

# CCSA Working Group Summary Minutes

<b>Working Group</b>	NPT
<b>Date</b>	18 August, 2025
<b>CCSA Lead</b>	Mark Sommerfeld Yanxi Zhou
<b>Convenor</b>	Roger Brandwood (Uniper), Paul Davies (7CO2), and Matt Wilson (Navigator Terminals)
<b>Recording</b>	<a href="https://vimeo.com/1110987305/cbece5f2a1?share=copy">https://vimeo.com/1110987305/cbece5f2a1?share=copy</a>
<b># Attendees</b>	~62
<b>Summary Minutes</b>	<p><b>Meeting Agenda</b></p> <ul style="list-style-type: none"> <li>- 1) <i>Introductions &amp; Housekeeping</i> <ul style="list-style-type: none"> <li>o <i>CCSA competition law notice</i></li> <li>o <i>Agenda review</i></li> </ul> </li> <li>- 2) <i>NPT workstreams updates</i> <ul style="list-style-type: none"> <li>o <i>NPT status update</i></li> <li>o <i>NPT consultation timings and next steps</i></li> </ul> </li> <li>- 3) <i>Discussion: CCSA positions for the incoming NPT consultation</i> <ul style="list-style-type: none"> <li>o <i>NPT fee options</i></li> <li>o <i>Timing mismatch</i></li> <li>o <i>Standards and operational issues</i></li> <li>o <i>Delivering merchant projects</i></li> <li>o <i>Any other areas of concern from DESNZ presented proposals</i></li> </ul> </li> <li>- 4) <i>CCSA actions and messaging to drive NPT development</i></li> <li>- 5) <i>Discussion: Developing further evidence to inform the consultation</i> <ul style="list-style-type: none"> <li>o <i>CCSA letter to DESNZ</i></li> </ul> </li> <li>- 6) <i>AOB and meeting close</i></li> </ul> <p><b>Members are new to the NPT meeting</b></p> <ul style="list-style-type: none"> <li>- Peter Webb: RWE / Dragon / Milford Haven CO<sub>2</sub> Transport Opportunity</li> <li>- Sannah Ifzal: Evro Energy</li> <li>- Amelia Mitchell: ERM</li> <li>- Peteris Rabsa: Navigator Gas / Blue Strike CO<sub>2</sub></li> <li>- Charles Perez-Storey: Progressive Energy</li> </ul> <p><b>Member discussions: CCSA position for NPT consultation</b></p> <ul style="list-style-type: none"> <li>- NPT fee options <ul style="list-style-type: none"> <li>o For detailed positions and concerns raised by members, please refer to the annex ‘Member suggestions &amp; questions summary’</li> </ul> </li> <li>- Timing mismatch <ul style="list-style-type: none"> <li>o LW: noted current proposals are a significant departure of the approach between how DESNZ manage the NPT value chain versus pipeline value</li> </ul> </li> </ul>

chain – with potential to introduce significant cross chain risk.

- For pipelines, T&SCos have the RSA that they can draw upon if there's a timing mismatch risk with commissioning, which the emitter business models have timing mismatch provisions if the T&S isn't available.
- PR: delay in pipeline availability can have costly implications for all emitter projects; while the flexibility of NPT assets means impacts are more manageable – so it is easier to match it to the most complicated part, which is capture or storage or both.

### **CCSA NPT engagement**

- CA: It is important that DESNZ need provide positive signals and more specific timelines for NPT delivery, or key value chain stakeholders could make decision to invest elsewhere in global portfolios.
- PD: We need a clear timetable, which specifically include the opening up of bids for future NPT projects ahead of the 2027 spending review.
- PW: a bid timeline and criteria would be really helpful. We need to know what the government is looking for in terms of project specifics or attributes – this could be set out as part of the consultation but needs to be addressed if not.
- BB: DESNZ are filling up existing resource pools with time on priorities outside of NPT. It needs greater priority within the department. If government continues to develop NPT in the same way we've done in Track-1 and Track-2, we will probably continue to see slow progress.
  - We should be looking to provide options and solutions that help them to reprioritise NPT delivery.
  - Proposed promoting regulatory sandpit approach that could help drive the sector forward.
  - We should look to make use of the structures and timelines referenced within the industrial strategy
  - This should include Free ports and industrial strategy investment zones: make a clearer the link between them and the delivery of NPT.
- BB: We should set out the NPT development sequence - we see first see ships, then rail and then trucks or something else? present it in more digestible chunks to DESNZ so they can get on with it rather than seek as a whole.
- PD: We have seen with the previous consultations and CfEs, DESNZ are trying to solve all the problems rather than engaging with the market to prioritise specific actions to get the market moving.

- CW: We could consider if there are any low hanging fruit study type work that we could collectively get carried out, maybe around things like spec and metering and monitoring?
  - o We need to focus on the problems that are specific to CO2 transportation. The feedback that we're getting from DESNZ focuses on the cross-chain risks, for example around project alignment and deliverability around having rail connected to ports, terminals, and ships. Outside of these issues we would likely be able to progress projects with limited Government support.
    - As such, we need to try and focus on exactly where the risk comes from in relation to CO2 liabilities, and where government support is really needed to progress.
  - o CCSA: individual companies have done exercises of mapping out their contractual arrangements and their preferred solution for how liabilities would operate. It would be useful to explore a CCSA mapping exercise where we provide a high-level market neutral approach that sets out how different contracting approaches would work, where the liabilities lie, and where are the areas of risks.
    - CCSA will send round a note to ask people for bilateral discussions around if they have done that kind of exercise of mapping out the contractual arrangements, what they would be willing to share with the CCSA – this can be treated as additional evidence for the consultation.
- SM: metering is something that came up a lot and DESNZ seemed to think that it was quite complicated. Conformed in discussion that the relevant metering equipment exists and is available. They're already there to fulfil commercial contracts, and it may not be as laborious as the Government think.
  - o As part of mapping exercise, we could look to articulate meter arrangements across the full, demonstrating how things may work.

#### **UK-EU ETS Alignment**

- BB: I alluded earlier to a conversation with DESNZ about the resource element of delivering NPT. I asked the question specifically how do you think this will impact that resource and the clear answer was adversely most likely.
  - o Noted UK ETS alignment in particular on the NPT element is likely going to put more pressure on limited resource - We should be aware of this in

	terms of priority setting and what we are calling on government to do.
Action	<ul style="list-style-type: none"> <li>➤ <b>Action for CCSA Secretariat</b></li> <li>- CCSA proactive feedback to DESNZ <ul style="list-style-type: none"> <li>○ Send out the summary of questions &amp; comments raised by members in terms of the NPT business model – for members’ further comments before it goes to DESNZ</li> <li>○ Send a coordinated industry letter to DESNZ</li> </ul> </li> <li>- Pre NPT consultation actions <ul style="list-style-type: none"> <li>○ Bilateral discussion with members to figure out preferred positions and map out the contractual arrangement/other industry facts/case studies</li> <li>○ CCSA Member meeting involving DESNZ to clarify the definitions and options</li> </ul> </li> <li>➤ <b>Action for members:</b> Provide input for the upcoming consultation and discussions</li> </ul>
<b>Next Meeting Date</b>	TBD
All working group materials can be found <a href="#">here</a> .	