

Written evidence submitted by Carbon Capture and Storage Association (NPS0004)

CCSA Response to the BEIS Select Committee Inquiry on the BEIS Energy National Policy Statements Review – Call for Evidence

The Carbon Capture and Storage Association (CCSA) is pleased to provide a response to the BEIS Select Committee Inquiry on the BEIS Energy National Policy Statements Review. The CCSA brings together a wide range of specialist companies across the spectrum of Carbon Capture, Utilisation and Storage (CCUS) technology, as well as a variety of support services to the energy sector. The CCSA exists to represent the interests of its members in promoting the business of CCUS and to assist policy developments in the UK, EU and internationally to support the commercial deployment of CCUS.

The CCSA welcomed the timely publication of the inquiry on the Energy National Policy Statements Review. Over the past two years, the UK Government has moved from a loose ambition to deploy two CCUS clusters by 2030 to a target of 20-30Mt of CO₂ capture per year by 2030 across four clusters, scaling quickly to ~50Mt by 2035. It is clear that CCUS is a central component of Government decarbonisation and energy strategy – this now needs to be reflected across Government policy, including in the National Policy Statements. Given the importance of CCUS in achieving net zero, not just for energy, but also for industry and carbon removal technologies, the CCSA would urge the Select Committee to maintain scrutiny on Government's CCUS strategy.

The clarity of the NPS in terms of its scope and its applicability to the Energy White Paper?

The proposed NPS documents do clearly outline the scope of the documents and to what extent the Energy White Paper gives direction to the content of the individual EN documents. However, since the publication of the proposed revisions to the NPS documents and the Energy White Paper, in many areas Government's stated policy ambition has superseded that on which the NPS review was based. The Net Zero Strategy is one document in particular which significantly increases ambitions and direction provided in the Energy White Paper and the 10-Point Plan.

There are open consultations and ongoing areas of policy development which will influence the final NPS documents. These include, but are not limited to, the revision of the Carbon Capture Readiness (CCR) requirements, the ongoing development of the CCUS business models, and the emerging interactions between a CCUS and offshore wind sector.

As such, the CCSA would strongly encourage Government to release a revised version of the NPS document for consultation ahead of submitting the document for approval in Parliament.

How effectively the revised NPS supports the Government's targets for net zero by 2050?

The CCSA welcome the revised wording in the NPS documents on CCUS. However, the CCSA note that the Energy NPS in isolation does not fully consider how the energy system can influence and support net zero activities across other NPS areas and in other sectors.

There are several areas the NPS documents could be updated or structured differently to fully consider CCUS and other cross-sector decarbonisation technologies:

Update structure reflective of the Net Zero energy pathway:

- The document uses the framework defined in the current energy NPS documents published 10 years ago. The NPS framework needs to be structured in a forward-looking manner, appreciative of the technologies of the future. As such the CCSA would welcome:
 - Combustion related activities (as covered by an updated CCR requirement) to be included in one EN document.
 - Clarity on the future development of CO₂ storage resources – including a need for a strategic development in the offshore space, ensuring both CCUS and offshore wind can deploy at the rate required to achieve net zero
 - Consideration for a Net Zero NPS which can be used in a cross-cutting manner to help define more complex interactions across multiple NPS documents. By outlining how key technologies of the future will interact as well as identifying key regulatory and stakeholder relationships, this can provide certainty to applicants and assessors that projects are more likely to proceed and provide benefits across multiple economy areas.

Clarity on the role of CCUS infrastructure:

- The CCSA would like to see a more clearly defined role for CO₂ infrastructure, both within EN-1 and also in more detail within EN-4. The current approach does not fully consider the wider enabling role CO₂ infrastructure can play for wider network users not only energy projects. In addition, having a clearer role for CO₂ pipelines in EN-4 will be key to informing future planning decisions for new networks, network expansions and to help outline the respective roles of regulators and other bodies.

A commitment to regular review:

- Given that the energy system is moving at pace as the UK moves towards net zero, the NPS documents will need a more regular review and update which can reflect the emerging energy landscape. This can ensure projects are designed and consented using the best policy guidance, enabling a rapid deployment of critical net zero energy systems.
- The previous NPS document was not updated since 2011, this has provided an uncertainty barrier for new technologies who are looking to develop in order to decarbonise at the pace required to achieve net zero.
- If the approach to reviewing the NPS document is not changed, and is not made more predictable and agile, the NPS risks' quickly becoming obsolete or hindering the deployment of novel technologies and projects which will be key to achieving the UK climate and energy targets.

How effectively the revised NPS takes account of other aspects of the Government's plans for energy generation?

The NPS document does not fully consider the interaction between energy assets and strategic UK resources in a clear and appropriate way, this is particularly apparent when considering the interaction between offshore wind and future CCUS development.

Section 3.34 highlights the need for applicants to “*undertake an assessment of the potential effects of the proposed development on such existing or permitted infrastructure or activities.*” This does not fully consider the future of net zero technologies and the strategic requirement to develop net zero marine resources appropriately across a suite of technologies including offshore wind and CCUS. The current text discusses the physical seabed assets, however CCUS also requires; access to the storage site as well as the availability of sea space to perform seismic surveying of the storage site (a key condition of the storage licence granted by the OGA).

The interaction between offshore wind and CCUS in an increasingly crowded marine space was highlighted in the recently published Offshore Wind and CCUS Co-location study¹ and is currently under consideration in the Crown Estate led co-location forum. BEIS and associated bodies are key stakeholder in the forum, often leading these discussions, however the proposed NPS language does not reflect the emerging discussions from the forum.

In the first instance, the CCSA would strongly recommend that the language and approach to co-location impacts should be in line with that in the marine plans, particular with CCS and offshore wind. Both technologies can and must be deployed to meet the governments targets on reaching net zero by 2050 and the increased ambition of storing 20-30 million tonnes of CO₂ by 2030. The CCSA welcomes a revision of the text in the NPS in close consultation with the co-location forum run by the Crown Estate.

The effectiveness of the Government's consultation on the proposals contained in the energy NPS?

As noted in response to previous questions, the consultation from Government does cover the content of the Energy White Paper and emerging energy landscape for CCUS in a helpful way. It does not however suggest or consult on whether the structure and purpose of the Energy NPS is fit for the net zero future.

This is most clearly highlighted when considering the role that essential sectors like engineered carbon removals (such as Bio-energy CCS and Direct Air Capture and Storage (BECCS and DACS)) will play in achieving net zero. In 2050, these technologies will have to be considered as an activity critical to achieving net zero, and by the nature of the technologies can be assigned across the UK economy, including in industry, energy and finance. These projects will be seen as nationally significant in achieving climate targets, and currently do not map well against many other NPS applications.

The revision of the NPS documents has the opportunity to clearly outline how future technologies will combine across sectors in order to achieve net zero. The CCSA would welcome the introduction of a cross-cutting NPS, which can outline cross NPS interactions, including carbon removals, future interactions of the energy system and CO₂ transport (via non-pipeline methods – e.g., ships, rail, trucks etc). By outlining how key technologies of the future will

¹ The Crown Estate, 2021. CCUS & Offshore Wind Overlap Study Report. Available at: <https://www.thecrownestate.co.uk/media/3898/ccus-offshore-wind-overlap-study-report.pdf>

interact as well as identifying key regulatory and stakeholder relationships, this can provide certainty to applicants and assessors that projects are more likely to proceed and provide benefits across multiple economy areas.

Finally, the CCSA would welcome consideration for a revised NPS structure including a NPS which could contain CCUS capture applications under one NPS. Currently the CCUS text is spread across four NPS documents, with the high-level direction given in EN-1, pipeline considerations in EN-4 and capture applications in EN-2 & EN-3. A more agile and understandable structure would be well placed by having all abated technologies; gas-generation with CCS, Energy from Waste with CCS and Biomass with CCS under one EN, with CO2 infrastructure more deeply considered under EN-4. This would:

- Ensure that the future EN documents can clearly place considerations required for carbon capture in one EN. This can then discuss in more detail the requirements needed when constructing carbon capture facilities on power generating assets.
- Create an NPS structure which is net zero compliant and can provide a location for wording on negative emissions considerations (with power generation) to be included in one NPS document.
- Allow for the text in EN-1 to clearly outline the need for carbon capture in the net zero future of the UK, whilst moving the more detailed considerations unique to each capture application into an EN NPS document. This would bring CCUS inline with other technologies, such as offshore wind, which has a high-level overview in the EN-1, with considerable detail contained under EN-3.

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