he'll walk you through the process step by step and explain where it comes in and what and how.

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That's fine. Thanks.

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OK, I've got two questions. So the first question sort of follows on from what Mr he asked which is regarding the 3%. Can I ask what is the the limiting factor in terms of the production of origin and its why is it only 3%?

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Yes but what one of the things that will probably the thing that is the maximum limiting factor is at the scale of the hydrogen production facility that is proposed as associated development. In this case my understanding is that the amount of green hydrogen that it can produce gets you up to that 3% figure. So if you want to produce more, you would need a bigger facility. Is the the short answer

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question related to something that Mister? Ansell said right at the start of her statement, which was,

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I understand the Air Products is one of the largest producers of hydrogen in the world. I assume that's through production of catalytic cracking of natural gas or fossil fuels, which I think you termed as grey hydrogen.

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In terms of green hydrogen, does Air Products produce green hydrogen anywhere else in the world?

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So this will depend on what you classify as green hydrogen. So cracking of ammonia as an example

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at present we have no facilities actually operating on the basis of ammonia cracking. We do have some facilities operating on the basis of electrolysis. However, electrolysis depending on what your energy source is feeding into that electrolyser may or may not. Be

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green on a certified basis as asked you if anyone else other than our products produces green hydrogen in that method, cracking up ammonia.

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So the cracking of ammonia is a very well established technique that goes back for a very long time. And there's a number of small ammonia cracking units that have been used to serve the metals processing industry and others for years.

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They're of course not green, because the only way that you can produce green hydrogen from ammonia cracking is if you supply the ammonia cracker with green ammonia.

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To my knowledge today there is no one that is cracking green ammonia in one of those small ammonia cracking units. So you would be the first commercial manufacturer of producing green hydrogen in this method.

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There is another pilot plant that is owned by another company that is in I believe it's in build and that may or may not come on stream first, but the technology is the same whether you are passing a grey ammonia molecule through it or a green ammonia molecule through it.

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I think this is a suitable time to take a break. There's just a couple of points that I want to clarify for parties attending today.

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One is the introductions that are being provided. They are helpful to the examining authority because environmental impact assessment regulations do require EIA to be done by expert professionals. And so these introductions do help.

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You can keep them quite specific to the expertise that's relevant to the project which you are doing mostly, but I'm just highlighting that. So I just wanted to clarify that point.

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And the second point is that one of the reasons we are having this issue specific hearing and indeed going into this much detail about policy analysis, market information and all the rest of it

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is a is the slight novelty of the project. And so it's not just simply a pick port, it's there's an associated development to go with it and so the examining authority. So it's not a highway scheme that's come forward or indeed an offshore wind farm which we've you know seen time and time again. So you know, one of the reasons why we're spending so much time in this issue, specific hearing doing

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well what I'm calling policy analysis in this section is for that purpose. So just to, you know, highlight those two points. Great. So the time now is almost 3:40 PM,

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15 minutes.

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If I could request that everyone be back by 3:55 PM,

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we will restart the examination, the issue specific hearing then.

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