

## Table of Contents

7.	Legislative and Planning Policy Context.....	7-1
7.1	Introduction.....	7-1
7.2	Legislative Context .....	7-1
7.3	Recent UK Government Energy and Climate Change Policy And Guidance .....	7-4
7.4	National Policy Statements.....	7-10
7.5	National Planning Policy Framework (NPPF) .....	7-13
7.6	Local Planning Policy .....	7-14
7.7	Conclusions .....	7-18
7.8	References .....	7-20

## Tables

Table 7-7-1: RCBC Local Plan (May 2018) – Key Policies .....	7-16
Table 7-2: STBC Local Plan (January 2019) - Key Policies.....	7-17



# 7. Legislative and Planning Policy Context

## 7.1 Introduction

- 7.1.1 This chapter of the Preliminary Environmental Information (PEI) Report provides an overview of the legislative and policy context that is relevant to the Proposed Development. Section 7.2 details the legislative and decision-making framework set out in the Planning Act 2008. In section 7.3 it sets out recent UK Government energy and climate change policy which establishes clear objectives for decarbonising the power and industrial sectors and the legally binding commitment to achieve 'net zero' in terms of greenhouse gas emissions by 2050, with the Committee on Climate Change's May 2019 report identifying a need for gas-fired electricity generation with Carbon Capture, Utilisation and Storage (CCUS) in order to hit the 'net zero' 2050 target. Section 7.4 provides an overview of the National Policy Statements of most relevant to the Proposed Development.
- 7.1.2 The National Planning Policy Framework and local planning policies considered to be of most relevance to the Proposed Development are set out in sections 7.5 and 7.6 respectively. The current Proposed Development Site (described in detail in Chapter 3: Description of the Existing Environment, PEI Report, Volume I) covers a wide area located within the administrative boundaries of Redcar and Cleveland Borough Council, Stockton-on-Tees Borough Council and the South Tees Development Corporation and therefore section 7.6 identifies the key policies within the local development plan documents pertaining to these authorities.
- 7.1.3 As detailed in Chapter 4: Proposed Development (PEI Report, Volume I), the Proposed Development comprises the construction, operation and maintenance of a Carbon Capture Utilisation and Storage (CCUS) project comprising a combined cycle gas turbine (CCGT) generating station with a net (abated) electrical output of up to 2.1 GW together with equipment required for the capture and compression of CO<sub>2</sub> emissions from the generating station and a wider industrial carbon capture network in Teesside for export to an off-shore geological storage facility. The Proposed Development would also incorporate equipment for high-pressure compression of CO<sub>2</sub> and the landward part of an offshore export pipeline.
- 7.1.4 Each technical chapter of the PEI Report refers to the policies that are relevant to the assessment of the environmental effects reported within that chapter.

## 7.2 Legislative Context

- 7.2.1 Elements of the Proposed Development fall within the definition of a Nationally Significant Infrastructure Project (NSIP) under Section 14(1)(a) and Sections 15(1) and (2) of the Planning Act 2008 (PA 2008), notably the



onshore generating station, which will have a generating capacity greater than 50 MW output. As such, a Development Consent Order (DCO) is required to authorise this part of the Proposed Development in accordance with Section 31 of the PA 2008.

- 7.2.2 Section 115 of PA 2008 also states that a DCO can include consent for 'associated development', that is, development that is not part of, but is associated with the NSIP. This may be development that supports the construction or operation of the NSIP, which helps to address the impacts of the NSIP or is of a type normally brought forward with the particular type of NSIP (here the generating station). The proposed gas, water and electricity connections would support the operation of the Proposed Development and are considered to be associated development for the purposes of Section 115 of the PA 2008.
- 7.2.3 A request for direction under Section 35 of the PA 2008 was made to the Secretary of State (SoS) for Business, Energy and Industrial Strategy (BEIS) on the 25<sup>th</sup> November 2019. This sought a direction from the SoS to confirm that the following elements (the Specified Elements) of the Proposed Development should be treated as development for which development consent is required under the PA 2008:
- the CO<sub>2</sub> Gathering Network,
  - the CO<sub>2</sub> Compressor Station; and
  - the CO<sub>2</sub> Export Pipeline (onshore element).
- 7.2.4 The SoS issued a direction on the 17<sup>th</sup> January 2020 which confirmed that the Specified Elements, together with any matters/development associated with them, are to be treated as development for which development consent is required. This is subject to the condition that the Specified Elements form part of the Proposed Development which includes a generating station that is a NSIP.
- 7.2.5 An application for development consent for the Proposed Development will therefore be submitted to the Planning Inspectorate (PINS). It is currently planned that the application will be submitted in Q4 2020. PINS will be responsible for examining the application and making a recommendation to the SoS who will then take the decision as to whether a DCO should be made authorising the construction, operation and maintenance of the development. The DCO removes the need to apply for a number of different consents (e.g. planning permission) and can also include a range of other consents and licences subject to the prior agreement of the relevant consenting body.
- 7.2.6 Under the PA 2008 regime, the policy framework for examining and determining applications for a DCO is provided by National Policy Statements (NPSs). Section 5 of the PA 2008 allows the SoS to designate NPSs setting out national policy in relation to the types of NSIPs listed at Section 14 of the PA 2008.
- 7.2.7 Section 1 of the PA 2008 confirms that where NPSs are in place, these shall be the primary basis for decisions by the SoS on applications for NSIPs.



Section 104 requires the SoS to determine applications for NSIPs in accordance with the relevant NPSs unless this would:

- lead to the UK being in breach of its international obligations;
- be in breach of any statutory duty that applies to the SoS;
- be unlawful;
- result in the adverse impacts of the development outweighing the benefits; or
- be contrary to regulations about how decisions are to be taken.

7.2.8 In making decisions on NSIPs, the PA 2008 (Section 105) also states that the SoS must have regard to any local impact report submitted by a relevant local authority, any relevant matters prescribed in regulations and any other matters that the SoS thinks are both 'important and relevant'. In the case of the Proposed Development, other matters that are important and relevant may include recent and relevant UK Government energy and climate change policy in the National Infrastructure Plan 2014 (HM Treasury, 2014), the National Infrastructure Delivery Plan 2016 (Infrastructure and Ports Authority, 2017), the Clean Growth Strategy 2017 (BEIS, 2017) and the UK Carbon Capture Usage and Storage deployment pathway - An Action Plan 2018 (HM Government, 2018), all of which set out important Government objectives for decarbonising the power and industrial sectors in addition to the Government's target (enshrined in law) of achieving 'net zero' in terms of greenhouse gas emissions by 2050. Such matters may also include the policies within the National Planning Policy Framework (NPPF) (Ministry of Housing, Communities and Local Government (MHCLG), 2019) and local development plan documents.

7.2.9 The NPSs that are considered to be of most relevance to the Proposed Development are as follows:

- Overarching NPS for Energy (EN-1) (Department of Energy and Climate Change (DECC), 2011a);
- NPS for Fossil Fuel Electricity Generating Infrastructure (EN-2) (DECC, 2011b);
- NPS for Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4) (DECC, 2011c); and
- NPS for Electricity Networks Infrastructure (EN-5) (DECC, 2011d).

7.2.10 The above energy NPSs, so far as they are relevant to the Proposed Development, are considered further below.

7.2.11 Regard has also been given (in section 7.5) to the NPPF (February 2019) which sets out the Government's general planning policies for England and how these are to be applied. Paragraph 5 of the NPPF is clear that it does not contain specific policies for NSIPs and these are to be determined in accordance with the decision-making framework set out in the PA 2008 and relevant NPSs, as well as any other matters that are important and relevant,



which may include the NPPF itself. As stated above, such matters can also include local development plan documents (set out in section 7.6 below).

## 7.3 Recent UK Government Energy and Climate Change Policy And Guidance

### National Infrastructure Plans

#### National Infrastructure Plan (HM Treasury, 2014)

- 7.3.1 The National Infrastructure Plan was published by the previous government in 2014 (the 'NIP 14'). It builds upon the first NIP that was published in 2010. The NIP 14 sets out an ambitious vision for the UK's infrastructure, reinforcing the Government's commitment to investing in infrastructure and improving its quality and performance.
- 7.3.2 Chapter 1 of the NIP 14 sets out the Government's strategy for infrastructure. Paragraph 1.1 emphasises the strong case for infrastructure investment and that this has a significant positive effect on output, productivity, and growth rates, being a key driver for jobs throughout the economy. The Executive Summary highlights the economic benefits of infrastructure investment, including:
- for every £1 billion spent on infrastructure investment, 5,000 construction jobs could be supported as well as many more indirectly in design, engineering and planning; and
  - for every £1 spent on infrastructure construction there is an increase of £2.84 in overall economic activity.
- 7.3.3 Chapters 3 to 13 of the NIP 14 deal with different infrastructure sectors. Chapter 8 deals with 'Energy'. It reports on the progress made since 2010, with 20 GW of new electricity capacity created (enough for 23 million homes), much of it being low carbon or renewable. However, a key objective of the NIP 14 in terms of energy investment (paragraph 8.1) is to "...*reduce carbon emissions in order to mitigate climate change and meet legally binding targets.*"
- 7.3.4 Paragraph 8.3 states that large-scale investment in gas and low-carbon electricity generation is vital in order to replace ageing energy infrastructure, maintain secure energy supplies and meet legally binding environmental targets. Around £100 billion of investment is estimated to be required in electricity generation and networks by 2020. Paragraph 8.5 continues:
- "As legacy coal, gas and nuclear power stations come offline, they will increasingly be replaced with a combination of renewable energy, new nuclear power and fossil fuel power stations fitted with Carbon Capture and Storage (CCS) technology. New gas plant is also needed as a vital backup for less flexible renewable generation and to ensure that the system can meet peak electricity demand. Demand for gas to supply heat to homes and businesses will also remain significant for some time to come."* [underlining added]



- 7.3.5 The NIP 14 therefore recognises the continuing need for new gas-fired power stations to provide back-up to less flexible renewable generation. The provision of such infrastructure is critical to ensure that the National Grid can meet peak electricity demand as the amount of renewable generation increases. The clear inference though is that for fossil fuel power stations to remain part of the energy mix in the long-term they should be fitted with CCS technology if that can be shown to be commercially viable.
- 7.3.6 At paragraph 8.28 the NIP 14 sets out the Government's Top 40 'Priority Investments' to support its objectives for the energy sector. Alongside increased generation from renewables and new nuclear these include more electricity generation from gas and the deployment of carbon capture and storage.
- 7.3.7 The Proposed Development would contribute to the delivery of the NIP 14 and in particular the Government's objectives for the energy sector through the deployment of a new gas-fired power stations that are fitted with CCS technology. The Proposed Development would assist with moves to decarbonise the power sector, while ensuring the security of electricity supplies and supporting the continued deployment of renewables.

#### [National Infrastructure Delivery Plan 2016-2021 \(Infrastructure and Ports Authority, 2016\)](#)

- 7.3.8 The National Infrastructure Delivery Plan (2016-2021) was published in March 2016 by the Infrastructure and Projects Authority reporting to HM Treasury and Cabinet Office. It brings together the Government's plans for economic infrastructure and commitment to invest over £100 billion by 2021.
- 7.3.9 Paragraphs 13.19 – 13.21 in Chapter 13 'Regional Infrastructure' set out the Government's 'Northern Powerhouse' plan to boost the economy across the North of England. £19 billion of investment in infrastructure is planned for 2020-21. Manchester and the other cities of the Northern Powerhouse (which includes those within Tees Valley) has led to the recent wave of devolution. In Table 13.C, it is stated that in Tees Valley the Government is committed to: *"working with Tees Valley to explore how it can continue to develop its industrial carbon capture and storage proposals towards deployment of this infrastructure for its industrial sites in the 2020s"* (page 87).

#### [Clean Growth Strategy \(2017\)](#)

- 7.3.10 The 'Clean Growth Strategy - Leading the way to a low carbon future', was published by the Department for BEIS in 2017. The Clean Growth Strategy (the 'CGS') sets out the aims of the Government to deliver increased economic growth while reducing carbon emissions. It estimates that the low carbon economy could grow 11% per year between 2015 and 2030, four times faster than the projected growth of the economy as a whole.
- 7.3.11 The Executive Summary (page 9) confirms that for the UK to achieve its fourth and fifth carbon budgets (2023-27 and 2028-2032) it will be necessary to drive a significant acceleration in the pace of decarbonisation. The Executive Summary sets out a number of key policies and proposals (pages





12-16) relating to 'Improving Business and Industry Efficiency'. These include to:

*"4. Publish joint industrial decarbonisation and energy efficiency action plans with seven of the most energy intensive industrial sectors;*

*5. Demonstrate international leadership in carbon capture usage and storage (CCUS), by collaborating with our global partners and investing up to £100 million in leading edge CCUS and industrial innovation to drive down costs.*

*6. Work in partnership with industry, through a new CCUS Council, to put us on a path to meet our ambition of having the option of deploying CCUS at scale in the UK, and to maximise its industrial opportunity.*

*7. Develop our strategic approach to greenhouse gas removal technologies, building on the Government's programme of research and development and addressing the barriers to their long-term deployment."*

7.3.12 Chapter 3 (page 47) of the CGS sets out the Government's approach and states:

*"...we must create the best possible environment for the private sector to innovate and invest. Our approach will mirror that of our Industrial Strategy: building on the UK's strengths ...; improving productivity across the UK; and ensuring we are the best place for innovators and new business to start up and grow. We are clear about the need to design competitive markets and smart regulation to support entrepreneurs and investors who will develop the new technologies at the scale we need."*

*... we are laying the groundwork for major decisions in the areas where we face greatest uncertainty and challenge: in how we work with industry to make carbon capture, usage and storage (CCUS) a viable future option."*

7.3.13 Page 49 of the CGS goes on to state that:

*"We want to use the power of Government to support innovation in a low carbon economy using all the tools available to us, including market design, taxation and regulation, as well as investment in our education systems, our science base and innovative companies. Our aim is to become one of the best places in the world for low carbon innovation."*

7.3.14 Chapter 3 of the CGS 'Our Clean Growth Strategy' sets out the various projects that have been announced as part of the 'BEIS Energy Innovation Programme' (page 50). This includes up to £20 million of investment in a carbon capture and utilisation demonstration programme.

7.3.15 The Proposed Development would accord with the Government's approach set out above, in particular, removing uncertainty and working with industry to make CCUS a viable future option.

7.3.16 Chapter 4 of the CGS deals with different sectors of the UK economy. Pages 61-71 deal with 'Improving Business and Industry Efficiency and Supporting Clean Growth'. Page 62 confirms that business and industry account for approximately 25% of the UK's emissions and 50% of its electricity use.





- 7.3.17 This section of Chapter 4 sets out various policies and proposal to increase energy efficiency on business and industry. However, it is acknowledged (page 64) that energy intensive industries will require steps beyond energy efficiency:

*“Out to 2030, this will require industry to make progress in switching from fossil fuel use to low carbon fuels such as sustainable biomass, in line with broader Government priorities in delivering on clean air, and clean electricity. Beyond 2030, this switching will need to substantially increase in scale and be coupled with the deployment of new technologies, for example, carbon capture, usage and storage (CCUS). Over the course of this Parliament, we will therefore also develop a framework to support the decarbonisation of heavy industry.”*

- 7.3.18 Figure 17 ‘Carbon reduction opportunities across industry (2050)’ (page 65) confirms that the deep decarbonisation of industry will need to go beyond energy efficiency and highlights the significant contribution that CCUS could make toward decarbonisation.

- 7.3.19 Page 69 deals with CCUS in detail. Its states:

*“There is a broad international consensus that carbon capture, usage and storage (CCUS) has a vital future role in reducing emissions. This could be across a wide range of activities such as producing lower-emission power, decarbonising industry where fossil fuels are used and/or industrial processes as well as providing a decarbonised production method for hydrogen which can be used in heating and transport. This makes CCUS a potentially large global economic opportunity for the UK. The International Energy Agency estimates there will be a global CCUS market with over £100 billion – with even a modest share of this global market, UK GVA could increase between £5 billion and £9 billion per year by 2030.”*

- 7.3.20 The Proposed Development would contribute to the achievement of the next two carbon budgets, and beyond. It would serve as a demonstration that CCUS can be delivered at a commercial scale in the UK in connection with both power generation and industry. Furthermore, it would have the potential to encourage further similar development in the future, thereby contributing to the wider decarbonisation of power generation and industry within the UK. The CGS (page 70) confirms that the Government will set up a new Ministerial-led CCUS Council with industry to review progress and priorities. Furthermore, that Government will continue to work with ongoing initiatives, including in locations such as Teesside, to test the potential for development of CCUS industrial carbonisation clusters. It goes on to state (page 71) that:

*“The Government will spend up to £100 million from the BEIS Energy Innovation Programme to support Industry and CCUS innovation and deployment in the UK including £20 million of funding available for a carbon capture and utilisation demonstration programme to invest in new innovative technologies that capture and utilise carbon dioxide.”*

- 7.3.21 Pages 93 - 101 of Chapter 4 cover ‘Delivering Clean, Smart, Flexible Power’. The overriding objective is to deliver a reduction in emissions from the power sector. Page 96 states that in order to achieve this it will be necessary to



continue to bring down the costs of low carbon generation from renewables and nuclear and ensure that the UK can deploy CCUS at scale during the 2030s. Page 101 reiterates that Government's commitment to supporting CCUS innovation and deployment through the BEIS Energy Innovation Programme.

- 7.3.22 The Proposed Development would clearly contribute to the delivery of the CGS in terms of the Government's objective to decarbonise both the industrial and energy sectors. The Proposed Development is particularly well located to support industrial decarbonisation given the concentration of major energy intensive industrial operations on Teesside.

### **Clean Growth - The UK Carbon Capture Usage and Storage deployment pathway - An Action Plan (HM Government, 2018)**

- 7.3.23 'Clean Growth - The UK Carbon Capture Usage and Storage deployment pathway - An Action Plan' (the 'Action Plan') was published by the Government in 2018. The Executive Summary (pages 5 and 6) confirms that the Government's vision is for the UK to become a global leader in CCUS. The Action Plan is aimed at enabling the development of the first CCUS facility in the UK, with commissioning in the mid-2020s, which would support the ambition of being able to deploy CCUS at scale during the 2030s, subject to the costs coming down sufficiently. It goes on to state (page 6):

*"Through our Clean Growth Strategy we re-affirmed our commitment to the domestic deployment of CCUS subject to cost reductions. This Plan sets out our next steps to progress this commitment."*

- 7.3.24 The Action Plan goes on to state that this can only be achieved through close Government and Industry partnership (page 14). CCUS is thought to be central to a least cost energy system decarbonisation pathway to 2050. The Committee on Climate Change ('CCC') stresses the importance of CCUS to *"achieving at lowest cost, as well as its crucial role in enabling deeper emissions reduction beyond that"*. Modelling by the Energy Systems Catapult ('ESC') for the Energy Technologies Institute ('ETI') supports the conclusion by the CCC that energy system decarbonisation could be up to 50% cheaper by 2050 if CCUS is deployed at scale and conclude that delaying deployment beyond the 2020s will increase the risks of decarbonising the UK's energy system. Both the CCC and ETI analysis concludes that initial deployment is required during the 2020s in order to have the option of deploying at scale during the 2030s, and in particular to keep open the option of UK CCUS deployment towards the levels both state are required in 2050. This timeline was endorsed by the CCUS Cost Challenge Taskforce, and the conclusion was also reached by the Parliamentary Advisory Group on CCS7. A key message from all these independent bodies is that deployment of CCUS during the 2020s is essential to unlock the greatest opportunities for cost reduction.

- 7.3.25 Teesside, with its chemicals focused industrial centre and access to North Sea storage, is identified as one of the key potential locations for CCUS (page 16), building on the work undertaken to date by the Teesside



Collective. At page 27 (Delivering our 2030s ambition) reference is made to industrial centres such as Teesside seeing CCUS as central to their long-term competitiveness.

- 7.3.26 At page 32 (Industrial decarbonisation with CCUS) the Action Plan highlights the importance of CCUS in decarbonising energy intensive industries ('EII's'), including iron and steel, cement, chemicals, and oil refining. It goes on to state:

*"Some of these industries produce volumes of emissions from chemical processes, in addition to combustion of fossil fuels, for example, up to 70% of emissions from cement production are from the process of producing cement, rather than from energy use. These emissions cannot be abated by fuel switching or electrification.*

*Overall, CCUS could provide 37% of the total abatement potential in EIIs by 2050. A recent study by McKinsey on decarbonising EIIs showed that where carbon dioxide storage sites are accessible, CCUS is the lowest-cost decarbonisation option at current commodity prices. CCUS also enables the large-scale use of hydrogen as an industrial fuel, which the recent CCC and Element Energy reports have indicated could be one cost-effective pathway to industrial decarbonisation."*

- 7.3.27 The Action Plan (pages 35 to 37) also highlights the role of CCUS in decarbonising electricity generation, alongside an expansion of other forms of low and zero-carbon power generation to achieve 'deep decarbonisation' of the UK power sector.
- 7.3.28 The Proposed Development is consistent with the vision and ambition of the Action Plan. Furthermore, Teesside, with its concentrations of industry, particularly within the chemicals sector, is identified as a potential key location for the deployment of CCUS at scale.

### **'Net Zero' by 2050 (June 2019)**

- 7.3.29 On 27 June 2019, the 'Climate Change Act 2008 (2050 Target Amendment) Order 2019' came into force. The Order enshrines within UK law, the Government's commitment to achieve 'net zero' in terms of greenhouse gas emissions by 2050. The order amends the previous target (within the Climate Change Act 2008) which was seeking achievement of a reduction in greenhouse gas emissions of 80% by 2050 compared to 1990 levels.
- 7.3.30 The commitment to achieve 'net zero' by 2050 is in line with the recommendations of the Committee for Climate Change ('CCC') set out in its recent report (May 2019) 'Net Zero - The UK's Contribution to Stopping Global Warming' (CCC, 2019). The report is clear that if this target is to be achieved greenhouse gas emissions will need to be offset by schemes that are capable of taking away large amounts of emission from the atmosphere. CCUS is identified as having a key role to play in mitigating greenhouse gas emissions.
- 7.3.31 The executive summary to the CCC report (page 12) states that the net zero target cannot be met simply by adding mass removal of CO<sub>2</sub> on to existing



plans for the previous target of an 80% reduction by 2050 compared to 1990 levels. It highlights that CCUS is crucial to the delivery of zero greenhouse gas emissions and that it is of strategic importance to the economy. However, it raises concern that CCUS has barely started in the UK - of the 43 large-scale projects operating in the World, none are in the UK.

- 7.3.32 The report states that the remaining greenhouse gas emissions in the UK must be offset by removing CO<sub>2</sub> and permanently sequestering it through technologies such as CCUS. The important role of CCUS is also stressed in terms of capturing the CO<sub>2</sub> from the production of hydrogen (given the ambition to move to a hydrogen economy that is seen as critical to achieving net zero) and from non-renewable electricity production (page 23). CCUS is seen as a necessity not an option.

## 7.4 National Policy Statements

### Overarching National Policy Statement for Energy (EN-1) (DECC, 2011a)

- 7.4.1 Part 2 of EN-1 sets out 'Government policy on energy and energy infrastructure development'. It confirms the following:
- the Government's commitment to meet its legally binding target to cut greenhouse gas emissions by at least 80% by 2050<sup>1</sup> compared to 1990 levels;
  - the need to affect a transition to a low carbon economy so as to reduce greenhouse gas emissions; and
  - the importance of maintaining secure and reliable energy supplies as older fossil fuel generating plant closes as a result of the European Union Emissions Trading System ('EU ETS') and the UK moves toward a low carbon economy.
- 7.4.2 Part 3 of EN-1 'The need for new nationally significant energy infrastructure projects' defines and sets out the 'need' for nationally significant energy infrastructure. Notably, paragraph 3.1.3 stresses that the SoS should assess applications for DCOs for the types of infrastructure covered by the energy NPSs on the basis that the Government has demonstrated that there is a need for those types of infrastructure and that the scale and urgency of that need is as described for each of them. Paragraph 3.1.4 confirms that the SoS should give substantial weight to the contribution that all projects would make toward satisfying this need when considering applications under the PA 2008.
- 7.4.3 Paragraphs 3.6.4 - 3.6.7 explains the role CCS can have in meeting emissions targets but maintaining security of supply as CCS has the potential to reduce carbon emissions by up to 90%. Paragraph 3.6.4 notes that as the complete chain of CCS has yet to be demonstrated at

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<sup>1</sup> On 27 June 2019, the 'Climate Change Act 2008 (2050 Target Amendment) Order 2019' came into force. The Order enshrines within UK law, the Government's commitment to achieve 'net zero' in terms of greenhouse gas emissions by 2050. The order amends the previous target (within the Climate Change Act 2008) which was seeking achievement of a reduction in greenhouse gas emissions of 80% by 2050 compared to 1990 levels.



commercial scale on a power station, there is therefore uncertainty about the future deployment of CCS in the economy, which can be resolved by demonstrating CCS at commercial scale.

- 7.4.4 Paragraph 3.6.5 notes the Government is supporting commercial scale demonstration projects which are a priority for UK energy projects. The projects are intended to demonstrate the full chain of CCS involving the capture, transport and storage of carbon dioxide in the UK. Paragraph 3.6.5 states the examining authority *“should take account of the importance the Government places on demonstrating CCS, and the potential deployment of this technology beyond the demonstration stage, in considering applications for consent of CCS projects and associated infrastructure”*.
- 7.4.5 In order to support the delivery of CCS policy, the Government has placed a condition on the consenting of new fossil fuel generating stations (EN-1, paragraph 3.6.6); that all commercial scale (at or above 300 MWe) combustion generating stations have to be constructed to be Carbon Capture Ready (CCR).
- 7.4.6 Paragraph 3.6.8 again emphasises the need for new fossil fuel generation to provide back-up to renewable generating capacity and to help with the transition to low carbon electricity generation:
- “It is important that such fossil fuel generating capacity should become low carbon, through development of CCS, in line with carbon reduction targets. Therefore there is a need for CCR fossil fuel generating stations and the need for the CCS demonstration projects is urgent.”*
- 7.4.7 Part 4 of EN-1 sets out a number of ‘assessment principles’ that must be taken into account by applicants and the SoS in preparing and determining applications for nationally significant energy infrastructure. General points include (paragraph 4.1.2) the requirement for the SoS, given the level and urgency of need for the infrastructure covered by the energy NPSs, to start with a presumption in favour of granting consent for applications for energy NSIPs. This presumption applies unless any more specific and relevant policies set out in the relevant NPS clearly indicate that consent should be refused or any of the considerations referred to in Section 104 of the PA 2008 apply.
- 7.4.8 Paragraph 4.1.3 goes on to state that in considering any project, and in particular, when weighing its adverse impacts against its benefits, the SoS should take into account:
- its potential benefits, including its contribution to meeting the need for energy infrastructure, job creation and any long-term or wider benefits; and
  - its potential adverse impacts, including any long-term and cumulative adverse impacts, as well as any measures to avoid, reduce or compensate for any adverse impacts.
- 7.4.9 Paragraph 4.1.4 continues by stating that within this context the SoS should take into account environmental, social and economic benefits and adverse impacts, at national, regional and local levels.





- 7.4.10 Other assessment principles include the matters to be covered within any ES, the Habitats and Species Regulations; the consideration of alternatives; criteria for 'good design'; consideration of CHP; consideration of CCS and carbon capture readiness (CCR); climate change adaptation and grid connection, amongst others.
- 7.4.11 Paragraph 4.7.1 states that carbon capture technologies are able to remove up to 90% of the carbon dioxide that would otherwise be released to the atmosphere and offers the opportunity for fossil fuels to continue to be an important element of a secure and diverse low carbon energy mix.
- 7.4.12 Paragraph 4.7.4 states that the Government has taken a number of steps to facilitate and encourage the demonstration of CCS technology and that the demonstration programme was extended to include gas-fired generating stations.
- 7.4.13 Paragraph 4.7.7 states that the most likely method for transporting captured carbon dioxide is through pipelines that will be located both onshore and offshore. It notes that there are currently no carbon dioxide pipelines in the UK and considerable future investment in pipelines will be required for the purpose of the demonstration programme.
- 7.4.14 Part 5 of EN-1 deals with the 'Generic Impacts' of energy infrastructure. These include impacts that occur in relation to all or most types of energy infrastructure in addition to others that may only be relevant to certain technologies. Paragraph 5.1.2 stresses that the list of impacts is not exhaustive and that applicants should identify the impacts of their projects in the ES in terms of both those covered by the NPSs and others that may be relevant.

### **National Policy Statement for Fossil Fuel Electricity Generating Infrastructure (EN-2) (DECC, 2011b)**

- 7.4.15 EN-2 is one of the suite of technology specific NPSs that sit under EN-1. It deals specifically with fossil fuel infrastructure, including gas-fired electricity generating infrastructure.
- 7.4.16 EN-2 reiterates the vital role fossil fuel generating stations will play in providing reliable electricity supplies and a secure and diverse mix as the UK makes its transition towards a secure decarbonised electricity system. It also restates from EN-1 the Government policy that all new generating stations should be required to capture and store the carbon emissions from a substantial proportion of their capacity.
- 7.4.17 EN-2 sets out the factors (e.g. factors influencing site selection) and 'assessment and technology specific' considerations to be taken into account in the preparation and assessment of applications for fossil fuel generating stations.



## **National Policy Statement for Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4) (DECC, 2011c)**

- 7.4.18 EN-4 is relevant to the Proposed Development as natural gas will be used as the fuel for the operation of the CCGT generating station and therefore a gas pipeline is required. The gas connection will be included with the Application as 'associated development' as defined by Section 115 of the PA 2008.
- 7.4.19 Paragraph 1.1.1 (Part 1) states that the efficient import, storage and transmission of natural gas is crucial to meeting the UK energy needs during the transition to a low carbon economy. It notes that we cannot achieve national objectives relating to security of supply without enabling investment in new infrastructure.
- 7.4.20 EN-4 (Section 2.1) is concerned with impacts and other matters which are specific to gas supply infrastructure and gas pipelines where, although the impact is generic and covered in EN-1, there are further specific considerations arising from the technologies covered in this NPS (paragraph 2.1.1).
- 7.4.21 Sections 2.2 – 2.23 include references to factors influencing site selection by applicants for gas supply infrastructure and gas pipelines.

## **National Policy Statement for Electricity Networks Infrastructure (EN-5) (DECC, 2011d)**

- 7.4.22 EN-5 is of some relevance to the Proposed Development as it includes a new electricity grid connection between the generating station and the National Grid (for the export of electricity). The electricity connection will be included within the Application as 'associated development' as defined by Section 115 of the PA 2008.
- 7.4.23 EN-5 (Section 2.3) sets out the general assessment principles for electricity network infrastructure. Paragraphs 2.3.1 - 2.3.6 set out a number of assessment principles that PINS may have regard to in considering such infrastructure, including the contribution that it would make to the promotion of renewable energy, the achievement of climate change objectives and the maintenance of an appropriate level of security of electricity supply (paragraph 2.3.4). Electricity network infrastructure is also subject to the same broad assessment principles as other energy infrastructure, notably climate change adaptation (Section 2.4) and good design (Section 2.5).

## **7.5 National Planning Policy Framework (NPPF)**

- 7.5.1 The NPPF (MHCLG, 2019) sets out the Government's planning policies for England and how these are to be applied. It is a material consideration in planning decisions. Paragraph 5 of the NPPF makes clear that the document does not contain specific policies for NSIPs and that these are to be determined in accordance with the decision making framework set out in the PA 2008 and relevant NPSs, as well as any other matters that are considered to be relevant (which may include the NPPF).





- 7.5.2 Paragraph 7 of the NPPF is clear that the purpose of the planning system is to contribute to the achievement of sustainable development and that the policies that are set out in the Framework, taken as a whole, constitute the Government's view of what sustainable development in England means in practice. Paragraph 8 goes on to identify three overarching objectives to achieving sustainable development:
- an economic objective - to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure;
  - a social objective - to support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering a well-designed and safe built environment, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being; and
  - an environmental objective – to contribute to protecting and enhancing our natural, built and historic environment; including making effective use of land, helping to improve biodiversity, using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy.
- 7.5.3 Section 11 states that planning policies and decisions should promote an effective use of land and paragraph 118 b) recognises that some undeveloped land can perform many functions such as (inter alia) carbon storage.
- 7.5.4 Paragraph 148 in Section 14 states that the planning system should support the transition to a low carbon future in a changing climate and should help to: *“shape places in ways that contribute to radical reductions in greenhouse gas emissions, minimise vulnerability and improve resilience; encourage the reuse of existing resources, including the conversion of existing buildings; and support renewable and low carbon energy and associated infrastructure”*.
- 7.5.5 Paragraph 154 states that there should be no requirement for applicants to demonstrate the overall need for renewable or low carbon energy in application submission and that applications for renewable or low carbon development should be approved if its impacts are (or can be made) acceptable.
- 7.5.6 Paragraph 209 in Section 17 states that underground gas and carbon storage and associated infrastructure should be encouraged if local geological circumstances indicate its feasibility.

## 7.6 Local Planning Policy

- 7.6.1 The Proposed Development Site (the Site) covers a wide area located within the administrative boundaries of Redcar and Cleveland Borough Council



(RCBC), Stockton-on-Tees Borough Council (STBC) and South Tees Development Corporation (STDC). Chapter 3: Description of the Existing Environment (PEI Report, Volume I) describes the Site in detail.

7.6.2 The relevant adopted local development plan documents are:

- Redcar and Cleveland Local Plan and Policies Map (RCBC, 2018); and
- Stockton-on-Tees Borough Council Local Plan and Policies Map (STBC, 2019).

7.6.3 It is noted that under the enabling legislation that established the STDC, a range of powers were granted to the Corporation, however it was agreed that RCBC would retain planning powers and continue to act as the local planning authority for the STDC area in respect of development management. The South Tees Regeneration Master Plan (STDC, 2019) was prepared throughout 2017 (and revised in November 2019) by STDC in partnership with RCBC as a 'supporting visionary and development strategy document' to inform the preparation of the South Tees Area Supplementary Planning Document (SPD) (PBA, 2018) which was prepared by RCBC and adopted in May 2018.

### RCBC Local Plan (May 2018)

7.6.4 The following RCBC Local Plan designations apply to all or part of the Site. These policy designations are identified on Figure 7-1: Local Plan Areas.

- Development Limits (SD3);
- Protecting Employment Areas (ED6);
- South Tees Development Corporation (LS4 / ED6);
- Green Wedges (N2);
- Safeguarding of Minerals Resources from Sterilisation - Salt / Gypsum (MWC4);
- Marine dredged Sand and Gravel (MWC4, MWC5);
- Safeguarded Wharves (MWC11);
- Sensitive Landscape Areas (N1);
- Teesmouth and Cleveland Coast Special Protection Area (SPA) 6km Buffer Zone / Ramsar Site (N4);
- Teesmouth and Cleveland Coast Site of Special Scientific Interest (SSSI) (N4);
- Eston Pumping Station Local Wildlife Site (LWS) (N4); and
- 30km wind farm safeguarding area for Durham Tees Valley Airport (SD6)

7.6.5 A high-level summary of the key RCBC local development plan policies relevant to the Site is provided in Table 7-1 below.

**Table 7-7-1: RCBC Local Plan (May 2018) – Key Policies**

Policy No.	Policy Title	Summary of Policy
SD 3	Development Limits	Within development limits, development will be supported, subject to meeting other policies in the Local Plan.
SD 4	General Development Principles	In assessing the suitability of a site or location, development will be permitted where it meets the criteria set out in a) to h) of this policy. All development must be designed to a high standard and will be expected to meet the criteria in i) to r) of this policy.
SD 6	Renewable and Low Carbon Energy	Renewable and low carbon energy schemes will be supported and encouraged, and will be approved where their impact is, or can be made, acceptable. In determining applications for renewable and low carbon energy and associated infrastructure, the issues in a) to k) will be considered.
LS 4	South Tees Spatial Strategy	The spatial strategy includes Wilton International, South Tees Development Corporation area, Teesport and South Tees Industrial Estates and Business Parks. The policy sets out a number of objectives to support and enhance the economy, connectivity and environment. Under 'Economy', criterion l) seeks to encourage clean and more efficient industry in the South Tees area to help reduce carbon dioxide emissions. Under 'Environment', criterion ad) supports the development of carbon capture and storage to de-carbonise the local economy.
ED 6	Promoting Economic Growth	This policy seeks to develop and safeguard existing industrial estates and business parks for employment uses. It allocates a number of employment sites. Some of the above employment sites are adjacent to / within protected landscapes and nature conservations sites. Proposals will need to demonstrate that there will be no adverse effects on the integrity of the Teesmouth and Cleveland Coast SPA and Ramsar site, or other European designated nature conservation sites.

### STBC Local Plan (January 2019)

7.6.6 The following STBC Local Plan designations apply to all or part of the Site. These policy designations are identified on Figure 7-1: Local Plan Areas.

- Limits to Development (SD3, SD4 and SD5);
- Specialist Use Locations / Specialist Employment Allocations (SD4 and EG4); and
- Sites of Special Scientific Interest (SD5 and ENV5).

7.6.7 A high-level summary of the key 'spatial' STBC local development plan policies relevant to the Site is provided in Table 7-2 below.

**Table 7-2: STBC Local Plan (January 2019) - Key Policies**

Policy No.	Policy Title	Summary of Policy
SD2	Strategic Development Needs	This policy sets out the strategic growth needs for the plan period until 2031/32 which will be met through new sustainable development and infrastructure provision. It allocates 120ha of land for specialist uses including energy generation, which demonstrate operational benefits to the North and South Tees Cluster.
SD4	Economic Growth Strategy	Economic development needs will be directed to appropriate locations to ensure the delivery of sustainable economic growth. It states that The Seal Sands, North Tees and Billingham Chemical Complex areas are the main growth areas for: (inter alia) energy generation and carbon capture and storage, which have operational benefits for the cluster.
SD5	Natural, Built and Historic Environment	This policy seeks to meet the challenge of climate change, flooding and coastal change through a variety of methods and states that proposals for renewable and low carbon energy schemes including the generation and supply of decentralised energy will be supported.
EG1	General Employment Sites	New general employment proposals will be directed to existing and allocated sites in a number of locations, including 31ha for general employment development at Teesside.
EG4	Seal Sands, North Tees and Billingham	This policy directs development proposals for emerging specialist sectors (including carbon capture and storage) to available sites and expansion land in Billingham Chemical Complex (45ha of land), North Tees (46ha of land) and Seal Sands (144ha of land).
ENV1	Energy Efficiency	The Council will encourage all development to minimise the effects of climate change through meeting the highest possible environmental standards during construction and occupation. The Council will promote zero carbon development and require all development to reduce carbon dioxide emissions by following the steps in the energy hierarchy.
ENV2	Renewable and Low Carbon Energy Generation	The Council encourages and supports the local production of energy from renewable and low carbon sources to help reduce carbon emissions and contribute towards the achievement of renewable energy targets.

## South Tees Area Supplementary Planning Document

- 7.6.8 The South Tees Area Supplementary Planning Document (SPD) (was prepared by RCBC and adopted in May 2018. The South Tees Area Supplementary Planning Document (SPD) (PBA, 2018) was prepared by RCBC and adopted in May 2018. The SPD is a material consideration and represents the formal planning policy interpretation of the spatially focused STDC Master Plan referred to in paragraph 7.6.3 above.
- 7.6.9 Section 2 of the SPD sets out the ‘Vision’ for the South Tees Area. SPD Objective 1 seeks to ensure strong alignment with the UK Government’s Industrial Strategy by shaping regeneration proposals to ensure the Tees Valley can make a contribution to the UK Government’s aspirations for the Northern Powerhouse Initiative (referred to in paras. 7.3.8 to 7.3.9 above). Objective 4 seeks to *“promote and support development uses aligned with a*



*low carbon, circular economy, while delivering redevelopment within a framework of reduced energy costs and waste minimisation”* (page 10). Both objectives are re-iterated in Development Principle ‘STDC1: Regeneration Priorities’ on page 15 of the SPD.

- 7.6.10 Development Principle ‘STDC10: Utilities’ states that the Council will, in partnership with the STDC and developers, statutory undertakers and other stakeholders, ensure that the South Tees Area and associated new development is adequately supported in terms of utilities and any necessary infrastructure. It states that the development of new infrastructure relating to energy generation, in line with the Energy Strategy, will be supported. Such new infrastructure includes (inter alia): *“power generation facilities utilising both conventional and renewable resource”* and *“carbon capture and*
- 7.6.11 Paragraph 3.7.6 refers to the Energy Strategy that has been developed for the STDC area. It states that *“The primary power generation is currently anticipated to be a natural gas Combined Cycle Power Plant (CCPP), and /or Integrated Biomass Gasification Combined Cycle (IBGCC)”* and *“Opportunities for clean energy generation and storage developments, such as those relating to Carbon Capture and Sequestration (CCS) projects will also be explored”* (page 43).

## 7.7 Conclusions

- 7.7.1 The Proposed Development would support the delivery of recent UK Government energy and climate change policy in the National Infrastructure Plan 2014 (HM Treasury, 2014), National Infrastructure Delivery Plan 2016 (Infrastructure and Ports Authority, 2016), the Clean Growth Strategy 2017 (BEIS, 2017) and the UK Carbon Capture Usage and Storage deployment pathway - An Action Plan 2018 (HM Government, 2018). It would also support the Government’s target (enshrined in law) of achieving ‘net zero’ in terms of greenhouse gas emissions by 2050 which further underlines the importance of CCUS to decarbonising power generation and industry, with the Committee on Climate Change’s May 2019 report identifying a need for gas-fired electricity generation with CCS in order to achieve the ‘net zero’ 2050 target (CCC, 2019). The Proposed Development therefore comprises the necessary infrastructure to capture both power generation and industrial sources of CO<sub>2</sub>, for compression and transportation to offshore geological storage, supporting the aims of the Clean Growth Strategy and Government policy.
- 7.7.2 The NPSs form the primary basis for decisions by the SoS on applications for NSIPs. The energy NPSs confirm the urgent need for energy infrastructure, in particular, low carbon and renewable electricity generating capacity, to assist in affecting the transition of the UK to a low carbon economy, meeting emissions targets and enhancing the security of energy supplies, amongst other objectives. This includes generation from gas using CCS. As such, the need that exists for new electricity generating capacity is not open to debate or interpretation. The Proposed Development therefore accords with the energy NPSs in terms of the objective of delivering more low carbon and renewable electricity generating capacity.



- 7.7.3 In addition to defining the need for new energy infrastructure, the NPSs provide detailed guidance on the matters to take into account when both preparing and assessing applications for NSIPs. This covers a number of key assessment principles as well as a range of generic impacts, some of which are common to most energy infrastructure, as well as others that may only be relevant to certain technologies. These will be taken into account in carrying out the EIA for the Proposed Development.
- 7.7.4 In making decisions on NSIPs, the SoS must have regard to any other matters that he/she considers are both important and relevant which, for the Proposed Development, may include recent UK Government energy and climate change policy set out in this chapter. Such matters may also include the NPPF and relevant local development plan policy. In broad terms the policies contained within these documents support the delivery of more energy infrastructure, notably, local policies promote power generation and the development of carbon capture and storage at appropriate strategic locations.





## 7.8 References

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