

**SOUTH TEES DEVELOPMENT CORPORATION**

**NET ZERO TEESSIDE DEVELOPMENT CONSENT ORDER**

**RESPONSE TO COMMENTS ON RELEVANT REPRESENTATION**

- 1 South Tees Development Corporation (STDC) submitted its relevant representation [RR-035] to the proposed Net Zero Teesside Development Consent Order (the Order) on 17 December 2021.
- 2 Net Zero Teesside Power Limited and Net Zero North Sea Storage Limited (the Applicants) submitted their comments on STDC's relevant representation at Deadline 1 [REP1-045].
- 3 This document sets out STDC's response to those comments. STDC reserves the right to comment on these matters further, as the examination progresses.

<b>RELEVANT REPRESENTATION ISSUE</b>	<b>APPLICANTS' RESPONSES</b>	<b>STDC RESPONSE</b>
<p><b>1 Executive Summary</b></p> <p>1.1 South Tees Development Corporation (STDC) maintains its in-principle support of the Net Zero Teesside (NZT) proposals. The project will be a significant generator of jobs, directly and indirectly into the Tees Valley and also a contributor to the regeneration of the Teesworks area, with investment in line with the industrial typologies that STDC's Master Plan seeks to attract. STDC has been liaising with the NZT promoters for over two years and is pleased that a number of its earlier concerns have been addressed. However, STDC continues to have significant concerns about the NZT DCO proposals and, accordingly, is objecting to the</p>	<p>The Applicants welcome STDC's in-principle support for the NZT project (the "Proposed Development") including its economic and regeneration benefits. Full information on the socio-economic benefits of the Proposed Development is set out in ES Vol I Chapter 20 Socio-economics [APP-102], ES Vol III Appendix 20A Economics Benefits Report [APP-340] and the updated Planning Statement that has been submitted at Deadline 1).</p> <p>The Applicants note STDC's summary grounds of objection. The Applicants have responded to each of these matters in the main text below</p>	<p>No comments</p>

proposals absent satisfactory resolution of its concerns at this stage.		
1.2 In summary, the reasons for STDC's objection are as follows:		
1.2.1 Land-related Issues (a) Excessively wide land requirements in order to connect utilities; (b) Streets, rights of way and accesses; (c) Temporary land for construction; (d) The technical and operational impact that the NZT project will have on the STDC private wire network; (e) The Applicant's programme; (f) Sterilisation of, and conflict with, the Teesworks Development; and (g) Land assembly by agreement.		
1.2.2 DCO-related Issues (a) Issues with DCO Articles and Schedules; (b) Inadequate Protective Provisions; and (c) Issues with DCO documents.		
1.2.3 Environment and policy-related Issues (a) Habitat Regulations Assessment (HRA); (b) Assessment of alternative gas pipeline connections; (c) Construction traffic assessment; (d) Treatment of tunnel arisings; and (e) the assessment of the scheme against planning policy.		
<b>2. Introduction</b>	The Applicants acknowledge the factual background in paragraphs 2.1 to 2.6.	No comments
2.1 This relevant representation summarises STDC's key concerns in respect of the Net Zero Teesside project (the Project). 2.2 The proposed Net Zero Teesside Development Consent Order (the draft Order) was initially submitted by Net Zero Teesside Power	With respect to paragraph 2.3, the availability of brownfield land and the regeneration of the Teesside area are some of the primary reasons for the Applicants selecting the site for the Proposed Development. The Proposed Development is	STDC retain in principle support for the proposals, but object to the scheme in its current form which risks hindering development on Teesworks.

<p>Limited and Net Zero North Sea Storage Limited (the Applicant) on 21 May 2021 but withdrawn on 16 June 2021. The Order was resubmitted on 19 July 2021 and accepted for examination by the Planning Inspectorate on 16 August 2021.</p> <p>2.3 STDC is a Mayoral Development Corporation responsible for approximately 4,500 acres (1,820 hectares) of land to the south of the River Tees, in the Borough of Redcar and Cleveland. A plan of STDC's area is set out at Appendix A (Teesworks). STDC was the first Mayoral Development Corporation established outside of London, being established pursuant to the powers devolved to the Tees Valley Mayor under the Tees Valley Combined Authority (Functions)</p>	<p>consistent with the land use policy for the Teesworks site. It will regenerate brownfield land, deliver carbon capture and storage infrastructure which will contribute to the decarbonisation of the local economy, create jobs, and contribute toward improving the environmental quality of the area.</p>	
<p>Order 2017. The object of a development corporation is to secure the regeneration of the land in respect of which it is designated, and the Teesworks site is the largest regeneration opportunity in the UK.</p> <p>2.4 The Project lies within the boundary of land owned and controlled by STDC and STDC is therefore directly impacted by the Project as a major landowner. STDC is an 'affected person' within the meaning of section 59(4) of the Planning Act 2008 (the 2008 Act) and as such is a statutory party for the purposes of section 88(3A) of the 2008 Act.</p> <p>2.5 STDC submits this representation on behalf of itself, as well another entity it controls. STDC's interests appear in the Applicant's Book of Reference (APP-007) under the following entities: 2.5.1 South Tees Developments Limited (Company No. 11747311) 2.5.2 Teeswork Limited (Company No. 12351851). 2.6 STDC retains in-</p>		

<p>principle support for the Project, however for the reasons set out in this relevant representation, STDC objects to the proposals in their current form.</p> <p>2.6 STDC retains in-principle support for the Project, however for the reasons set out in this relevant representation, STDC objects to the proposals in their current form.</p>		
<p>3.1 Teesworks comprises approximately 4,500 acres (1,820 hectares) to the south of the River Tees, in the Borough of Redcar and Cleveland. The majority of this land was acquired by STDC under the South Tees Development Corporation (Land at the former Redcar Steel Works, Redcar) Compulsory Purchase Order 2019 (the 2019 CPO).</p> <p>3.2 Subsequent to the 2019 CPO, STDC has been proactive in initiating redevelopment of the Teesworks area, supporting and coordinating enabling works for redevelopment. The regeneration of the area is being supported by Government, who awarded the Development Corporation £123million of funding to begin land remediation, paving the way for large-scale industrial investment.</p> <p>3.3 To date, STDC has implemented a number of site preparation projects across Teesworks, clearing derelict structures and remediating land so as to provide development plots and infrastructure to attract and support end-user developments. In December 2020, outline planning permission was granted to STDC for development of 418,000 sqm (gross) of general industrial and storage &amp; distribution uses at the South Bank site. Throughout 2021, further permissions have been granted including for the</p>	<p>3.8. The Applicants understand the need to work collaboratively with STDC to develop the wider Teesworks site and has been working through both technical and commercial channels to deliver the Proposed Development in a way that where possible both facilitates other development coming forward in parallel, and which safeguards land for future development proposals. The detail of these arrangements is set out below in the Applicants' response to Part 4 of STDC's Relevant Representation.</p> <p>The Applicants would add the following:</p> <p>With respect to paragraph 3.1, prior to the 2019 CPO (in late 2017, 2018 and early 2019) the Applicants were in early discussions with STDC's representatives. At the time the Proposed Development was known as "The Clean Gas Project" and was being promoted by the OGCI CI. There were numerous site visits and discussions were cordial.</p> <p>With respect to paragraphs 3.2 and 3.3, the Applicants were informed of areas identified by STDC for other potential redevelopment in February 2021 and STDC plans related to these activities were shared in March 2021.</p>	<p>STDC is pleased to note that "the Applicants have secured arrangements through the draft Development Consent Order ("DCO") [AS-135] that will ensure there is no undue disruption to STDC in bringing forward other development proposals". However, it is unclear to STDC what these arrangements are STDC notes the Applicant's comments on paragraphs 2.2 and 2.3. It is important to clarify this as follows.</p> <p>In late 2020, the Applicants were informed by STDC of its intention to submit five outline planning applications across the STDC lands for development totalling around 920,000sqm /10,000,000sqft of B2/B8 (business / industrial) uses and offices, including on land at The Foundry and Long Acres (within which the DCO boundary falls, in part). STDC provided to the Applicants, in October 2020, a schedule of committed</p>

<p>development of an 80,000sqm facility for LM Wind’s manufacturing of offshore wind turbines at South Bank, as well as the construction of a new quay. In addition, five outline application planning applications are at an advanced stage of determination, which will permit the development of almost 900,000sqm of general industrial and storage and distribution across much of the Teesworks area including within the NZT Order limits.</p> <p>3.4 In March 2021, as part of the Spring Budget and in recognition of its national significance as a regeneration site, Teesworks was announced as one of the first places to receive Freeport status under the new Government policy to create freeports across the country. Teesworks is now the site of the UK’s largest freeport and has been set up to promote the economic growth and commercial development of the Tees Valley by converting assets in the STDC’s control into opportunities for business investment and economic growth.</p> <p>3.5 Teeswork’s Freeport status means businesses will benefit from a wide package of tax reliefs, simplified customs procedures, streamlined planning processes and government support to promote regeneration and innovation. For example, companies operating within the Freeport area can benefit from deferring the payment of taxes until their products are moved elsewhere, or can avoid them altogether if they bring in goods to store or manufacture on site before exporting them again.</p> <p>3.6 To inform STDC’s development strategy and to help ensure the comprehensive and efficient use of its land, it developed a master plan which informed the preparation of supplementary planning policy for the Teesworks area. When STDC was</p>	<p>With respect to paragraph 3.6, STDC has produced a Master Plan (the ‘South Tees Regeneration Master Plan’) to provide a flexible framework for the regeneration of the Teesworks/South Tees Area. Following consultation, the Master Plan was launched alongside the South Tees Area SPD, which was formally adopted by RCBC in May 2018. The South Tees Area SPD is a material planning consideration and represents the formal planning policy interpretation of the Master Plan, which in planning policy terms has no formal status.</p> <p>A large part of the site for the Proposed Development (the ‘Site’), including all of the land identified for the Power Capture and Compression (“PCC”) elements of the Proposed Development, is allocated in the Redcar &amp; Cleveland Local Plan (“RCBC Local Plan”) as a ‘Protected Employment Area’, which is subject to Policy ED6 ‘Promoting Economic Growth’. Policy ED6 seeks to promote industry and port-related uses within the South Tees Area and states that development proposals should have regard to the South Tees Area SPD and that these will be supported where they positively contribute towards growth and regeneration.</p> <p>Parts of the Site lie within the STDC Teesworks/South Tees Area that is subject to Policy LS4 of the RCBC Local Plan. This Policy builds on ED6 and aims to support the delivery of significant economic growth and job opportunities in the area, including encouraging clean and efficient industry to help reduce carbon emissions and the development of</p>	<p>developments in the area including the forthcoming outline applications. Those applications were subsequently submitted in January 2021.</p> <p>Since February / March 2021, STDC has progressively and continuously shared with the Applicant progress on other development proposals on Teesworks which include projects of national economic importance</p> <p>In particular, in Q4 2021 STDC informed the Applicant about bringing forward a project of national economic importance on the site known as the Foundry (see Appendix 1 to STDC’s written representation).</p>
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<p>established, it was agreed between Tees Valley Combined Authority (which is the sister company to STDC, and has the same chair) and Redcar &amp; Cleveland Borough Council (RCBC) that RCBC would retain planning powers and continue to act as the local planning authority for Teesworks in respect of planning policy and development management, and in the processing of planning applications. All planning applications for development proposals within Teesworks must therefore be determined in accordance with the adopted Redcar and Cleveland Local Plan unless material considerations indicate otherwise. The Local Plan should therefore constitute an “important and relevant consideration” for the purposes of examining and deciding the NZT proposal under section 104 of the 2008 Act.</p> <p>3.7 In accordance with its master plan, STDC is working closely with the Combined Authority, RCBC and major operators across South Tees to ensure the full development potential of the South Tees Area is realised, and that its position as an engine for growth in the economy of the Tees Valley is fully capitalised on.</p> <p>3.8 In order for STDC to realise the full development potential of the site, it is seeking to bring those developments forward without undue disruption from the Project.</p> <p>3.9 The proposals set out by the Applicant in their application for a Development Consent Order (DCO) present significant concerns to STDC. These key issues can be split into three groups:</p> <p>3.9.1 Land – issues with the extent of land being compulsorily acquired;</p>	<p>Carbon Capture and Storage (‘CCS’) to decarbonise the local economy.</p> <p>The Applicants are satisfied that the Proposed Development is compliant with key planning policy in the South Tees SPD and RCBC Local Plan. An overview of the South Tees SPD and RCBC Local Plan, in so far as they contain planning allocations/designations (and related policies) of relevance to the Proposed Development is provided in the Applicants’ updated Planning Statement also submitted at Deadline 1.</p> <p>With respect to paragraph 3.8, the Applicants have secured arrangements through the draft Development Consent Order (“DCO”) [AS-135] that will ensure there is no undue disruption to STDC in bringing forward other development proposals. The detail of these arrangements is set out below in the Applicants’ response to Part 4 of STDC’s Relevant Representation.</p> <p>The Applicants note the concerns set out in paragraph 3.9 (including sub-paragraph 3.9.1 to 3.9.3) and have addressed each of these matters in its responses below to Part 4, 5 and 6 of STDC’s Relevant Representation.</p>	
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<p>3.9.2 DCO – issues with the power contained in the draft Order, and the associated application documents; and</p> <p>3.9.3 Environmental and planning/technical matters – comments on several environmental and technical/planning considerations in the documents accompanying the application.</p>		
<p><b>4 Land Excessively wide land requirements for utilities</b></p> <p>4.1 Section 122 of the 2008 Act states that an order granting development consent may only include powers of compulsory acquisition where:</p> <p>4.1.1 the land: (a) is required for the development to which the development consent relates, (b) is required to facilitate or is incidental to that development, or (c) is replacement land which is to be given in exchange for the order land under section 131 or 132; and</p> <p>4.1.2 there is a compelling case in the public interest for the land to be acquired compulsorily.</p> <p>4.2 The Planning Act 2008, Guidance related to procedures for the compulsory acquisition of land (DCLG, Sept 2013) (the Guidance) requires the Applicant, amongst other things, to satisfy the Secretary of State that:</p> <p>4.2.1 “all reasonable alternatives to compulsory acquisition (including modifications to the scheme) have been explored”; and</p> <p>4.2.2 “the land to be acquired is no more than is reasonably required for the purposes of the development”.</p>	<p>The Applicants disagree that its proposals for the compulsory acquisition of STDC’s land interests fail to comply with the requirements under section 122 of the 2008 Act and the Guidance related to procedures for the compulsory acquisition of land (DCLG, Sept 2013) (the “CA Guidance”).</p> <p><i>S122(2): land required for the development to which development consent relates</i></p> <p>S122(2) is concerned with the reasons why the land is required. In this case no replacement land is needed, and so all of the land within the order limits, including all STDC’s interests, is either required for development to which the development consent relates, or is required to facilitate or is incidental to that development.</p> <p>In respect of section 122(2), paragraph 11(i) of the CA Guidance states that applicants should be able to demonstrate to the satisfaction of the Secretary of State that the land in question is needed for the development for which consent is sought. It goes on to state that the Secretary of State will need to be satisfied that the land to be acquired is no more than is reasonably required for the purposes of the development.</p>	<p>Please refer to STDC’s response to question CA.1.23 and CA.1.7 on STDC’s outstanding concerns on wide utility corridors with reference to specific plots.</p> <p>Please refer to STDC’s response to question CA.1.23 (iv) on STDC’s position on the changes to the scheme it requested it in relevant representation.</p> <p>Please refer to STDC’s written representation at paragraph 5.5 on the Protective Provisions which STDC considers inadequate.</p> <p>STDC notes the comments from the Applicant on s122 Planning Act 2008. However, STDC understands that several plots within the Order limits are to be removed as they are not in fact required for any purpose, e.g. plots currently used laydown for pipeline stringing (Work no. 9A).</p> <p>With regard to the Applicants’ comments about supply of utilities</p>

<p>4.3 STDC recognises that there have been some reductions in the extent of utility corridors, but does not believe this goes far enough. SDTC’s view is that the Applicant is seeking permanent rights over utility corridors which are wider than reasonably required, and not justifiable having regard in particular to the Guidance cited above. STDC also note the apparent disparity with the extent of land required between land north of the Tees and that at Teesworks on the south bank. At North Tees, the Applicant has followed existing utilities corridors whereas at Teesworks the proposals seek excessively large land parcels for what will be small permanent requirements, particularly for interconnecting utilities. The Applicant should only be seeking compulsory acquisition powers over the minimum amount of land required for the Project. It is unclear why the proposed utility areas at Teesworks have been treated differently and designed wider than those elsewhere within the Order limits.</p>	<p>The Statement of Reasons contains an explanation of the need for the compulsory acquisition of land and rights and powers of temporary possession in Section 6. The Applicants would also direct the Examining Authority to the Applicants Summary of Oral Case – Compulsory Acquisition Hearing 1 (CAH1) which provides an overall summary as to how each area of land or new right (or extinguishment of rights) in that land is required and how in each case the purpose of acquisition meets the condition in subsection (2) because it is either for development to which the application relates (e.g. it is the location of some new infrastructure), or to facilitate that development (e.g. it is required to construct the infrastructure), or the purpose is incidental to that development (e.g. it is required to access and maintain that infrastructure).</p>	<p>corridor information: full clarity over exact utility corridor requirements and associated easements was not made available to STDC until March 2022. Whilst STDC has previously provided information about its own 17-metre utility corridor, the Applicants have advised that they require an exclusive 28-metre corridor which in part would overlap with STDC’s utilities corridor, which includes in situ services. STDC has not, to date, received sufficient explanation or clarity as to why the Applicant is seeking a 28-metre exclusive corridor. Detailed dialogue is required as a matter of urgency to enable a mutually acceptable solution to be reached.</p>
<p>4.4 Chapter 4 of the Environmental Statement makes clear that the area covered by some works is larger than required and that the Applicant is making use of the “Rochdale Envelope” principle, whereby it requires additional flexibility for its Project to be carried forward into the post-consent implementation phase. STDC draws the Examining Authority’s attention to the Planning Act 2008, Guidance on the pre-application process (DCLG, March 2015) (the Pre-Application Guidance) which states that: “The use of the Rochdale Envelope approach does not remove the onus on applicants to submit as detailed as possible project proposals in their application”.</p>	<p>With respect to STDC’s specific concerns with respect to the width of the utility corridors, for the reasons set out below the Applicants disagree that it is seeking permanent rights over utility corridors which are wider than reasonably required.</p>	<p>STDC would appreciate confirmation from the Applicants that the easement strips within the draft Order do not currently exceed 28m in width.</p>
<p>4.5 The lack of detail on the precise location of final utility corridors within the DCO application and the temporary use of</p>	<p>The utility corridors across STDC’s land interests comprise of the Natural Gas Connection (Work No. 2), Electrical Connection Work (No. 3), Water Supply Connection (Work No. 5C), Water Discharge (Work No. 5A and 5B) CO2 Gathering Network (Work No. 6) and CO2 Export Pipeline (Work No. 8).</p>	<p>STDC reserves its right to comment further on the matters raised by the Applicant in its response.</p>
<p>At the outset, the Applicants note that STDC have made specific recommendations with respect to the Gas</p>		



<p>Teesworks' land during construction hinders STDC's future development plans, and potentially prevents the full benefits of the Freeport designation from being realised.</p> <p>4.6 The NZT DCO currently contains two options for its natural gas connection. STDC objects to the first option which runs beneath and risks sterilising STDC land. There is a clear reasonable alternative to seeking compulsory powers over STDC's land for this pipeline, given the established Sembcorp utility corridor (a route that is indeed also being considered as one option for the CO2 Gathering pipeline route). STDC received verbal assurances from NZT's project team that the Teesworks option would not be included within the DCO for either the natural gas or CO2 gathering pipelines, owing the existence of the Sembcorp route. It is not clear why this level of flexibility has been included within the DCO when an alternative route exists that has less impact on STDC, and on the basis of previous discussions, seems to be the preferred route.</p> <p>4.7 STDC retain significant concerns about the extent of its land included within the Project's Order limits for utilities. It is not clear from the application documents why plot 525 (and nearby plots) are so extensive given STDC's understanding of the Applicant's water pipeline requirements.</p> <p>4.8 STDC shared its own utility corridor information with the Applicant in late 2020 (pre-submission of the DCO). The utility corridors provided by STDC are a reasonable alternatives to compulsory acquisition which the Applicant has not properly considered prior to submission of the application.</p> <p>4.9 Given the significant impacts of the Project on Teesworks, compulsory acquisition cannot be justified merely on the basis that</p>	<p>Connection and CO2 Gathering Network. It is not clear whether STDC comments regarding the reduction in width of the corridors and utilising existing corridors within Teesworks apply to all of the other utility corridors. For the purposes of this response, the Applicants have assumed these comments relate to all of the utility corridors. The Applicants would respond as follows.</p> <p>The width of the utility corridors has been specifically designed to provide certainty that the Proposed Development (a nationally significant project) is capable of being delivered and that its substantial public benefits are fully realised. This is not a matter "of convenience". The Proposed Development is a 'First of a Kind' for this type of infrastructure. Consequently, the design of the Proposed Development must incorporate a degree of flexibility in the technology used and the dimensions and configurations of buildings and structures (within the existing parameters of the Rochdale envelope) to allow for the future selection of the preferred technology and contractor(s).</p> <p>A utilities corridor preliminary design has been proposed that follows national pipeline guidelines and typical electrical installation guidelines. The proposed easements and access tracks are comparable to similar apparatus in the Teesside region. The Order Limits for the proposed utility corridor were drafted taking account of the site conditions, topography and access requirements.</p> <p>The width of the utility corridors is also not intended to be a barrier to the delivery of other development across the</p>	
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<p>it would be more convenient to the Applicant to set its detailed land requirements post grant of DCO.</p> <p>4.10 To address this, STDC requires that the DCO application is amended to:</p> <p>4.10.1 remove the gas pipeline option which runs across Teesworks from the DCO;</p> <p>4.10.2 remove the CO2 gathering pipeline option which runs across Teesworks from the DCO;</p> <p>4.10.3 reduce the width of the utility corridors such that they correspond to the extent of land that will reasonably be needed;</p> <p>4.10.4 utilise existing utility corridors within Teesworks instead of sterilising land with new corridors; and</p> <p>4.10.5 provide greater clarity and certainty as to any temporary use of Teesworks' land, including for construction activities and storage of material including tunnel arisings.</p> <p>4.11 STDC has received assurances from the Applicant that pipelines can be installed sufficiently far below the surface to prevent sterilisation of land, however controls over the vertical limits of deviation for sub-surface works (and any controls in respect of them) are not apparent from the application documents or DCO, and STDC therefore requires this assurance to form part of the draft Order.</p> <p>4.12 STDC considers that, as matters stand, the Project fails to comply with section 122 of the 2008 Act and the associated Guidance insofar as STDC's interests in land are concerned. The Applicant cannot demonstrate that all of the land subject to</p>	<p>Teesworks site. In fact the Applicants' intentions are precisely the opposite. The areas within which each Work Number (including the utility connections) may be constructed, and where corresponding rights of compulsory acquisition and temporary possession are required, is intended to ensure that there is some flexibility as to the final location of the works (i.e. the Applicants' works can take account of other development, amongst other factors), and therefore other development is capable of being constructed and operated alongside the Proposed Development.</p> <p>The Applicants acknowledge STDC shared its own utility corridor information with the Applicant in late 2020 (pre-submission of the DCO). This information, as well as verbal guidance provided by STDC representative during site visits for utility routing and connections, was used to develop the Applicants' Order Limits.</p> <p>The provision of the utility corridor followed engagement with STDC through the Stage 1 consultation (non-statutory) from 2 October 2019 to 19 November 2019, and the main Stage 2 Section 42 consultation period which ran from 7 July 2020 to 18 September 2020. STDC were further consulted as part of the Section 42 Update Consultation from 7 December 2020 to 25 January 2021, and the Targeted Section 42 Consultation from 26 March 2021 to 3 May 2021. Details of the changes made to the Proposed Development, including in respect of utility corridors, to address STDC's</p>	
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<p>compulsory acquisition is required, and therefore a compelling case in the public interest is not made out for the extent of powers being sought. Streets, rights of way and accesses.</p>	<p>concerns are set out in the Consultation Report (May 2021) (APP-068).</p> <p>The Applicants have sought to address STDC’s concerns by making further reductions to the extent of the utility corridors as part of the change application submitted on 29 April 2022 and accepted by the Examining Authority on 6 May 2022 (the “Change Application”). This included:</p> <p>Reductions to the Order limits, and in doing so the extent of land over which compulsory acquisition or temporary possession powers are sought over STDC’s land interests; and</p> <p>Reductions in the powers sought over STDC’s land interests, to powers of temporary possession.</p> <p>Details of the changes made to the Proposed Development, including in respect of utility corridors, are set out in the Consultation Statement on the Proposed Changes (April 2022) (AS-048).</p> <p>Where possible, and as requested by STDC, the Applicants have sought to utilise existing pipeline corridors and connections in order that the nature and extent of compulsory acquisition powers sought over STDC’s land interests could be reduced or removed from the DCO:</p> <p>Work Number 2A: pursuant to the Change Application, the Gas Connection will now be via a direct connection to the existing Sembcorp gas pipeline at Bran Sands (known as “Option 2” ). This means that the long-bored tunnel option across the River Tees direct to the PCC site has been</p>	
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	<p>removed, and the land area within Work No. 2A (including in respect of STDC's interests) has been reduced. Work Number 5A: reuse of the existing water discharge outfall (WN5A) is included in the DCO and is the Applicants preferred option for the discharge of water, subject to asset integrity testing. If selected, this would avoid the construction of a replacement discharge outfall (WN5B).</p> <p>Work Number 6: the removal of the long-bored tunnel for the Gas Connection also removes the Applicants original option ("Option 1") to use the same tunnel for the routeing of the CO2 Gathering Network across the River Tees to the PCC site. The Applicants preferred option, as requested by STDC, is now the construction of the pipeline within the existing Sembcorp No. 2 Tunnel from Navigator Terminals to the northern bank of the mouth of Dabholm Gut ("Option 3").</p> <p>Taken together the Applicants has therefore selected, or is intending to select as its preferred option, all of the existing utility corridors that have been proposed by STDC in its Relevant Representation. Furthermore:</p> <p>Taken together the Applicants has therefore selected, or is intending to select as its preferred option, all of the existing utility corridors that have been proposed by STDC in its Relevant Representation. Furthermore:</p> <p>The Applicants' pipelines under Work No. 2A, 5C and 6 will also be routed and co-located within a utility corridor to minimise sterilisation of land.</p>	
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	<p>It has been agreed that the Electrical Connection (Work No. 3A) will run through the proposed STDC utilities corridor, wherever they are on a common routeing, through to the new Tod Point substation (Work No. 3B). This has been recorded in the Statement of Common Ground entered into between the Applicants and STDC and submitted at Deadline 1. Final routing is subject to final design sizing and Network Rail crossings agreements.</p> <p>In addition to demonstrating why all of land is required for the development, the Applicants recognise that there is a need to secure arrangements that will protect STDC's interests and avoid the sterilisation of parts of the Teesworks Site. In this regard, the Applicants have provided protective provisions in Part 19 of Schedule 12 of the DCO for the benefit of Teesworks Limited. These include arrangements for the approval of works details with Teesworks Limited in advance of commencing development at the Teesworks site, and co-operation arrangements including information sharing that will facilitate Teesworks development proposals coming forward alongside the Proposed Development. Specifically, the Applicants are obliged under the protective provisions to secure agreement from Teesworks Limited of "works details" including:</p> <ul style="list-style-type: none"><li>(a) plans and sections;</li><li>(b) details of the proposed method of working and timing of execution of works;</li><li>(c) details of vehicle access routes for construction and operational traffic;</li><li>(d) details of the location within the Teesworks site of a corridor situated within the limits shown on the</li></ul>	
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	<p>works plans for numbered works 2A, 3, 4A, 5, 6 and 8 within which the corresponding works are proposed to be carried out;</p> <p>(e) details of the location within the Teesworks site of a corridor situated within the limits shown on the works plans for numbered works 2A, 3, 4A, 5, 6 and 8 within which the permanent corresponding works will be placed; and</p> <p>(f) any further particulars provided in response to a reasonable request by Teesworks Limited within 28 days of receipt of works details.</p> <p>The Applicants are satisfied that the protective provisions are robust and ensure that STDC has certainty and a reasonable degree of influence over when and where development must come forward across the Teesworks site. The Applicants will continue to discuss the terms of the protective provisions with STDC.</p> <p>The Applicants are open to securing arrangements for integrated project planning with STDC which has been the subject of considerable negotiation. The Examining Authority is directed to the Applicants' response to paragraphs 4.19 and 4.20 in respect of proposals for an Interface Agreement.</p> <p><i>S122(3) - Compelling case in the public interest</i></p> <p>The Applicants would direct the Examining Authority to the SoR and the Applicants Summary of Oral Case – Compulsory Acquisition Hearing 1 (CAH1) for justification as why there is a compelling case in the public interest for compulsory acquisition of its land interests. In summary, there are substantial public interest benefits that would be realised by granting the powers that are sought, and thereby enabling the Proposed Development to be delivered. These are set out in further detail in the Project Need Statement [AS-015] and the updated Planning Statement submitted at Deadline 1. The need case and the associated public benefits of meeting that need have been</p>	
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	<p>further underlined by the subsequent publication of the Government policy documents referred to in ISH1, namely:</p> <ul style="list-style-type: none"> <li>• draft NPS EN-1;</li> <li>• The Net Zero Strategy: Build Back Greener (October 2021); and</li> <li>• British Energy Security Strategy (April 2022).</li> </ul>	
	<p>The relevant parts of those documents have been identified and addressed in the Applicants' updated Planning Statement submitted at Deadline 1.</p> <p><i>CA Guidance</i></p> <p>Paragraphs 8 to 10 of the CA Guidance set out a number of general considerations that the Applicants must demonstrate to the satisfaction of the Secretary of State when justifying an order authorising compulsory acquisition:</p> <p><i>That all reasonable alternatives to compulsory acquisition (including modifications to the Project) have been explored</i> - see section 4 in the SoR in relation to how the Applicants selected parts of the Site, more generally paragraph 6.1.20 onwards in the SoR, and above. The Applicants also considered a number of alternative routes or corridors for the Natural Gas Connection, Electrical Connection, Water Supply Connection, Water Discharge, CO2 Gathering Network and CO2 Export Pipeline. The options have been narrowed and refined following the preparation of and consultation on the Preliminary Environmental Information, as well as following submission of the Change Application. The Applicants are satisfied that none of the alternatives would provide the compelling benefits associated with the</p>	

	<p>options selected as part of the Proposed Development, or would otherwise involve additional impacts or disadvantages on STDC's land interests including in terms of land take and environmental impacts.</p> <p><i>That the proposed interference with the rights of those with an interest in the land is for a legitimate purpose and is necessary and proportionate</i> – the Examining Authority is directed to the Applicants' response above which demonstrates compliance with the legal requirements under s122(2) and S122(3) of the 2008 Act. The reduction in the extent of the Order Limits and the shift from acquisition of permanent rights to temporary possession helps to demonstrate that the area of land proposed to be acquired is no more than is necessary; and that the degree of interference involved in each case is proportionate.</p> <p><i>That the Applicants have a clear idea of how they intend to use the land which it is proposed to acquire</i> - Sections 3 and 4 of the SoR describe the Site and the Proposed Development (including the existing utility corridors) and Section 6 describes the nature of the interest sought and the purposes for which areas are to be acquired or used. Further information is set out in the Guide to Land Plan Plots [AS-143].</p> <p><i>That there is a reasonable prospect of the requisite funds for the acquisition becoming available</i> – the Examining Authority is directed to the Funding Statement [APP-009] and Part 8 of the Applicants Written Summary of Oral Submissions for CAH1.</p>	
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	<p><i>That the purposes for which compulsory acquisition of land powers are included in the DCO are legitimate and are sufficient to justify interfering with the human rights of those with an interest in the land affected - see Section 11 of the SoR and Part 3 of the Applicants Written Summary of Oral Submissions for CAH1.</i></p> <p><i>Disparity with land required between north of the Tees and south of the Tees</i></p> <p>With respect to paragraph 4.3, the Applicants consider that it has satisfactorily demonstrated the easement requirement to STDC. It should be noted that the land required by the Applicants to the north of the River Tees only applies to Work No. 6. The land required on STDC requires multiple services associated with Work No. 2A, 3A, 5A and 6 and the dimensions are materially different. The land on STDC requires the safe distance for the buried natural gas pipeline (Work No. 2A) to be considered and also space for maintenance for all services in the future. With respect to the comparison offered by STDC, it should be noted that the total width of the North Tees utilities corridor next to Seal Sands Road is some 65m wide, while the Applicants' corridor is only 28m wide. STDC has offered a 17m corridor but this is insufficient in that it does not take into account safe distance requirements for a natural gas pipeline and adequate space for operational maintenance. Taken together the Applicants retain their position that it requires the full width of the utility corridors sought in the DCO both to the north and south of the River Tees.</p>	
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	<p><i>Gas Pipeline and CO2 Gathering Pipelines</i></p> <p>With respect to paragraph 4.6, the Applicants has been in discussions with Sembcorp for the use of the Sembcorp utility corridor on the north and south sides of the River Tees since August 2020. The Applicants have now gained agreement for the re-use of the Sembcorp natural gas pipeline. As further explained above, the Applicants removed the long-bored tunnel option from the DCO pursuant to the Change Application. The Applicants consider that the removal of the first option addresses STDC's concerns and look forward to confirmation that this part of their objection is withdrawn.</p> <p>Following the acceptance of the Change Application on 6th May 2022, the long-bored tunnel option for the CO2 Gathering Network no longer forms part of the Proposed Development. In line with STDC's proposal, the Applicants have also continued to explore the use of the existing Sembcorp No 2 Tunnel for the CO2 gathering network crossing over the River Tees. As part of the acceptance of the Change Application, the Sembcorp No2 Tunnel has been included in the DCO. The Applicants expect to be in a position to confirm the selection of the Tees crossing method by July following completion of further technical work.</p> <p>Addressing each of the specific changes to the DCO sought by STDC in paragraph 4.10:</p>	
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	<p><i>Remove the gas pipeline option which runs across Teesworks from the DCO – see response to paragraph 4.6 above.</i></p> <p><i>Remove the CO2 gathering pipeline option which runs across Teesworks from the DCO - see response to paragraph 4.6 above.</i></p> <p><i>Reduce the width of the utility corridors such that they correspond to the extent of land that will reasonably be needed – see response above in respect of tests under s122(2) of the Planning Act and the CA Guidance which sets out why the existing width of the utility corridors is required.</i></p> <p><i>Utilise existing utility corridors within Teesworks instead of sterilising land with new corridors – see response above in in respect of the legal tests under s122(2) of the Planning Act which sets out how the Applicants intend to utilise existing utility corridors and, in respect of new corridors, details of the protective provisions in the DCO which will ensure that land sterilisation is avoided.</i></p> <p><i>Provide greater clarity and certainty as to any temporary use of Teesworks’ land, including for construction activities and storage of material including tunnel arisings – the land in respect of which powers of temporary occupation are sought is shown edged red and shaded yellow on the Land Plans.</i></p> <p>Articles 31 and 32 of the Order are relied upon in respect of this land. Article 31 permits temporary use in two ways:</p> <p>Firstly, the land identified in Schedule 9 to the DCO may only be temporarily possessed (i.e. the Applicants cannot acquire</p>	
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	<p>the land nor new rights over it), and possession can only be taken for the purposes set out in that Schedule for the particular plot. Information is also provided in the Guide to Land Plan Plots [AS-143] on what each plot is required for.</p> <p>Secondly, Article 31 permits the Applicants to take temporary possession of any other part of the Order Land where they have not yet exercised powers of compulsory acquisition - this will allow them (for instance) to initially take temporary possession of the whole width of corridors required for connections. This could be relevant to the Natural Gas Connection Corridor (Work No. 2A), the Electrical Connection Corridor (Work No. 3A), Water Supply Connection Corridor (Work No. 4), the wastewater disposal works – replacement outfall (Work No. 5B), the wastewater disposal works – pipeline connections to Bran Sands (Work No. 5C), the CO2 Gathering Network (Work No. 6) and the CO2 Export Pipeline Corridor (Work No. 8). For each of these the Order includes power to acquire new rights in order to construct, maintain and operate the relevant apparatus. Once the Applicants have carried out detailed surveys and installed the relevant apparatus (such as pipes or cable), the Applicants can then acquire new rights (pursuant to the powers set out above) within only a narrower strip in which permanent rights are required, within the wider construction corridor. This phased approach to occupation and acquisition allows the permanent rights corridor to be defined after construction, and to be only that which is necessary for the operation, maintenance, and protection of the apparatus. Such an approach has precedent amongst other DCOs</p>	
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	<p>including the Eggborough Gas Fired Generating Station Order 2018 and the Drax Power (Generating Stations) Order 2019.</p> <p><i>Plot 525</i></p> <p>With respect to paragraph 4.7, the water supply for the CCGT and Capture plant elements of the Proposed Development (both Raw and Potable) at STDC were assessed in 2019 and early 2020 with a number of on-site visits by the Applicants' project team in conjunction with STDC staff. The water supply route has been discussed as part of regular interface meetings since 23rd November 2020. Plot 525 covers the area where an existing water main, of unknown integrity, is located. The area is sufficiently wide to enable construction either side of the existing pipeline – should that be required. At the time of the DCO submission STDC was unable to furnish the Applicants with a suitable integrity report for the existing line.</p> <p>The Applicants are attempting to secure a voluntary services agreement for STDC to provide a tie-in point to the existing NWL supplied potable water connection on the fence-line of the Proposed Development for the long-term supply of raw and potable water although this has yet to be agreed. Until such time as a satisfactory agreement is entered into, or there is certainty as to the integrity of the existing pipeline, the full extent of Plot 525 and surrounding plots is required in order to ensure that there is a raw and potable water source for the Proposed Development.</p>	
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	<p><i>Vertical Limits of Deviation</i></p> <p>With respect to paragraph 4.11, the Applicants understand that this point is in relation to the long tunnel option for Work No 2A and 6 which has now been removed from the DCO pursuant to the acceptance of the Change Application. The Applicants' pipelines under Work No. 2A, 5C and 6 will be routed and co-located within a utility corridor to minimise sterilisation of land. For these pipelines, controls over vertical limits are as in accordance with UK standards and regulation for buried natural gas pipelines. The Applicants will apply the standards as required by regulation.</p> <p>In conclusion, the Applicants' position is that all of the land included within the DCO is required for the Proposed Development, and that there is a compelling case in the public interest for the land to be acquired compulsorily. In the absence of land agreements being entered into with STDC, the Applicants require powers of compulsory acquisition and temporary possession to ensure that the Proposed Development can be built, maintained, and operated, and so that the public benefits of the NZT project can be realised, including supporting the Government's policies in relation to the timely delivery of new generating capacity and achieving ambitious net zero targets are met. Whilst seeking compulsory purchase powers, the Applicants will continue to seek to acquire the land, the temporary use of land, the rights and other interests by agreement wherever possible.</p>	
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<p>4.13 The Applicant seeks permanent and temporary rights over streets, rights of way and accesses under STDC's control, and a suite of related works powers contained in the draft Order. STDC is investing significant resources as part of its own development proposals to improve such streets and their entrances. Third parties rely upon use these streets and STDC has suggested reasonable alternatives, including a park and ride scheme. STDC is open to entering into legal agreements in respect of these interests, but no such agreement has been forthcoming from the Applicant. Given the existence of alternatives, STDC does not believe that the Order land comprising streets within Teesworks is required for the Project. STDC</p> <p>4.14 STDC note from ES Vol III Appendix 16B Framework Construction Worker Travel Plan (APP-333) that "Construction worker vehicles on arriving via the site entrance will be directed to the parking area located at Steel House" and that "an area of hardstanding will be set aside at Steel House within the Site to accommodate parking for construction workers. A park and ride system will then transport the workers to the PCC Site". However, this appears to impose a significant burden on the local road network because construction worker traffic would be mixing with park and ride buses at one of the principal access points into Teesworks, at the Redcar Gatehouse.</p> <p>4.15 Given that NZT are relying on using a park and ride system to transport construction workers across the various site areas, it seems reasonable for the parking element to be located such that construction worker traffic is not using one of the principal access points into Teesworks (only the buses that are transporting</p>	<p>With respect to paragraph 4.13, the Applicants will continue to engage with STDC to enter into voluntary agreements that will set out the arrangements for access. In the absence of such agreements, the Applicants' position is that the permanent and temporary rights sought in the DCO over access land are necessary and proportionate in order to deliver the Proposed Development.</p> <p>The Applicants would direct the Examining Authority to the protective provisions in Part 19 of Schedule 12 of the DCO. This requires that approval must be obtained from Teesworks Limited for "works details" prior to the commencement of construction of any part of numbered works 2A, 3, 4A, 5, 6, 8, 9 and 10 within the Teesworks site. The "works details" that must be subject to approval include details of vehicle access routes for construction and operational traffic, as well as such further particulars as Teesworks Limited may reasonable require within 28 days of receipt of the works details.</p> <p>The Applicants continue to explore alternatives with STDC and have now verbally agreed that STDC will be securing a Park and Ride facility on the Teesworks site which is located near to Steel House with a separate dedicated access from A1085 Trunk Road. The Park and Ride facility is not within the Order Limits. However, Plots 292, 293 &amp; 295 are retained within the Order Limits to provide equivalent car parking capacity adjacent to the main site unless and until a voluntary agreement is reached on use of a Park and Ride,</p>	<p>Please refer to STDC's written representation at paragraph 5.5 on the Protective Provisions which STDC considers inadequate.</p> <p>Please refer to STDC's response to question CA.1.23 (v) and CA.1.7 on the park and ride which STDC welcomes the Applicants use of.</p>
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<p>them). This would remove the requirement for the hardstanding parking area at Teesworks and would enable STDC to deliver future development projects on its land. STDC is undertaking discussions with the Applicant on its use of the Freeport land for parking and for construction traffic, including the potential provision of a more appropriate construction traffic parking solution than that set out in the DCO.</p>	<p>and STDC has demonstrated deliverability of the Park and Ride scheme.</p> <p>The Applicants understand that STDC are in the process of designing the Park and Ride and that any local planning requirements will be accommodated by STDC. The Applicants’ traffic assessment has considered the impacts of construction workers accessing the site on the local highway network and found them to be acceptable (as presented in Chapter 16 of the ES [APP-098], supported by a Framework Construction Worker Travel Plan [APP-333] and a Framework Traffic Management Plan [APP-334]).</p> <p>The land in question has been discussed on numerous occasions during 2021. The Applicants have explained during these meetings that STDC may require some form of logistics study to understand their own traffic management issues given the number of potential developments occurring on the Teesworks land at any one time in the 2024-2030 period. The response has been the proposal for a Park and Ride facility managed by Teesworks Limited and the Applicants await this proposal to understand if there are any further concerns.</p>	
<p>Temporary land for construction</p> <p>4.16 STDC note from the application documents that the Applicant is seeking temporary possession over a number of its interests. A number of these plots are required by STDC for its own development proposals. The Applicant will significantly hinder STDC’s development proposals if it takes such powers and sterilises</p>	<p>In the absence of a voluntary agreement, the Applicants require the powers of temporary possession that are sought in the DCO to construct the Proposed Development. The Applicants are satisfied that it has provided robust protective provisions in Part 19 of Schedule 12 of the DCO. In the absence of a voluntary agreement, the Applicants require the powers of temporary possession that are sought in the</p>	<p>Please refer to STDC’s written representation at paragraph 5.5 on the Protective Provisions which STDC considers inadequate and at paragraphs 4.5-4.9 on the lack of interface agreement.</p>



<p>parts of Teesworks for the duration of the Applicant’s works. STDC opposes temporary possession of its land as currently proposed under the draft Order, which should instead be secured by agreement with STDC.</p>	<p>DCO to construct the Proposed Development. The Applicants are satisfied that it has provided robust protective provisions in Part 19 of Schedule 12 of the DCO for the benefit of Teesworks and that these arrangements ensure that STDC has a reasonable degree of control over where development must come forward across the Teesworks site. The Applicants will continue to discuss the terms of the protective provisions with STDC. See the Applicants’ response to paragraphs 4.1 to 4.12.</p> <p>The Applicants are in dialogue with STDC and seek a voluntary agreement whereby both parties can deliver their individual projects. This includes proposals for an integrated schedule of works to be agreed between the Applicants and STDC. In the absence of agreement, the Applicants consider that these matters can be effectively managed through provisions in the DCO. The Examining Authority is directed to the Applicants’ response to paragraphs 4.1 to 4.12 for details of the protective provisions and paragraph 4.19 in relation to an integrated schedule of works.</p> <p>Since February 2020, the Applicants have discussed a schedule through numerous weekly and monthly meetings with STDC and has on numerous occasions presented the NZT programme to STDC’s engineering, planning and land groups. In late 2021, STDC provided an indicative schedule of demolition, remediation, and infrastructure projects. The Applicants have on numerous occasions offered to prepare an integrated schedule of activities with STDC, but the</p>	<p>It seems that the parties are agreed that an interface agreement should be entered into and this is confirmed by the Applicants in their later response to para 4.19. However, no such agreement has been received by STDC. STDC requests that the Applicant produce an agreement for STDC’s consideration.</p> <p>The Applicant is relying upon DCO provisions which permit it to compulsorily acquire and take temporary possession of STDC interests, without STDC consent. STDC require control over such powers otherwise, in absence of an agreement, the Applicants will be able to exercise powers and interfere with STDC’s developments.</p>
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	<p>schedule of other project activities post-2023 has not been made clear to the Applicants.</p> <p>Part 19 of Schedule 12 of the DCO provides robust protective provisions for the benefit of Teesworks and that these arrangements ensure that STDC has a reasonable degree of control over where development must come forward across the Teesworks site. The Applicants will continue to discuss the terms of the protective provisions with STDC. See the Applicants' response to paragraphs 4.1 to 4.12.</p> <p>The Applicants are in dialogue with STDC and seek a voluntary agreement whereby both parties can deliver their individual projects. This includes proposals for an integrated schedule of works to be agreed between the Applicants and STDC. In the absence of agreement, the Applicants consider that these matters can be effectively managed through provisions in the DCO. The Examining Authority is directed to the Applicants' response to paragraphs 4.1 to 4.12 for details of the protective provisions and paragraph 4.19 in relation to an integrated schedule of works.</p> <p>Since February 2020, the Applicants have discussed a schedule through numerous weekly and monthly meetings with STDC and has on numerous occasions presented the NZT programme to STDC's engineering, planning and land groups. In late 2021, STDC provided an indicative schedule of demolition, remediation, and infrastructure projects. The Applicants have on numerous occasions offered to prepare an integrated schedule of activities with STDC, but the</p>	
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	<p>schedule of other project activities post-2023 has not been made clear to the Applicants.</p>	
<p>4.17 STDC has engaged with the Applicant on the prospect of voluntary agreements, but no agreement has been reached. As it stands, the Applicant has failed to adequately negotiate for these interests, noting the expectations of Guidance in this respect.</p>	<p>In accordance with paragraph 25 of the CA Guidance, the Applicants have made (and continue to make) extensive efforts to acquire the necessary interests in STDC’s land by negotiation wherever practicable. Whilst progress has been made, no property agreements have yet been signed. Compulsory acquisition powers are therefore sought in the DCO in order to ensure that the Proposed Development is delivered and the substantial environmental and socio-economic benefits are realised.</p> <p>The Applicants disagree that it has failed to adequately negotiate with STDC in respect of the land rights required for the Proposed Development:</p> <p>The Applicants refer to the Statement of Reasons [AS-141], Compulsory Acquisition Schedule (submitted at Deadline 1), and Statement of Common Ground with STDC (submitted at Deadline 1) which demonstrate that extensive efforts have been made and continue to be made to enter into property agreements with STDC.</p> <p>The Applicants and STDC have been in weekly dialogue for more than a year (since March 2021) and the various issues presented by both parties have been discussed at length. The Applicants have made a significant number of refinements to the limits of the Proposed Development to address STDC’s concerns regarding the safeguarding of land for other development proposals.</p>	<p>Please refer to STDC’s written representation at paragraphs 3.1-3.4 on the status of negotiations on the option agreement.</p> <p>STDC is supportive of the scheme in principle, and has willingly entered into negotiations with the Applicants for a land agreement. However, the Applicants have submitted their scheme for development consent prior to those negotiations concluding, and prior to any agreements being prepared on CO2, electricity and Gas easements.</p>

	<p>Prior to weekly meetings, negotiations have been ongoing with STDC since May 2020 with over 60 management, legal and commercial meetings and calls taking place since then. In addition to that, separate technical and land remediation meetings and calls have run in parallel with initial site visits and discussions taking place in late 2019 and early 2020. The form of draft option agreement and lease for the main site have been in circulation since November 2020 and the form of draft lease for the construction laydown areas has been in circulation since March 2021.</p> <p>On 21 December 2021 a letter between the Applicants and the Mayor on behalf of the Tees Valley Combined Authority (TVCA) was signed to affirm the common commitment of both parties to conclude the option agreement and associated documentation (including the service supply agreements in respect of site utilities including raw and potable water, sewerage, outfall and electricity supply and options for easement in respect of CO2, natural gas, nitrogen and effluent water) in accordance with the principles set out in the letter. Discussions between the parties have continued since the signing of the joint letter in December 2021 with the next all parties meeting due to take place on Monday 30 May 2022.</p> <p>The land needed has been agreed in principle. The draft option agreement and lease for the main site are now in a mature form and include confirmation of the principal commercial terms for the service supply agreements and options for easement and an obligation on the parties to act</p>	
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	<p>in good faith in relation to agreement of the form of service supply agreements and options for easement.</p> <p>The lease for the Applicants' substation and construction areas and the lease for the National Grid substation extension form part of the draft option agreement for the main site. The form of lease for the Applicants' substation and construction areas will follow the format of the lease for the main site and the lease for the National Grid substation will be based on National Grid standard form.</p> <p>The Applicants will continue to engage proactively with STDC to secure all and interests required for the Proposed Development by agreement. This approach of making the application for powers of compulsory acquisition in the Application for the DCO and, in parallel, conducting negotiations to acquire land by agreement, accords with paragraph 26 of the CA Guidance.</p>	
<p>4.18 Specifically, STDC has the following concerns:</p> <p>4.18.1 Plots 274 and 279 (temporary use) – STDC believes it has an interest in plot 274 and is currently engaged in a dispute with a third party in respect of plot 279. STDC understands that these plots relate to a new accessway however such use would not be appropriate, and is accordingly objected to, given the current third party dispute in respect of plot 279. STDC notes that the Book of Reference states that plot 274 is in unknown ownership. Plot 274 is a verge, directly adjacent to land belonging to STDC. The Applicant has not applied the ad-medium filum rule whereby adjacent landowners (STDC) are presumed owners of the subsoil up to the</p>	<p>Plots 274 and 279 are required to allow HGVs to access the site without using the existing Trunk Road. This will reduce the burden of traffic. The gate that links PD Ports to STDC is connected between Plots 274 and 279. The Applicants have since been informed of the third party dispute and towards an alternative solution with all access rights guaranteed by STDC and offered as part of the voluntary agreement. In the absence of a voluntary agreement, the Applicants require Plots 274 and 279 for temporary use purposes and is willing to discuss any proposed amendments STDC may have to the protective provisions to accommodate</p>	<p>Please refer to STDC's response to question CA.1.23 (vi) and STDC's written representation on STDC's position on plots 274 and 279 at paragraphs 3.9-3.11 which STDC understands are being removed from the draft Order.</p>

half way point of the highway. The Applicant's Statement of Reasons is silent on how it has established ownership of unknown interests such as this, and it is unclear to STDC whether the Applicant has considered the ad-medium filum rule. The Applicant must comply with its duty of diligent inquiry in identifying interests, and this is a matter the Examining Authority should interrogate. The Book of Reference needs to be updated to reflect STDC interest on plot 274. On plot 279, STDC has made clear there was an alternative route which the Applicant could have used for access instead of this plot. However, it seems that the alternative route has not been included within the Applicant's Order limits. In accordance with the Guidance, land should not be compulsorily acquired without first considering reasonable alternatives. Plots 279 should be removed from the scope of the draft Order and the Applicant should use the alternative route proposed by STDC. Plot 274 should also be removed if it is only needed in connection with plot 279 (something STDC is unable to confirm given the absence of a table to the Statement of Reasons connecting each plot to a Work No.) STDC note that the protective provisions for the protection of PD Teesport Limited define "the PD Teesport operations" as "the port operations or property within the Order limits vested in PD Teesport Limited, including access to and from the port via Tees Dock Road." STDC wish to make clear that PD Teesport Limited does not have access to and from the port via Tees Dock Road (plot 279) given that the gate on this road belongs to STDC. This matter is subject to an ongoing dispute.

STDC's concerns regarding access to and from the port via Tees Dock Road.

With respect to plot 274, the Applicants note STDC's concerns regarding Plot 274. This is shown as unregistered in the Book of Reference [AS-140]. The Applicants will confirm if the ad-medium filum principle applies in order that STDC's interest should be inserted, and will make this change as part of addressing other comments on the Book of Reference [AS-140] from the Examining Authority. An updated version of the Book of Reference will be submitted at Deadline 2.

<p>4.18.2 Plot 293 (temporary use) – This plot forms part of the Teesside Freeport and seems to be required by the Applicant for parking and temporary laydown. The effect of including this plot within the Order limits is that part of the Freeport will be sterilised. STDC is proposing a park and ride scheme as an alternative to temporary acquisition of this plot. Any other laydown required in this area could form part of plot 342. The details of the park and ride scheme are being finalised by STDC and optioneering process to identify the best location for the park and ride is ongoing. STDC hope to conclude this optioneering exercise shortly. In accordance with the Guidance, all reasonable alternatives to compulsory acquisition must be explored and STDC is clearly proposing such an alternative. In light of this, and the significant impact on the Freeport, STDC requests that the land be removed from the scope of the draft Order.</p>	<p>The Applicants are in dialogue with STDC and seek a voluntary agreement taking account of both parties' projects, and to manage any areas of concern that STDC foresee through refinement of land where possible, scheduling of activities and protective provisions. The Applicants require an area for parking along with construction facilities (sanitary, messing, offices) and equipment laydown and well as rebar and concrete manufacture. As set out in the Applicants' response to paragraphs 4.14 and 4.15, Plot 293 has been assessed as being required in the event that the proposed Park and Ride is not available at the time of construction commencing onsite.</p>	<p>Please refer to STDC's response to question CA.1.23 (v) and CA.1.7 on STDC's position on plot 293.</p>
<p>4.18.3 Plots 290 and 291 (temporary use) – These plots form part of the Teesside Freeport. STDC believes that the Applicant has again failed to consider reasonable alternative sites which may be used for its works. The land should be removed from the scope of the draft Order and the Applicant should engage with STDC on reasonable alternatives, outside of the Freeport.</p>	<p>The Applicants are in dialogue with STDC and seek a voluntary agreement taking account of both parties' projects, and to manage any areas of concern that STDC foresee through refinement of land where possible, scheduling of activities and protective provisions. Plots 290 and 291 are required as a means to deliver the large AILs from the RBT port to the Applicants' construction site. This road, known as Red Main, was offered to the Applicants in verbal site discussions during the period of 2020, prior to the Freeport land being announced. Since March 2021, the Applicants and STDC have been discussing potential alternative solutions for the routing of AILs and this is intended to be part of the voluntary agreements. In the absence of voluntary agreements to date, Plots 290 and 291</p>	<p>Please refer to STDC's response to question CA.1.23 (vii) on STDC's position on plot 290 and 291.</p>

	<p>are required for temporary use in order to construct the Proposed Development.</p>	
<p>STDC private wire network</p> <p>4.18.4 Plots 540a, 540b, 540c, and 393a and 393b –</p> <p>4.18.5 In its connection offer from National Grid (which interfaces with these plots), the Applicant was required to consider the impacts on third parties and associated works. The Applicant highlighted this to STDC in February 2021 and agreed to undertake a study. The study completed in November 2021 and confirmed that the NZT facilities operations could impact upon the Teesworks private wire network.</p> <p>4.18.6 The potential impact on STDC is that the Project could cause failure of the STDC high voltage (HV) system and, as a consequence, prevent/disrupt operations (consumption of electricity) by STDC and other site residents.</p> <p>4.18.7 Since completion of the study on impacts to STDC’s private wire network, a working group has been established with representatives from STDC and the Applicant. The group is tasked with assessing solutions to prevent the impact on STDC’s private wire network. The associated modelling is progressing and is expected to complete in January 2022.</p>	<p>With respect to paragraph 4.18.4, these plots have been reviewed by the Applicants at the request of STDC and are partly addressed following the acceptance of the Applicants’ change request on 6th May 2022. Plot 393b has been removed and other plots changed from the permanent rights to temporary rights (for construction), based on the information from NGET and further design assessments.</p> <p>With respect to paragraph 4.18.5, an assessment has been carried out by the Applicants relating to the potential fault levels that might be incurred as a result of the Proposed Development tie-in to the Tod Point Substation. Following issue of this technical report to STDC in November 2021 the Applicants consider this matter adequately addressed.</p> <p>With respect to paragraphs 4.18.6 &amp; 4.18.7, an assessment has been carried out by the Applicants relating to the potential of parallel paths on STDC’s 66kV system (66kV Parallel Path) that might be incurred as a result of the NZT main 275kV connection to the Tod Point Substation. It has been confirmed that the risk of 66kV Parallel Path exists at STDC at present, and although increased by the Applicants’ connection, is anticipated to occur to a greater extent in the future as the National Grid and STDC systems evolve, with or without the Applicants connecting at Tod Point. Nevertheless, the Applicants and STDC have identified a range of technical operating scenarios and potential modifications to mitigate and manage this risk. The final</p>	<p>STDC welcome the changes to the scheme to reduce the level of land acquisition in this area.</p> <p>Please refer to STDC’s written representation at paragraphs 4.1-4.3 on the impact of the project on STDC’s private wire network.</p>



	<p>details with respect to the 66kV Parallel Path are not yet finalised and agreed. However, the Applicants and STDC are in dialogue and seek to reach final agreement prior to July 2022.</p>	
<p>4.19 The timing of the Applicant’s proposals coincide with STDC’s own development proposals. Whilst STDC and the Applicant have been discussing the interface between the two projects and this will continue up to and during the examination period, an interface agreement is not yet in place.</p> <p>4.20 STDC requires the interface between the two projects (in terms of phasing as well as the location of proposed development) to be satisfactorily managed via the protective provisions. Without such a measure, STDC’s own development proposals are not sufficiently protected. Sterilisation of, and conflict with, the Teesworks Development.</p>	<p>The Applicants are in dialogue with STDC and seek a voluntary agreement taking account of both parties’ projects, and to manage any areas of concern that STDC foresee through refinement of land where possible, scheduling of activities and protective provisions. As discussed in the February 2022 Pre-Consultation meeting, the Applicants and STDC are now pursuing an Interface Agreement that is designed to set out a suite of documents that must be either shared with STDC, consulted upon with STDC, or that would require STDC’s approval. The Applicants have been working on a draft Interface Agreement following STDC’s proposal and are close to being in position to share this with STDC for comment. The protective provisions are considered to adequately protect STDC in the absence of agreement.</p>	<p>STDC note that the Applicants are working on a draft interface agreement and look forward to receipt.</p>
<p>4.21 For the reasons outlined above, as matters stand in the DCO application the development proposals have the potential to lead to the under-utilisation or sterilisation of large tracts of land within Teesworks earmarked for regeneration. The DCO Order limits (outwith the main PCC facility) include part of the Teesworks Freeport tax free zone. STDC, the Freeport, and the wider community will be deprived of the time-limited tax benefits in relation to those plots while the Applicant is in possession of the land. Put another way, absent resolution of the matters outlined</p>	<p>With respect to paragraph 4.21, STDC’s reference to S127 of the 2008 Act relates to the legal requirements for the exercise of powers of compulsory acquisition over land owned by statutory undertakers. As STDC notes, it is not a statutory undertaker and s127 is not engaged.</p> <p>The Applicants are satisfied that the arrangements in the DCO including with respect to the protective provisions are sufficient to ensure that the impacts of the Proposed Development, including on STDC, are managed and</p>	<p>STDC has made clear that the Applicants’ proposals would sterilise part of the Freeport tax site. This is an unacceptable and disproportionate impact on Teesworks which STDC continues to resist.</p> <p>Please refer to STDC’s written representation at paragraph 5.5 on</p>

<p>above, implementation of NZT would be at odds with the statutory designations which have been put in place to secure the regeneration of Teesworks, and contrary to the Local Plan. Whilst STDC and its interest do not currently engage section 127 of the 2008 Act, the potential impacts of NZT would be tantamount to causing a serious detriment to the achievement of the objects and purposes of the Teesworks site.</p> <p>4.22 The Guidance requires the Applicant to satisfy the Secretary of State that there is compelling evidence that the public benefits that would be derived from the compulsory acquisition will outweigh the private loss that would be suffered by those whose land is to be acquired. Were the compulsory powers in the DCO granted (in their current form), STDC would be unable to bring forward its own development proposals. STDC has already satisfied the Secretary of State of the compelling case for its own development proposals when acquiring Teesworks through the 2019 CPO. STDC has similarly satisfied the Secretary of State of the national significance and benefits of Teesworks in achieving Freeport status.</p> <p>4.23 STDC request that the Examining Authority consider whether, in the context of the extent of powers sought by NZT over STDC's land and interests, there is compelling evidence that the public benefits of the Project would outweigh those contained within STDC's existing proposals, already endorsed by the Secretary of State.</p>	<p>mitigated. The Applicants' position is that its submissions above are sufficient to address STDC's concerns and provide sufficient protection in order to allow the Secretary of State to grant compulsory acquisition powers over STDC's land interests.</p> <p>The Applicants are open to discussing integrated project planning with STDC by agreement, and which has been the subject of considerable negotiation. The Examining Authority is directed to the Applicants' response to paragraphs 4.19 and 4.20 in respect of proposals for an Interface Agreement.</p> <p>With respect to paragraphs 4.22 and 4.23, the other Teesworks site developments were communicated by Teesworks Limited to the Applicants, although limited information was available in March 2021. The Applicants have not been privy to all of the technical and commercial details surrounding other potential developments but continues to engage with STDC on the interaction with its own proposals. The formal HOTS process was started in June 2020 with a first draft of land requirements discussed in September 2020, prior to the Freeport announcement. The Examining Authority is directed to paragraph 4.17 for further details of the Applicants' position with respect to entering into voluntary agreements that both ensure the delivery of the Proposed Development and provide for arrangements that will protect STDC's interests.</p> <p>The Applicants consider that the Proposed Development will support the Freeport status of the Teesworks site and that</p>	<p>Protective Provisions which STDC considers inadequate.</p> <p>Please refer to the above where STDC clarifies that no such integration agreement has been received.</p>
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	<p>the public benefits of both proposals are capable of being fulfilled. The same principle applies as set out in the paragraph above with respect to how the interaction between the Freeport and the construction and operation of Proposed Development can be effectively managed. The Applicants would direct STDC to its response to paragraphs 4.1 to 4.12 for further information as to how both proposals are capable of being delivered and how the Proposed Development satisfies the legal requirements related to securing compulsory acquisition powers.</p>	
<p>Land assembly by agreement</p> <p>4.24 STDC is seeking to enter into a lease with the Applicant for all of the land subject to permanent acquisition in the DCO (although this does not currently include the permanent land required for substations). It is understood by STDC that the Applicant does not wish to acquire the land permanently. Negotiations on the lease have been ongoing and the commercial terms around the lease are yet to be agreed.</p> <p>4.25 The Guidance requires the Applicant to seek to acquire land by negotiation wherever practicable and to only seek powers of compulsory acquisition if attempts to acquire by agreement fail. It is unclear to STDC why the Applicant has submitted its application for a DCO without progressing negotiations with STDC for the temporary and permanent rights required for the Project, beyond the main application site. STDC is mindful of the Applicant's programme, but it is unreasonable to seek compulsory acquisition</p>	<p>The Examining Authority is directed to the Applicants' response to paragraph 4.17 above.</p> <p>With respect to the Applicants' attempts to acquire other land interests within the boundary of STDC's land, the Examining Authority is directed to Statement of Reasons [AS-141] and Compulsory Acquisition Schedule (submitted at Deadline 1).</p> <p>The Applicants continue to seek to acquire land by negotiation in accordance with the principles set out in the CA Guidance. The Examining Authority is directed to the Applicants' response to paragraphs 4.1 to 4.12. The Applicants disagree that it has not had "meaningful or genuine negotiations" with STDC. The Examining Authority is directed to the Applicants' response to paragraph 4.17.</p>	<p>Please refer to STDC's written representation at paragraphs 3.1-3.4 on the status of negotiations on the option agreement.</p>

<p>powers without first entering into meaningful or genuine negotiations for those interests.</p> <p>4.26 A number of third parties have rights to use STDC's land and will be impacted by the scheme. STDC notes that a number of those third parties are listed in the Applicant's Book of Reference or otherwise in the Statement of Reasons. However, it is unclear to what extent the Applicant has sought to acquire those interests by agreement.</p> <p>4.27 STDC's position is that its land and interests should be removed or restricted from the scope of compulsory acquisition powers under the DCO, with land assembly instead being dealt with by agreement, as acknowledged by the Guidance.</p>		
<p><b>5 DCO Issues with DCO Articles and Schedules</b></p> <p>5.1 Article 2 "permitted preliminary works" – It is not yet clear to STDC what impact the "permitted preliminary works" will have on Teesworks. Since these works are, on the face of it, wide-ranging in scope, and would precede the discharge of requirements, STDC needs to understand their scale, timing and location. Since they will coincide with other major development taking place at the site, STDC will need to be satisfied that sufficient protections are in place (e.g. through protective provisions) to ensure the "permitted preliminary works" are appropriately controlled and coordinated.</p>	<p>The permitted preliminary works ("PPW") involve largely non-intrusive works that the Applicants are permitted to carry out, where appropriate before discharging certain requirements. The list of PPW is prescriptive and if any other works are required, that would require the consent of the planning authority who will need to be satisfied that they do not give rise to new or materially different environmental effects from those assessed in the ES. There is precedent for this approach in other DCOs for energy infrastructure including gas fired power stations such as the Eggborough Gas Fired Generating Station Order 2018 and The Immingham Open Cycle Gas Turbine Order 2020. PPW are not excepted from the scope of protective provisions which therefore apply to them as for other relevant parts of the authorised development.</p>	<p>Please refer to STDC's written representation at paragraph 5.6 on article 2.</p>

<p>5.2 Article 12 – Construction and maintenance of new or altered means of access – as above, STDC objects to the Applicant’s construction of a new access on Tees Dock Road (set out in Part 2 to Schedule 5 to the draft Order). This land belongs to STDC and should not be constructed on in order to ensure the integrity of the wider STDC site. There may be security risks to STDC if such an access is constructed. The land at Tees Dock Road forms part of plots 274/9 which is referred to above. For the reasons set out earlier in this relevant representation, STDC require that this land should be removed from the scope of powers within the DCO,</p>	<p>See the Applicants’ response to paragraph 4.18.1.</p>	<p>Please see STDC’s corresponding response at 4.18.1</p>
<p>5.3 Article 13 – Temporary stopping up of streets, public rights of way and access land – STDC note that the Applicant is seeking to temporarily suspend access to the “area hatched green on sheets 1 and 2 of the access and rights of way plans”, as set out in Part 3 to Schedule 6 to the draft Order. This is “Access land at Coatham beach and sand dunes” however STDC believes that this footpath will be required to access a nearby lighthouse and should not be stopped up. The Examining Authority should note that Coatham beach is to the north of Teesworks, but it is unclear where the green hatching is on sheets 1 and 2 of the access and rights of way plans. The cross references in the DCO to the access and rights of way plans must be revisited by the Applicant, as STDC and other affected parties do not currently have sufficient details on what the Applicant is seeking to do in respect of this land.</p>	<p>This error was corrected in the re-submission of the DCO and Explanatory Memorandum in October 2021. The green hatching referred to in the STDC relevant representation was an error in the original DCO submission in July 2021. Reference in Table 3 of Schedule 6 (those areas where public access may be temporarily suspended) is now to beige hatching on sheets 1 – 3 of ARoW plans (which is consistent with what ARoW plans show as the access land). The SoR from paragraph 9.1.10 sets out works and activities on the beach and dunes, and the very limited potential restrictions for that area. Whilst that relates specifically to open space, the access land is a similar area. Requirement 5 of the DCO sets out the requirement for the submission of a public rights of way and access land management plan to planning authority. It must be approved prior to temporarily stopping up of a public right of way or access land. The plan will set out the arrangements for the diversion of any access and PRoW. Access to the lighthouse will be retained throughout</p>	<p>No further comments</p>

	the construction and operation of the Proposed Development.	
<p>5.4 Article 25 (2) (Compulsory acquisition of rights etc.) – Although STDC agree that in principle statutory undertakers may need to exercise rights in the draft Order directly, it is unclear from the draft Order which statutory undertakers could receive and enforce rights over STDC’s land. The Applicant should clarify the position by identifying each statutory undertaker it envisages transferring the benefit of article 25.</p>	<p>The approach in the DCO is required to provide flexibility to enable the Proposed Development to proceed. At this stage engineering design is not at a level to know whether diversions may be required, and the powers are required to allow them to take place if needed. The Book of Reference [AS-139] contains information on the apparatus in the relevant plots of land and which may, if necessary, be diverted and rights acquired to do so. There is precedent for a general transfer power in development consent orders and, for the foregoing reasons, the Applicants consider that it is appropriate in the DCO for the Proposed Development.</p>	<p>Please refer to STDC’s written representation at paragraph 5.7 on article 25(2).</p>
<p>5.5 Schedule 2 (Requirements) – In dialogue between STDC and the Applicant over the past 18 months or so, including during statutory consultation, a level of agreement was reached that STDC would be referred to in the wording of the Requirements as a party to be consulted on the information being submitted by the Applicant to RCBC for its approval. Examples of information which STDC expected an approval role over include detailed Construction and Environmental Management Plan (CEMP), drainage schemes and piling risk assessments/plans.</p> <p>5.6 Correspondence dated 10 November 2020 from the Applicant to STDC confirmed the Applicant’s agreement that STDC could be named as a consultee in Requirements dealing with these matters, and the Applicant acknowledged that such an approach has been taken on other DCOs.</p>	<p>The Applicants are content to add South Tees Development Corporation as a consultee to those requirements. These will be incorporated in the draft DCO submitted at Deadline 2. This matter has been recorded in the Statement of Common Ground entered into between the Applicants and STDC and submitted at Deadline 1.</p>	<p>Please refer to STDC’s written representation at paragraph 5.1-5.3 on Schedule 2 Requirements.</p>

<p>5.7 As currently drafted, none of the Requirements refer to STDC and commit to its involvement in the review and approval of information submitted to discharge Requirements in the draft Order. We consider this to undermine any certainty that the Applicant is seeking to give to STDC that the Project will not adversely impact on the delivery of development by STDC on its land. Those Requirements, which we feel should make explicit reference to STDC being consulted and given opportunity to comment on the information submitted ahead of discharge, include (though not necessarily limited to):</p> <p>Requirement no. 11: Surface and foul water drainage</p> <p>Requirement no. 12: Flood risk mitigation</p> <p>Requirement no. 13: Contaminated land and groundwater</p> <p>Requirement no. 16: Construction environmental management plan</p> <p>Requirement no. 18: Construction traffic management plan</p> <p>Requirement no.19 Construction workers travel plan</p> <p>Requirement no. 23: Piling and penetrative foundation design</p> <p>Requirement no. 24: Waste management on site – construction wastes Protective provisions</p>		
<p>5.8 Protective provisions for the benefit of Teesworks Limited are included in the draft Order. However, they fail to protect the other STDC entity and are not satisfactory in other respects. STDC has supplied the Applicant with amendments to seek to address its concerns, and the matter remains under discussion between the parties. STDC would highlight in particular that it requires the</p>	<p>If the property agreements are completed, the Applicants would be prepared (via those agreements) to restrict the compulsory acquisition powers in the DCO so far as they relate to STDC's land interests. Unless and until such time, the provision proposed by STDC would compromise the Applicants' ability to exercise the compulsory acquisition</p>	<p>Please refer to STDC's written representation at paragraph 5.5 on the Protective Provisions which STDC considers inadequate.</p>

<p>protective provisions to include the following wording, in order to sufficiently protect STDC's own development proposals and address above-mentioned concerns over land acquisition:</p> <p><i>Regardless of any provision in this Order or anything shown on the land plans or contained in the book of reference to the Order, the undertaker may not appropriate or acquire any interest in land or appropriate, acquire, extinguish or override any easement or other interest of Teesworks Limited (including temporary possession) otherwise than by agreement with Teesworks Limited.</i></p>	<p>powers that are being sought and which it considers are justified for the reasons set out in the Applicants' response to paragraph 4.1 to 4.12. The Applicants' position is that the compulsory acquisition powers included in the DCO are necessary to deliver the Proposed Development and realise its substantial and nationally significant environmental and socio-economic benefits.</p>	
<p>Consultation Report</p> <p>5.9 The Consultation Report, at Table 15.2B sets out a summary of consultation responses and the Applicant's response. At row 31, in response to STDC's representation of 25.01.21, the Applicant has stated: "The Applicants and STDC have agreed to develop an integrated schedule to ensure the project-specific and STDC's wider demolition and remediation activities are planned efficiently to allow the Proposed Development and various Teesworks developments to co-exist with minimal disruption to each other."</p> <p>5.10 STDC request that this schedule forms a new requirement in Schedule 2 to the draft Order, requiring the Applicant to develop such a schedule prior to commencing construction of the scheme.</p>	<p>The comments in the Consultation Report were anticipating an integrated schedule being agreed in technical discussions between the parties, and potentially being reflected in voluntary agreements. The Applicants consider that protective provisions in the DCO are adequate to protect STDC's interests.</p>	<p>No further comments on the Consultation Report, although STDC note that it is yet to receive such a schedule. Please refer to STDC's written representation at paragraph 5.5 on the Protective Provisions which STDC considers inadequate</p>
<p>Book of Reference</p> <p>5.11 It is unclear to STDC whether all of its Category 3 interests are noted within the Book of Reference. STDC may have a relevant claim under s10 of the Compulsory Acquisition Act 1965</p>	<p>The Book of Reference [AS-140] has been updated to reference category 3 interests as part of the Change Application submission.</p>	<p>No further comments</p>



<p>given that it may be injuriously affected by the execution of the Applicant's works, which occur on STDC land and risk infringing STDC rights.</p>		
<p>5.12 STDC request that the Book of Reference is reviewed to consider STDC's potential Category 3 interests and any discrepancies corrected, prior to the commencement of the examination period.</p>		
<p>Statement of Reasons</p> <p>5.13 Paragraph 9.1.18 (a) of the Applicant's Statement of Reasons states "The existing outfall tunnel (plots 291, 297, 298, 299, 304, 305, 306, 307, 308, 309, 310, 311, 312, 326, 327, 334, 335, 371) is still operational for small discharges. However, the condition of the tunnel for long term use for the Project is unconfirmed by its owner, STDC. If it is possible to re-use the existing outfall tunnel, any maintenance activities are likely to be minor (see below)."</p> <p>5.14 STDC has carried out surveys it believes are reasonably necessary, however it would be unreasonable to expect STDC to warrant that the tunnel may be used for a third-party scheme of this scale. This is a matter for the Applicant to assess in light of the surveys carried out to date.</p>	<p>A number of the plots referred to have been removed pursuant to the Change Application which narrowed the area of Work No. 5A (the refurbishment of the existing outfall tunnel). The Applicants would refer STDC to the updated Book of Reference [AS-139] and Land Plans [AS-146].</p> <p>With respect to paragraph 5.14, it is unclear which surveys STDC have carried out to date. The Applicants have been made aware through Interface meetings that after a period of attempting to contract work for the Outfall survey, this was put on hold by STDC since the survey being proposed by STDC would be insufficient to support a 30 year development such as being proposed by the Applicants. The Applicants are carrying out its own investigations and further survey work is required to verify the condition of the tunnel. In the interim the Applicants cannot confirm its integrity and, to ensure the delivery of the Proposed Development, the option of the replacement tunnel (Work No. 5B) must be retained in the DCO.</p>	<p>No further comments on updated Book of Reference.</p> <p>STDC notes that the Applicants are carrying out their own investigations of the outfall.</p> <p>Please refer to STDC's written representation at paragraph 3.17-3.19 and response to question CA.1.23 (i) and CA.1.7 for STDC's position on the outfall alignment.</p>
<p>5.15 STDC and the Applicant have discussed the majority of Teesworks plots required for the Project. STDC is pleased that the</p>	<p>With respect to paragraph 5.15, in each case where freehold acquisition is sought, the relevant plot numbers are linked in</p>	<p>STDC notes that the Guide to the Land Plan Plots was submitted by the</p>

<p>Applicant has entered into these detailed plot discussions. However, despite the helpful level of engagement on plot requirements, it is noted that the Applicant's Statement of Reasons does not set out a justification for the acquisition of each plot. STDC considers that the DCO application would benefit from a schedule setting out the purpose for which powers are sought, on a plot by plot basis, connecting each plot to a work number. STDC requests that the Examining Authority, if they are minded to agree, require the Applicant to produce such a schedule prior to the start of examination.</p> <p>5.16 Appendix 1 to the Statement of Reasons summarises the status of negotiations between the parties. STDC can confirm that it has been progressing discussions with the Applicant on commercial and technical matters, in detail and on a regular basis. This includes working together to agree a land remediation strategy to support a planning application that STDC has submitted for the remediation of the land required by NZT, and to discuss park and ride and a number of utility matters. Commercial agreements to enable the completion of the lease for the main site and wayleave agreements for utility and access corridors have not been completed and negotiations continue.</p>	<p>section 6 of the Statement of Reasons to specific works in the DCO. When read together with Schedules 7 and 9 of the DCO [AS-136], the Book of Reference [AS-139] and the Guide to the Land Plan Plots [AS-143] it is possible to see why each piece of land or new right in that land is required and to see that in each case the purpose of acquisition meets the condition in subsection (2) because it is either for development to which the application relates (e.g. it is the location of some new infrastructure), or to facilitate that development (e.g. it is required to construct the infrastructure), or the purpose is incidental to that development (e.g. it is required to access and maintain that infrastructure). Appendix 1 to the Statement of Reasons and the Guide to Land Plan Plots identify all plots subject to Compulsory Acquisition or Temporary Possession, and the reasons why the land is required for or incidental to the proposed development.</p> <p>With respect to paragraph 5.16, the Examining Authority is directed to the Applicants' response to paragraph 4.17.</p>	<p>Applicants after submission of STDC's relevant representation. However, STDC has noted inconsistencies between the said guide and the draft Order, see for example STDC's response to question CA.1.7. It is unreasonable for STDC to incur time and expense correcting such matters, which relate directly to STDC interests, and which should have been clear from the outset.</p>
<p>Funding Statement</p> <p>5.17 The Guidance requires the Applicant to "provide as much information as possible about the resource implications of both acquiring the land and implementing the project for which the land is required." It is noted that the Applicant's Funding Statement does not include a separate estimate for land acquisition costs. STDC requests that this information is added to the Funding Statement.</p>	<p>The Examining Authority is directed to the Funding Statement [AS-135] and Part 8 of the Applicants' Written Summary of Oral Submission for CAH1.</p>	<p>STDC maintains the points made in its relevant representation, that the Applicants should provide a separate estimate for land acquisition costs as is the standard across numerous DCOs and as per the Guidance.</p>

<p>As set out at paragraph 2.1.7 of the Funding Statement, the parent company and partners will “share all the costs and liabilities incurred in relation to the Proposed Development” however “the details and corporate structure are to be confirmed”. Further details on how the Applicant’s costs and liabilities are to be funded should be set out in detail prior to the commencement of examination.</p>		<p>Non-disclosure of this sum is unreasonable as compulsory acquisition powers directly affect landowners, and the Guidance clearly contemplates that they will know whether the acquirer has estimated the resource implications of acquiring the land.</p> <p>STDC note that audited accounts of the Applicants’ parent companies have been provided, but it is unclear what relevance these have given that there is no evidence before the Examination of any obligation on these parent companies to fund the development, only that they will make a decision post grant of compulsory acquisition powers.</p>
<p><b>6 Environmental and planning/technical concerns</b></p> <p>6.1 STDC has the following comments in respect of the DCO technical documents:</p> <p>Habitats Regulation Assessment</p> <p>6.2 The Environmental Statement (ES) (see, for example, paragraph 5.2.1 of the Non-Technical Summary), confirms that the cumulative impacts of all phases of the scheme have been assessed, including site preparatory works (i.e. demolition of existing structures and site remediation). It is explained in the application documentation that such preparatory works are expected to be completed by STDC. At the current time, there is no</p>	<p>The ES was prepared on the basis that the required preparatory works are included and assessed within the ES and DCO. The Applicants have provided a number of documents to STDC’s environmental representatives prior to the DCO submission for comment which have been incorporated where possible. These include discussions on air quality, traffic, construction management, noise, biodiversity enhancement, ground contamination, heritage and flood risk. Drafts of key chapters were issued to STDC for review prior to submission of the DCO application. The Applicants have also engaged with STDC and Teesworks to</p>	<p>No further comments</p>

<p>agreement between STDC and the Applicant for STDC to carry out such preparatory works. It is, therefore, necessary for the DCO to proceed on the basis that, when made, it permits all site preparatory works with all necessary mitigation identified and imposed.</p>	<p>assist in their local planning applications for on-site developments and help identify potential cumulative effects.</p>	
<p><b>Environmental Impact Assessment (EIA) Environmental Statement</b></p> <p>6.3 There are a number of aspects of the ES that we comment on below: Assessment of alternatives – Natural Gas Connection Route</p>	<p>See response to paragraph 4.1 to 4.12. Since the relevant representation period, the Applicant has submitted a change request to the DCO that reduced this optionality. Following acceptance, the Applicants consider that these points have now been satisfactorily addressed.</p>	<p>No further comments</p>
<p>6.4 The Indicative Pipeline Routings plan (APP-117) shows two options for the routing of the CO2 gathering pipeline (purple dash) as either the above-ground Sembcorp corridor running alongside Dabholme Gut or, alternatively, the below ground option (potentially using a micro-bored tunnel (MBT)) diagonally through the Teesworks area to the PCC Plant. The Natural Gas pipeline is then shown (light green line) only in respect of the second route – beneath the Teesworks site (and would share the MBT if it is constructed for the CO2 gathering pipeline, otherwise it would be constructed through an open cut (up to 35m wide)).</p> <p>6.5 The Natural Gas pipeline is to be 600mm (bore diameter) whilst the CO2 gathering pipeline is not dissimilar, at 550mm. The Gas Connection and AGI Plan Sheet 1 (APP-028) confirms the land extents for the Natural Gas connection corridor as being a corridor of at least 200 metres in width across Teesworks' land.</p> <p>6.6 The document titled "Gas Connection and Pipelines Statement" (APP-073), at Section 3.0 explains that there are two</p>		

routes / supply systems for the gas connection: 1. a new build "Option 1" involving a new bored tunnel beneath the River Tees and below ground to the PCC through the Teesworks site (with alternatives to use existing or new pipelines between Seal Sands and Navigator Terminals); or 2. a tie-in to the existing Sembcorp pipeline at Bran Sands and a new below ground pipeline north to the PCC.

6.7 It is unclear from the submission as to whether the Applicant considers it necessary to construct both pipelines / connections as it is explained (at paragraph 3.1.3 of APP-073) that "Subject to commercial agreement(s) with NGG and/or other gas suppliers, natural gas will be supplied via one or more of the Gas Supply systems described..."

6.8 There is no apparent justification in the DCO documentation for essentially reserving the option of having one CO2 connection from two Gas Supply Systems or the necessity of having connections from both (when the potential of having only one system / connection is being contemplated).

6.9 Moreover, there is an apparent omission in the alternatives being considered for the routing of the Natural Gas Pipeline: that being the option of using the Sembcorp over-ground pipe corridor alongside Dabholme Gut and returning north at Bran Sands to the PCC Plant. This corridor is being considered for the CO2 gathering pipelines and there is no known rationale for not considering it as an alternative for the Natural Gas pipeline.

6.10 Should the Sembcorp pipeline corridor alongside Dabholme Gut be used for both the CO2 gathering pipeline and the natural gas pipeline (or, in respect of the later, a connection is

<p>created to the existing Sembcorp pipeline at Bran Sands), then the need for the circa 200m wide corridor through the Teesworks site falls away and there would be no justification for its inclusion in the Order limits on grounds of necessity.</p>		
<p>Assessment of alternatives – construction traffic access</p> <p>6.11 At ES Figure 16-2 – HGV Routes to and from the Site (APP-173), HGV routes are shown for construction traffic entering / exiting the Teesworks site. The Framework CEMP (APP-246) at paragraph 5.4.2 explains that “construction HGVs associated with the construction of the PCC Site (including containerised deliveries arriving via Teesport) will arrive and depart the Site via the entrance on the A1053 Tees Dock Road and the internal site road network...the same access will be used for construction traffic for the HP Compressor Station, CO2 Export Pipeline and Water Connections.”</p> <p>6.12 There is no rationale for limiting HGV construction traffic to access / egress Teesworks via Tees Dock Road. As explained above, the use of Tees Dock Road relies upon the opening of a private (STDC-owned) gated access across Teesworks land which STDC does not support. There is no assessment of alternative access opportunities including an obvious alternative to Tees Dock Road: that being the use of the northern-most point of access into Teesworks at the main roundabout access from the Trunk Road (the ‘Steel House roundabout access’).</p> <p>6.13 It is understood, following review of the submitted relevant Transport Assessment documents by the Applicant, that construction worker traffic (from private vehicles) will enter the site</p>	<p>With respect to paragraphs 6.11 - 6.12 and in light of STDC’s comments, the Applicants are examining the alternative of HGVs accessing the site via the Lackenby Steelworks entrance off the A1085 which, if feasible, would be secured via voluntary agreement with STDC.</p> <p>With respect to paragraph 6.13, a review of cumulative traffic impacts of NZT construction traffic using the Redcar Gatehouse is being prepared by the Applicants.</p> <p>With respect to paragraph 6.14, a review of the management of traffic impacts of NZT construction traffic using the Redcar Gatehouse is being prepared. The Applicants preference remains to secure voluntary agreement with STDC, including use of the proposed park and ride. See the Applicants’ response to paragraphs 4.13 to 4.15.</p> <p>With respect to paragraph 6.15, the review of cumulative traffic impacts of NZT construction traffic using the Redcar Gatehouse is being prepared and will examine the conservatism of assumptions used.</p>	<p>Please refer to STDC’s written representation at paragraphs 6.3-6.8 on the construction traffic assessment.</p> <p>Please refer to STDC’s response to question CA.1.23 (vi) and STDC’s written representation at paragraphs 3.9-3.11 on STDC’s position on plots 274 and 279 (HGV access) which STDC understands are being removed from the draft Order.</p> <p>Please refer to STDC’s response to question CA.1.23 (v) and CA.1.7 on the park and ride which STDC welcomes the Applicants use of.</p>

via Redcar Gatehouse. Redcar Gatehouse is one of the primary entrances into the Teesworks area and entry is controlled with a barrier. Over the coming years, its usage will increase as development across Teesworks is brought forward. It is crucial, therefore, that the construction worker traffic generated by the NZT scheme does not have a negative impact on the operation of this controlled access point.

6.14 Chapter 16 (Traffic and Transportation) of the ES identifies and models the number of construction worker vehicles generated at times throughout the day. It proposes that up to 315 vehicles will arrive during the peak morning hour (6.00-7.00am), equating to over 5 vehicles per minute, and in the peak evening hour (6.00-7.00pm) 262 worker vehicles will leave the site, which is approximately over 4 vehicles per minute. This is a significant number of worker vehicles using a Teesworks primary access, and in combination with the proposed park and ride buses and other vehicles accessing / egressing Teesworks, it appears likely that this will have a significant impact on the operation of Redcar Gatehouse, which could and should be avoided. Therefore, STDC considers that alternative options should be explored, to ensure a more efficient and sustainable access for construction workers to arrive and enter the Teesworks site by bus, rather than passing through Redcar Gatehouse and then transferring to buses, which themselves would then pass back through the gatehouse road network.

6.15 The number of vehicles referred to above also appears low. STDC requires Chapter 16 to the ES to be reviewed and updated to ensure that the correct number of vehicle movements is reflected. This should be progressed in conjunction with the work

<p>being undertaken jointly with the Applicant on a Park and Ride solution. Stockpiling of tunnel arisings.</p>		
<p>6.16 Chapter 5 of the ES: "Construction Programme and Management" (APP-087), at paragraphs 5.3.71 – 5.3.81, outlines the potential requirements for the management of spoil resulting from the construction of tunnels and bores associated with the various pipelines. It is estimated that almost 50,000m<sup>3</sup> of spoil could be created. The stated intention is to stockpile the material on Teesworks within the site boundary for either re-use on site or to be removed off-site by HGV for use elsewhere within Teesworks or beyond the Teesworks land. There is an unquantified assumption that "the bulk" of spoil generated will be used within the site, but also an allowance for "progressive off-site removal", with an assumption made in the Transportation Assessment that up to 10,000m<sup>3</sup> of spoil could be removed from the site per month (onto the public highway beyond Teesworks).</p> <p>6.17 STDC note that the original DCO submission, dated 21 May 2021, resulted in a range of issues being raised by the Planning Inspectorate, including a lack of explanation as to the estimated quantities of spoil likely to be produced by the tunnelling works required for the Proposed Development and related storage and disposal arrangements. The Applicant sought to address this in Chapter 5 of the ES, Construction Programme and Management, however STDC consider that further detail is required concerning: a) the environmental impacts of such stockpiling; and b) whether stockpiling would stymie or prevent STDC delivering economic development on land, including land within the Order limits, for industrial uses benefitting from the Freeport status of the area.</p>	<p>Spoil from the construction of the CO<sub>2</sub> Export Pipeline and the replacement outfall (if required) would be temporarily stockpiled within the Order Limits pending re-use or removal. The split between re-use on site or removal for re-use elsewhere or disposal has not yet been confirmed and will determine how much is required to be stockpiled on site and for how long. It is of note that the removal of the new build tunnel option (for Work Nos. 2A and 6), following acceptance by the ExA on 6th May 2022, will substantially reduce the volume of spoil requiring management and disposal. It is also expected that the rate of generation of spoil from the proposed works will be such that it can be managed and – if required – disposed of off-site without significant stockpiling being required.</p>	<p>Please refer to STDC's written representation at paragraphs 6.1-6.2 on the stockpiling of tunnel arisings.</p>



<p>6.18 STDC will not accept such uncertainty over the use of its land. The application should, at minimum include plans of where the arising material would be stored, in what quantities, to what heights/extents and for what maximum lengths of time. Flowing from this information, we would expect the DCO Requirements (drafted as nos. 16 and 18) to go further than their current drafting, to provide a soil management plan, and to instead obligate the Applicant to remove a certain quantum of spoil from the site, or demonstrate its beneficial use on site, within a specified timeframe.</p>		
<p>Planning Assessment</p> <p>6.19 In its letter of 18 September 2020 to the Applicant’s statutory consultation, RCBC as Local Planning Authority, raised concerns with the DCO proposals, which in summary related to:</p> <ul style="list-style-type: none"> <li>• the extent of land required for the connection corridors and infrastructure to serve the PCC and the land to be secured through the DCO process;</li> <li>• the land take for the development and issues in respect of the proper planning of the area, potential sterilisation of development land and the delivery of the STDC Masterplan; and</li> <li>• that the issues of land take and the boundaries of the development are required to be resolved otherwise “there is a risk of policy conflict with the adopted local plan and SPD.”</li> </ul> <p>6.20 RCBC went on to explain that its Supplementary Planning Document (SPD) for the area includes a number of Development Principles, including Development Principle STDC1 which, inter alia, sets out the aim of resisting piecemeal development of the South Tees area where it would conflict with the comprehensive</p>	<p>The Order limits outside the PCC site and associated construction areas have been reduced following acceptance of the Applicants’ change requested accepted on 6 May 2022. These reductions were made following landowner consultation and preliminary design studies.</p> <p>For the reasons set out in the Applicants response to paragraph 4.1 to 4.12, the Applicants do not agree that the Proposed Development would result in piecemeal development of the Teesworks site.</p>	<p>No further comments but STDC maintain that the Applicants’ proposals continue to stymie or prevent further phases of development, and an interface agreement needs to be entered into urgently.</p>

<p>redevelopment of the area. RCBC called for the Project to be sufficiently defined to remove any risk of piecemeal development or the unnecessary sterilisation of development land. RCBC set its concerns in the context of Development Principle STDC2 which states: "The Council, in partnership with the STDC, promote a comprehensive approach to development within the South Tees Area. Development that has the potential to stymie or prevent further phases of development, or to reduce the market demand for land to be taken up, and/or to adversely affect the ability to provide infrastructure essential to the delivery of later phases of development / occupation, will be resisted."</p>		
<p>6.21 Whilst the boundary and the Order limits of the Project have been reduced since the Section 42 consultation in mid-2020, the Order limits remain unnecessarily and unjustifiably extensive and incorporates STDC land for which STDC has advanced planning applications for industrial development.</p>	<p>See the Applicants response to paragraphs 4.1 to 4.12.</p>	<p>No further comments</p>
<p>The Planning Statement prepared on behalf of the Applicant acknowledges that the South Tees Area SPD is a material planning consideration and represents the formal planning policy interpretation of the Teesworks Master Plan. The Planning Statement states that the scheme, as proposed in the draft Order, is consistent with Development Principles STDC1, 6 and 10 of the SPD because it involves the provision of a nationally significant electricity generating station that would support decarbonisation of power generation. Whilst this benefit is not disputed, the Planning Statement does not address the concerns expressed in the RCBC's letter of representation (concerns that are shared by STDC) that the Project is at risk of conflict with the adopted Local Plan and SPD</p>	<p>In formulating their proposals the Applicants have had regard to local development plan policy and the South Tees SPD. Table 6.4 of the Planning Statement [APP-070] sets out how the Proposed Development complies with local planning policy, including the key Development Principles set out in the SPD. Notably, the location and extent of the PCC Site corresponds with that identified for the NZT Project within the South Tees SPD. The Applicants have also had regard to the emerging Teesworks proposals. Throughout the DCO process the Applicants have sought to minimise the amount of land within the Teesworks area to ensure that comprehensive development of the area can be delivered.</p>	<p>No further comments</p>

<p>because the land take could potentially result in the sterilisation of land and conflict with objectives in respect of comprehensive regeneration.</p>	<p>This is underlined by the Applicants' recent change request (accepted into the Examination on 6 May 2022 [PD-010]), which has resulted in a further significant reduction of the Order Limits, reducing the amount of land required for the development, including within the Teesworks area.</p> <p>The Examining Authority is also directed to Applicants' response to paragraph 3.6 and the Applicants' updated Planning Statement submitted at Deadline 1.</p> <p>With respect to the issues raised regarding land sterilisation, the Examining Authority is directed to the Applicants' response to paragraphs 4.1 to 4.12.</p>	
<p><b>7 Conclusion</b></p> <p>7.1 For the reasons set out above, STDC has serious concerns about the Applicant's proposals. STDC formally objects to the proposals in their current form in order to protect its own development proposals, despite STDC retaining in-principle support for the Project.</p> <p>7.2 STDC reserve the right to submit further representations once the examination period commences.</p>	<p>For the reasons set out above, the Applicants consider that it has addressed all the matters raised by STDC in its Relevant Representation. The Applicants will continue to work with STDC with a view to reaching agreement on the property agreements and supporting documentation. Notwithstanding this, the Applicants believe all matters of concern expressed by STDC are addressed through the provisions of the DCO and documentation secured therein, and that the powers sought in the DCO are justified, proportionate and essential to deliver the substantial benefits of the Proposed Development.</p>	<p>STDC do not consider all of the matters referred to in its relevant representation resolved. STDC refers the Examining Authority to its written representation which sets out the latest points in dispute.</p>