

Carbon Capture, Usage and Storage: Transport and Storage Legislation Team

Department for Energy, Security and Net Zero 3rd Floor, 1 Victoria Street London SW1H ONE

By email to

 $\frac{ccustands consultations@energy security.gov.uk}{and online} \\$

https://beisgovuk.citizenspace.com/cleangrowth/exemptions-for-co2-transport-storage-licencecfe/ Uniper UK Limited Compton House 2300 The Crescent

Birmingham Business Park Birmingham B37 7YE www.uniper.energy

Registered in England and Wales Company No 2796628

Registered Office: Compton House 2300 The Crescent Birmingham Business Park Birmingham B37 7YE

Exemptions from the requirement to hold a Carbon Dioxide Transport and Storage Licence
Call for Evidence

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About Uniper

Düsseldorf-based Uniper is an international energy company with activities in more than 40 countries. The company and its roughly 7,000 employees make an important contribution to supply security in Europe, particularly in its core markets of Germany, the United Kingdom, Sweden, and the Netherlands.

Uniper's operations encompass power generation in Europe, global energy trading, and a broad gas portfolio. Uniper procures gas—including liquefied natural gas (LNG)—and other energy sources on global markets. The company owns and operates gas storage facilities with a total capacity of more than 7 billion cubic meters.

Uniper intends to be completely carbon-neutral by 2040. Uniper aims for its installed power generating capacity to be more than 80% zero-carbon by 2030. To achieve this, the company is transforming its power plants and facilities and investing in flexible, dispatchable power generating units. Uniper is already one of Europe's largest operators of hydropower plants and is helping further expand solar and wind power, which are essential for a more sustainable and secure future. The company is progressively expanding its gas portfolio to include green gases like hydrogen and biomethane and aims to convert to these gases over the long term.

Uniper is a reliable partner for communities, municipal utilities, and industrial enterprises for planning and implementing innovative, lower-carbon solutions on their decarbonization journey. Uniper is a hydrogen pioneer, is active worldwide along the entire hydrogen value chain, and is conducting projects to make hydrogen a mainstay of the energy supply.



About Uniper UK

In the UK, Uniper owns and operates a flexible generation portfolio of seven power stations, a fast-cycle gas storage facility and two high pressure gas pipelines, from Theddlethorpe to Killingholme and from Blyborough to Cottam. We also have significant long-term regasification capacity at the Grain LNG terminal in Kent, to convert LNG back to natural gas.

Call for Evidence Questions

1. Do you think there should be a class exemption for spur pipelines of a specified type connecting emitters to the network? If so, what should be the specified characteristics? This can include length and/or diameter of such pipelines, or alternatively this could be defined in terms of the purpose of the pipeline.

It seems sensible and appropriate to have a class exemption for a spur pipeline of a specified type connecting an emitter to the network.

The specified characteristics should include the number of emitters and ownership of those emitters connected to the spur, the length of the pipeline and any charging proposals associated with the spur.

An exemption may be appropriate for a spur with multiple connection points within a site and facility operated by a single owner but inappropriate if the emitters have different owners.

There should be a maximum length beyond which an exemption cannot be granted. In the interests of consistency, it may be appropriate to replicate the 16.093 km length which is used for gas storage facilities seeking an exemption from holding a gas transporter licence.

Any proposal seeking exemption which includes charges to use the spur should be subject to careful scrutiny before an exemption is granted.

As no market presently exists for carbon dioxide transport and storage it would be appropriate if all types of exemption were timebound and subject to periodic review. The review period may be in the order of 10-15 years.

2. The Department is keen to understand whether there are any R&D activities/projects that are being considered by the sector that could fall within the definitions of licensable activity within the primary legislation. Please provide a comprehensive outline of the types of activities, for the purpose of R&D, that may require an exemption.

None of which we are aware.

3. Are there any other class exemptions you deem suitable and necessary to support CCUS? Please provide reasoning and evidence. This should include evidence of economic considerations where relevant and implications of the class exemption not being in place.

None of which we are aware.



4. Would the sector like the Department to consider any specific named exemptions? Please provide reasoning and evidence for any proposed named exemptions, including the implications of not being granted an exemption

None of which we are aware.

5. For any named exemptions the Department would need to consider the evidence in support of an exemption as well as any impacts the exemption may have on the sector more broadly. This would inform both the appropriateness of granting an exemption as well as any conditions which it may be appropriate to attach to an exemption. Please let us know if you have views on this.

This approach is consistent with the approach to other licensed activities.

6. Would you see benefit in an application system for future individual exemptions granted by way of an order? What are the implications if no exemptions are granted?

The inclusion of an application system would provide a degree of future proofing to accommodate a scenario which cannot be foreseen today.

7. Are there any other exemptions that are not captured within the three categories (class, named, and future individual exemptions) that you deem necessary to be considered by the Department? Please provide reasoning and evidence. This should include evidence of economic considerations where relevant.

There are none of which we are currently aware.

Uniper UK Limited