

Date: 24 December 2019



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Dear Mr Welford,

NET ZERO TEESIDE: REQUEST FOR DIRECTION UNDER SECTION 35 OF THE PLANNING ACT 2008

Thank you for your letter dated 20 December 2019, seeking further clarification on behalf of the Secretary of State for Business, Energy and Industrial Strategy ('BEIS') in respect of the Oil and Gas Climate Initiative Climate Investment Holdings LLP's (the 'Applicant's') request for a direction under section 35 of the Planning Act 2008 (the 'Act') that certain specified elements of the Net Zero Teesside Project (the 'Project') be considered to be development for which development consent is required.

The Applicant's request for a direction under section 35, submitted on 25 November 2019, was prepared with regard to advice provided by the Department for BEIS in a letter 30 July 2019, that:

- the Secretary of State for BEIS was likely to be the appropriate secretary of state to consider any request for a direction under section 35 relating to the Project and also to take any decision upon it if a direction should be given; and
- the request for a direction should be confined to the elements of the Project that are not nationally significant infrastructure projects ('NSIPs') under the Act, as the Secretary of State cannot give a direction for any infrastructure considered to be a NSIP under the Act.

Your letter seeks clarification on the following points (text reproduced from your letter below in italics):

- *If the Secretary of State makes a direction under section 35 in respect of those parts of the project identified as not clearly being either a Nationally Significant Infrastructure Project ("NSIP") in their own right (as defined in s14 of the Act) or associated development, then it may be possible for an application to be made under the Act for consent limited to just that infrastructure which is covered by the section 35 direction. Does the Applicant agree or is there any functional interdependence between the current NSIP/associated development infrastructure and the section 35 infrastructure which would mean that that situation could never arise?*
- *In the event that it is possible for that part of the project which would be the subject of the section 35 direction to be brought forward separately and in the absence of the other elements of the project, the Secretary of State requests the Applicant's opinion on whether, in those circumstances, the section 35 infrastructure would still be within the field of energy.*

Partners

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Dealing with the first point of clarification, the power element of the Project, that is a generating station of 50 megawatts ('MW') or above - a NSIP in its own right - is integral to the Applicant being able to deliver a full chain carbon capture, utilisation and storage project at a commercial scale on Teesside. The generating station would in effect be the initial 'anchor' for the Project, although the CO2 infrastructure would also be designed to connect to other existing and proposed power plants as well as industrial sources of CO2. As such, any application for development consent brought forward by the Applicant would include a generating station of 50 MW or above (and associated infrastructure e.g. gas, grid and water connections) in addition to the infrastructure that it is requesting be covered by a section 35 direction.

In order to provide the Secretary of State with sufficient comfort on this point of clarification, the Applicant would be prepared for such a commitment, that is, for any application for development consent not to be limited to just the infrastructure covered by the section 35 direction, to be written into any direction given by the Secretary of State. For instance, the direction could be written in such a way as it relates to the CO2 infrastructure only so far as it is part of any application for development consent brought forward for the Project including an onshore generating station of 50 MW or above. The Applicant is open to discussing with the Department appropriate wording for inclusion within any direction given by the Secretary of State.

With regard to the second point of clarification, the Applicant is of the view that this is not relevant given its response to the first point above - that any application for development consent brought forward by the Applicant would include a generating station of 50 MW or above (and associated infrastructure e.g. gas, grid and water connections) in addition to the infrastructure that it is requesting is covered by the section 35 direction.

I trust that this letter provides sufficient clarification on the points raised but should you require any further information please do not hesitate to contact me.

A handwritten signature in blue ink, appearing to be 'Geoff Bullock', written over a light blue horizontal line.

Yours sincerely,

Geoff Bullock
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