

# North Sea Reporter

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## NEP, NZTP highlight CCS growth with £4bn of work for Teesside projects

The Northern Endurance Partnership (NEP) and Net Zero Teesside Power (NZTP) have awarded £4 billion (\$5.08 billion) of contracts for their carbon capture projects in Teesside in the UK, including significant offshore orders for Saipem and TechnipFMC. The contracts highlight the growth the offshore sector is starting to see from CCS as a series of major developments move forward in the UK.

Just last week, Spirit Energy awarded Shearwater Geoservices a seismic contract for its proposed Morecambe Net Zero project, while the Eni-led Hynet scheme late in February submitted an environmental statement covering offshore infrastructure that envisages the drilling of new wells and installation of a CCS platform as part of its CO<sub>2</sub> infrastructure plans.

NEP and NZTP, which are both part of the East Coast Cluster, in a joint statement last Friday (15 March), said they have selected nine specialist contractors for eight engineering, procurement and construction contract packages.

The awards are subject to regulatory clearances and final investment decisions (FIDs) being taken in September this year or earlier, they added. “The selection of contractors is a clear signal of momentum,” in the projects, said NEP general manager Chris Daykin.

The contracts are split between those for the NZT Power plant, which aims to be one of the world’s first commercial gas-fired power stations with carbon capture, and the CO<sub>2</sub> transport and storage infrastructure, most of it offshore, for NEP. Assuming an FID decision is taken by September then the projects will target first commercial operations in 2027.

Among the contracts made public, Saipem has been awarded a letter of intent to build the offshore pipeline for NEP and related facilities. The Italian contractor said its workscope includes the engineering, procurement, construction and installation of a 28-inch pipeline running about 145 km with associated landfalls and onshore outlet facilities for NEP, as well as work on the water outfall for the NZTP plant. *(Continued on page 2)*