

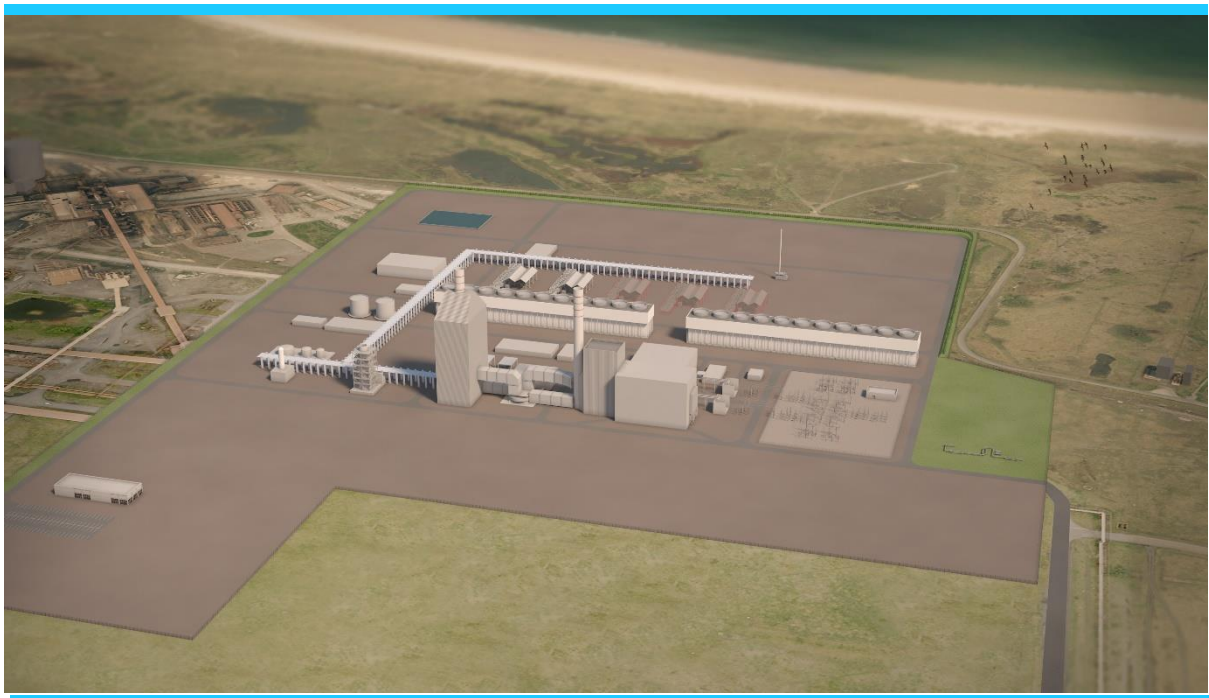
Net Zero Teesside Project

Planning Inspectorate Reference: EN010103

Land at and in the vicinity of the former Redcar Steel Works site, Redcar and in Stockton-on-Tees, Teesside

The Net Zero Teesside Order

Document Reference: 8.2 – Statement of Common Ground with Stockton-on-Tees Borough Council



Applicants: Net Zero Teesside Power Limited (NZN Power Ltd) & Net Zero North Sea Storage Limited (NZNS Storage Ltd)

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GLOSSARY

Abbreviation	Description
Applicants	Together NZT Power and NZNS Storage
CO ₂	Carbon Dioxide
DCO	Development Consent Order
ES	Environmental Statement
ExA	Examining Authority
HoTs	Heads of Terms
Mt	Million Tonnes
NIZ	Northern Industrial Zone
NPS	National Policy Statement
NZT Power	Net Zero Teesside Power Limited
NZNS Storage	Net Zero North Sea Storage Limited
NZT	Net Zero Teesside - the name of the Proposed Development.
PA 2008	The Planning Act 2008 which is the legislation in relation to applications for NSIPs, including preapplication consultation and publicity, the examination of applications and decision making by the Secretary of State
PRoW	Public Right of Way
RCBC	Redcar and Cleveland Borough Council
Proposed Development (or Project)	The development to which the Application relates and which requires a DCO, and as set out in Schedule 1 to the Order
SoCC	Statement of Community Consultation
SoCG	Statement of Common Ground
SoS	Secretary of State for Business, Energy and Industrial Strategy
SPA	Special Protection Area
SPD	Supplementary Planning Document
SSSI	Site of Special Scientific Interest
STBC	Stockton-on-Tees Borough Council

STDC	South Tees Development Corporation Teesworks
Work No.	Work number, a component of the Proposed Development, described at Schedule 1 to the Order

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1.0 INTRODUCTION

Overview

- 1.1.1 This Statement of Common Ground (Document Ref. 8.2) has been prepared by Net Zero Teesside Power Limited and Net Zero North Sea Storage Limited (the 'Applicants') in conjunction with Stockton-on-Tees Borough Council (STBC) in respect of the Net Zero Teesside Project (the 'Proposed Development').
- 1.1.2 The SoCG relates to the application (the 'Application') that has been submitted to the Secretary of State ('SoS') for Business, Energy and Industrial Strategy, under Section 37 of 'The Planning Act 2008' (the 'PA 2008'), seeking development consent for the Proposed Development. The Application was accepted for Examination by the SoS on 16th August 2021. A change request made by the Applicants in respect of the Application was accepted into the Examination by the Examining Authority on 6 May 2022.
- 1.1.3 The SoCG sets out the matters of agreement between the Applicants and STBC (the 'parties') and also sets out those matters which, at the time of writing, remain to be discussed between the parties.
- 1.1.4 The agreements to date have been reached through consultation and continuing discussions between the parties, including interface meetings and face to face discussions. The parties are committed to maintain regular dialogue through the Examination with the aim of reaching agreement on all relevant matters relating to the Application.

Description of Proposed Development

- 1.1.5 The Proposed Development will work by capturing CO₂ from a new the gas-fired power station in addition to a cluster of local industries on Teesside and transporting it via a CO₂ transport pipeline to the Endurance saline aquifer under the North Sea. The Proposed Development will initially capture and transport up to 4Mt of CO₂ per annum, although the CO₂ transport pipeline has the capacity to accommodate up to 10Mt of CO₂ per annum thereby allowing for future expansion.
- 1.1.6 The Proposed Development comprises the following elements:
- **Work Number ('Work No.') 1** – a Combined Cycle Gas Turbine electricity generating station with an electrical output of up to 860 megawatts and post-combustion carbon capture plant (the '**Low Carbon Electricity Generating Station**');
 - **Work No. 2** – a natural gas supply connection and Above Ground Installations ('AGIs') (the '**Gas Connection Corridor**');
 - **Work No. 3** – an electricity grid connection (the '**Electrical Connection**');
 - **Work No. 4** – water supply connections (the '**Water Supply Connection Corridor**');

- **Work No. 5** – waste water disposal connections (the ‘**Water Discharge Connection Corridor**’);
- **Work No. 6** – a CO₂ gathering network (including connections under the tidal River Tees) to collect and transport the captured CO₂ from industrial emitters (the industrial emitters using the gathering network will be responsible for consenting their own carbon capture plant and connections to the gathering network) (the ‘**CO₂ Gathering Network Corridor**’);
- **Work No. 7** – a high-pressure CO₂ compressor station to receive and compress the captured CO₂ from the Low Carbon Electricity Generating Station and the CO₂ Gathering Network before it is transported offshore (the ‘**HP Compressor Station**’);
- **Work No. 8** – a dense phase CO₂ export pipeline for the onward transport of the captured and compressed CO₂ to the Endurance saline aquifer under the North Sea (the ‘**CO₂ Export Pipeline**’);
- **Work No. 9** – temporary construction and laydown areas, including contractor compounds, construction staff welfare and vehicle parking for use during the construction phase of the Proposed Development (the ‘**Laydown Areas**’); and
- **Work No. 10** – access and highway improvement works (the ‘**Access and Highway Works**’).

1.1.7 The electricity generating station, its post-combustion carbon capture plant and the CO₂ compressor station will be located on part of the South Tees Development Corporation (STDC) Teesworks area (on part of the former Redcar Steel Works Site). The CO₂ export pipeline will also start in this location before heading offshore. The generating station connections and the CO₂ gathering network will require corridors of land within the administrative areas of Redcar and Cleveland (RCBC) and STBC, including crossings beneath the River Tees.

Stockton-on-Tees Borough Council Status

1.1.8 STBC is a relevant local authority for the purposes of Section 42(1)(b) of the PA 2008. While the majority of the Application Site (the ‘Order Limits’) lies within RCBC’s administrative boundary on the southern side of the River Tees, some parts of the Application Site lie within the administrative boundary of STBC on the northern side of the Tees. The elements of the Proposed Development within STBC comprise parts of the Gas Connection (Work No. 2), CO₂ gathering network (Work No. 6), some of the Laydown Areas (Work No. 9) and Access and Highway Works (Work No. 10). A separate Statement of Common Ground is being prepared with RCBC.

1.1.9 In addition to being a relevant local authority for the purposes of Section 42(1)(b) of the PA 2008, STBC is a Category 1 person under Section 44 of the Act as result of having a freehold interest in land that lies within the Application Site/Order Limits.

The Purpose and Structure of this Document

- 1.1.10 The purpose of this document is to summarise the agreements reached between the parties on matters relevant to the Examination of the Application and to assist the Examining Authority (the 'ExA'). It also explains the matters which remain unresolved at the time of writing, but which both parties will work positively toward resolving. As such, it is expected that further iterations of the SoCG will be submitted to the ExA throughout the Examination process and prior to the making of any Development Consent Order (a 'DCO') for the Proposed Development.
- 1.1.11 The SoCG has been prepared with regard to the guidance in 'Planning Act 2008: examination of application for development consent' (Department for Communities and Local Government, March 2015).
- 1.1.12 The SoCG is structured as follows:
- **Section 2** – sets out consultation and related discussions held between the Applicants and STBC.
 - **Section 3** – sets out the matters discussed and agreed to date.
 - **Section 4** – sets out matters to be agreed and the proposed way forward.

2.0 SUMMARY OF CONSULTATION AND DISCUSSIONS

Overview

2.1.1 This section provides a summary of how the Applicants have consulted STBC on the Proposed Development and also sets out the discussions that have taken place between the parties.

Summary of Consultation

2.1.2 **Table 2.1** below provides a summary of how the Applicants have consulted STBC.

Table 2.1: Summary of Consultation

Consultation Stage/Date	Commentary/RCBC Response
Stage 1 Consultation (non-statutory) – 2 October to 19 November 2019	The Applicants provided an update to Planning Officers on the work being carried out in respect of the Proposed Development and the proposals for future consultation.
Statement of Community Consultation – 4 May to 1 June 2020	The Applicants consulted STBC on the content of the Statement of Community Consultation (SoCC) in accordance with Section 47 of the PA 2008. STBC responded on 29 May 2020 confirming that it had no comments on the draft SoCC. STBC’s response is documented at Table 8.1 of the Consultation Report (Document Ref. 5.1).
Stage 2 Consultation (statutory) – 7 July to 18 September 2020 (extended to 25 September 2020 for some parties)	The Applicants consulted STBC pursuant to Section 42 of the PA 2008. No comments were received from STBC in response to the Stage 2 Consultation.
Section 42 Update Consultation – 7 December 2020 to 25 January 2021	The Applicants consulted STBC pursuant to Section 42 of the PA 2008 on proposed changes to the Proposed Development, including the Application Site. No comments were received from STBC in response to the Section 42 Update Consultation.
Submission of draft DCO and Explanatory Memorandum – 24 February 2021	The Applicants submitted a draft of the DCO and Explanatory Memorandum (EM) to STBC for comment, specifically Schedule 2 of the DCO setting out the proposed requirements.

	No comments were received from STBC on the draft DCO and EM.
Targeted Section 42 Consultation – 26 March to 3 May 2021	The Applicants consulted RCBC in respect of further proposed changes to the Application Site. No comments were received from STBC.
Section 56 Notification – 25 October 2021	The Applicants notified STBC of the decision of the SoS to accept the DCO Application for Examination. STBC did not submit a Relevant Representation in response to the Section 56 notification.
Consultation on proposed changes to the DCO Application – 10 March to 14 April 2022	The Applicants consulted STBC on the proposed changes to the DCO Application in advance of making a formal change request to the ExA on 28 April 2022. STBC did not submit any comments on the proposed changes.

2.1.3 Throughout the period leading up to the submission and acceptance of the DCO Application the Applicants have provided updates on progress and any developments to STBC.

3.0 MATTERS AGREED

3.1.1 This section at **Table 3.1** below sets out the matters agreement between the parties.

Table 3.1 – Matters Agreed

No.	Matter Agreed	Commentary
1.	Adequacy of consultation	<p>It is agreed that the Applicants undertook an appropriate level of consultation on the Proposed Development in advance of the DCO Application being submitted. In its adequacy of consultation response dated 5 August 2021, STBC:</p> <p><i>“I can confirm that the Council has reviewed the document submitted by the applicants the Local Planning Authority can confirm that;</i></p> <p><i>(a) in accordance with s42 of the Act (Duty to consult) Stockton Borough Council has been consulted on the proposed DCO application and been given the opportunity to comment and advise on the SOCC and comment on aspects of the proposed development. The Council is satisfied that s42 of the Act has been complied with.</i></p> <p><i>(b) In accordance with s47 of the Act (Duty to consult the local community) the submitted report sets out a comprehensive community engagement strategy that has been completed in advance of the submission of the DCO application. The Council is satisfied that s47 of the Act has been complied with.</i></p> <p><i>(c) In accordance with s48 of the Act (Duty to publicise) this Council is satisfied that the applicant has publicised the proposed DCO application on a comprehensive basis.</i></p> <p><i>The Council is satisfied that s48 of the Act has been complied with.”</i></p>
2.	The need for and principle of the development at this location.	<p>It is agreed that there is an urgent need for the Proposed Development – as set out in the Project Need Statement (Document Ref. 5.2) and the Planning Statement (Document Ref. 5.3) – in order to provide low carbon electricity generation capacity and a means to decarbonise existing and proposed industrial emitters on Teesside and that this is consistent with the</p>

		<p>Government’s legally binding commitment to achieve net zero in terms of greenhouse gas emissions by 2050.</p> <p>It is also agreed that the principle of the Proposed Development at this location is acceptable. The Proposed Development involves significant areas of previously developed land and sits within a location that is identified in the local development plan for industrial development, including development related to energy and carbon capture and storage.</p>
3.	National Policy Statements for Energy	<p>It is agreed that the policy framework for examining and determining applications for development consent is provided by the National Policy Statements (NPSs) for energy and that the following NPSs are of relevance to the Proposed Development:</p> <ul style="list-style-type: none"> • the Overarching NPS for Energy (EN-1); • the NPS for Fossil Fuel Electricity Generating Infrastructure (EN-2); • the NPS for Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4); and • the NPS for Electricity Networks Infrastructure (EN-5). <p>It is agreed that the above NPSs provide the primary basis for decision-making by the Secretary of State in respect of the DCO Application.</p> <p>The Applicants’ position in relation to Sections 104 and 105 and how policy should be treated is to be set out in an updated Planning Statement (at Deadline 1).</p>
4.	Energy and Climate Change Policy	<p>It is agreed that Sections 104 and 105 of the Planning Act 2008 state that in determining applications for development consent, the Secretary of State must have regard to any other matters that are “<i>important and relevant</i>”to the decision. It is agreed that the following statements of Government energy and climate change policy, in particular, are important and relevant:</p> <ul style="list-style-type: none"> • The Clean Growth Strategy (October 2017).

		<ul style="list-style-type: none"> • Clean Growth – The UK Carbon Capture Usage and Storage deployment pathway – An Action Plan (November 2018). • The Ten Point Plan for a Green Industrial Revolution (November 2020). • National Infrastructure Strategy: Fairer, faster, greener (November 2020). • The Energy White Paper – Powering our Net Zero Future (December 2020). • Industrial Decarbonisation Strategy (March 2021). • North Sea Transition Deal (March 2021). • Net Zero Strategy: Build Back Greener (October 2021). • British Energy Security Strategy (April 2022).
5.	National Planning Policy	<p>It is agreed that the following national planning policy documents may be important and relevant to the determination of the Application:</p> <ul style="list-style-type: none"> • National Planning Policy Framework (July 2021). • Planning Practice Guidance.
6.	Local development plan documents	<p>It is agreed that within the context of Sections 104 and 105 of the Planning Act 2008 local development plan documents may also be important and relevant. It is agreed that the following local development plan documents that apply to Stockton-on-Tees are of most relevance to the Proposed Development:</p> <ul style="list-style-type: none"> • The Stockton-on-Tees Borough Council Local Plan and Policies Map (adopted January 2019). • The Tees Valley Joint Minerals and Waste DPDs (adopted September 2011).
7.	Local planning designations	<p>It is agreed that paragraphs 3.3.20 to 3.3.21 of the Planning Statement provide an accurate description of the local planning designations that apply to the Application Site within the administrative boundary of Stockton-on-Tees. The key planning allocations/designations and related policies that apply to the Site are:</p> <ul style="list-style-type: none"> • Development Limits – Policy SD2.

		<ul style="list-style-type: none"> • Specialist Use Locations – Policy EG4. • Durham Tees Valley Airport Safeguarding Area – Policy EG5. • Internationally Designated Sites (SPA and Ramsar) & Nationally Designated Sites (SSSIs) – Policy ENV5.
8.	Local development plan policies	<p>It is agreed that the following local development plan policies are of relevance to the Proposed Development within the boundary of Stockton-on-Tees:</p> <ul style="list-style-type: none"> • SD1 – Presumption of Sustainable Development. • SD2 – Strategic Development Needs. • SD4 – Economic Growth Strategy. • SD5 – Natural, Built and Historic Environment. • SD6 – Transport and Infrastructure. • SD7 – Sustainable Design Principles. • EG4 – Seal Sands, North Tees and Billingham. • EG5 – Durham Tees Valley Airport. • T11 – Transport Infrastructure. • ENV1 – Energy Efficiency. • ENV2 – Renewable and Low Carbon Energy Generation. • ENV4 – Reducing and Mitigating Flood Risk. • ENV5 – Preserve, Protect and Enhance Ecological Networks, Biodiversity and Geodiversity. • ENV7 – Ground, Air, Water, Noise and Light Pollution. • HE2 – Conserving and Enhancing Stockton’s Heritage Assets. <p>It is agreed that there is no conflict between the Proposed Development and the above local development plan policies.</p>
9.	Full Chain Carbon Capture and Storage	It is agreed that the Proposed Development provides for the full chain of onshore carbon capture and transport elements of the carbon capture and storage project.
10.	The elements of the Proposed Development within STBC	It is agreed that the elements of the Proposed Development within STBC comprise parts of the Gas Connection (Work No. 2), CO ₂ gathering network (Work No. 6), some of the Laydown Areas (Work No. 9) and Access and Highway Works (Work No. 10). It is agreed

		that the Gas Connection and CO ₂ gathering network largely follow existing pipeline corridors within the Seal Sands/Billingham area of Stockton and that the location is primarily industrial/commercial in nature.
11.	Socio-economics	It is agreed that the socio-economic effects of the Proposed Development will be positive and that it will support local businesses and create jobs.
12.	Flood Risk	It is agreed that the Flood Risk Assessment that forms part of the DCO Application demonstrates that the Exception Test has been satisfied and that the Proposed Development is acceptable in terms of flood risk.
13.	Cumulative and Combined Effects Project List	The list of projects at Table 24-5 of Chapter 25 'Cumulative and Combined Effects' of the ES, Volume I (Document Ref. 6.2.25) used for the cumulative and combined effects assessment of the Proposed Development is appropriate and it is agreed that all relevant developments within Stockton have been considered.

4.0 MATTERS TO BE AGREED

4.1.1 This section at **Table 4.1** below sets out the matters remaining to be agreed between the parties.

4.1.2 It is relevant to note that the Applicants are not aware of, and have not received any, comments or representations from STBC that raise concerns or objections to the matters listed below. Neither has STBC submitted a Relevant Representation in respect of the Proposed Development. The Applicants will continue to engage with STBC early in the Examination period to discuss these matters, taking account of the Council's Local Impact Report, in order to reach agreement.

4.1.3 The matters below include those listed in the ExA's Rule 6 letter dated 11 April 2022.

Table 4.1 – Matters to be Agreed

No.	Matter to be Agreed	Commentary/Agreement Sought
1.	EIA assessment methodology	The assessment methodology set out at Chapter 2 'Assessment Methodology' of the Environmental Statement (ES), Volume I (Document Ref. 6.2.2) is appropriate and proportionate.
2.	Alternatives	The approach to the assessment of alternatives is appropriate and proportionate.
3.	Design Parameters	The adoption of the 'Rochdale Envelope' approach and the use of maximum design parameters set out at paragraphs 4.2.4 to and at Table 4-1 of Chapter 4 'Proposed Development' of the ES, Volume I (Document Ref. 6.2.4) for assessing the likely significant effects of the Proposed Development is appropriate and proportionate.
4.	DCO Requirements	The drafting of the DCO requirements is appropriate.
5.	Schedule 13 of the Draft DCO	The procedure for the discharge of the DCO requirements is appropriate.
6.	Design	That the design of the Proposed Development is appropriate and represents 'Good Design'.
7.	Construction effects	The assessment of construction effects.
8.	Air Quality and Emissions	The assessment of effects on air quality.

9.	Biodiversity and Ecology	The assessment of effects on biodiversity and ecology and the approach to biodiversity enhancement and biodiversity net gain.
10.	Climate Change	The assessment of effects on climate change.
11.	Landscape and Visual	The assessment of effects on landscape and visual amenity.
12.	Geology, Hydrogeology and Contaminated Land	The assessment of effects on geology, hydrogeology and contaminated land.
13.	Historic Environment	The assessment of effects on the historic environment.
14.	Major Accidents and Hazards	The assessment of effects in respect of major accidents and hazards.
15.	Noise and Vibration	The assessment of effects in terms of noise and vibration.
16.	Traffic and Transport	The assessment of traffic and transport effects.
17.	Public Rights of Way (PRoW)	The assessment of effects on and management of PRoW.
18.	Water Environment	The assessment of effects on the water environment.
19.	Local Development Plan Policies	That the Proposed Development complies with relevant policies.