



# Department for Energy Security & Net Zero

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Cllr Louise Gittins  
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Email: [Louise.Gittins@cheshirewestandchester.gov.uk](mailto:Louise.Gittins@cheshirewestandchester.gov.uk)

Dear Louise,

Thank you for your letter of 18 May to the Secretary of State on behalf of Cheshire West and Chester Council regarding the Peak Cluster project. I am responding as this matter falls under my Ministerial portfolio. Both the Secretary of State and I are grateful that you have taken the time to write to HM Government on this subject.

I am also grateful that you have set out the council's support for the Government's commitment to decarbonising industry and its diverse approach to decarbonisation. Carbon Capture, Usage and Storage (CCUS) will contribute to the decarbonisation of industry and power in a way that drives growth, supports high productivity, jobs and accelerates towards net zero. The CCUS sector is projected to support up to 50,000 jobs and £2.8bn of Gross Value Added (2022 prices) annually across the supply chain by 2050.

The Peak Cluster's proposed CCUS project has not been identified as one of the four CCUS Clusters for support through the Government's CCUS Cluster Sequencing process and is not in receipt of any funding from the Department for Energy Security and Net Zero (DESNZ). DESNZ is continuing to engage with potential future projects, including the Peak Cluster, to understand their proposals, but no decisions have yet been made.

As with all projects of this nature, any proposals will be subject to detailed scrutiny, and high standards will need to be met if it is to be taken forwards. The strategic assessment for commissioning this project is undertaken through the Development Consent Order (DCO) process. The planning system is designed to assess whether the anticipated benefits of the project outweigh its potential costs and adverse impacts. As part of this process, the Planning Inspectorate first determines whether the application for a DCO meets the statutory requirements to proceed to examination. Independent Inspectors then carry out a six-month examination of the proposals, followed by a three-month period to prepare their report and recommendations.

The Secretary of State subsequently considers the full evidence base over a further three-month period, including the Inspectors' recommendation, before reaching a final decision. This decision weighs the project's adverse impacts against the identified benefits, ensuring that consent is granted only where those impacts are judged to be in accordance with the law and policy, and outweighed by the benefits.

The Peak Cluster is at an early stage of development. As set out in the project timeline published by the developer, activity is currently focused on consultation, technical design and environmental assessments. A DCO application has not yet been submitted, and no final investment or construction decisions have been taken at this stage. Decisions on whether the project proceeds will only be made following completion of consultation and statutory planning processes, and subject to future investment decisions.

More broadly, the Government is actively working with regulators and the public to ensure CO<sub>2</sub> storage regulations support the safe deployment of CCUS. Health and Safety regulation applies across the CCUS process chain, requiring operators to manage risks to workers and the public under the Health and Safety at Work etc. Act 1974. The Health and Safety Executive (HSE) has regulatory oversight and is strengthening the framework, including consulting on extending major hazard legislation to the sector, with a formal response and next steps to follow. HSE is also engaging with prospective CCUS operators to ensure risks are appropriately managed. The Government recently published a response to a Parliamentary e-petition which outlines in more detail the strong regulatory environment that the UK has in place to deploy CCUS safely. This response can be found here: [petition.parliament.uk/petitions/739490](https://petition.parliament.uk/petitions/739490).

The UK also has an established environmental regulatory regime in place to protect human health and the environment, with the Environment Agency (EA), and Offshore Petroleum Regulator for Environment and Decommissioning (OPRED), and Natural Resource Wales (NRW) for projects based in Wales, all evaluating the environmental impacts of CCUS projects.

As noted above, the Peak Cluster's pipeline proposals are still in development and therefore I encourage you to continue to engage and direct any further queries to the consultation process as part of their application for a DCO, where your ongoing engagement will be most valuable as the proposals continue to evolve. The Peak Cluster team have set out the indicative timeline of the next phase of public consultation and the DCO process on their website ([www.peakcluster.co.uk](http://www.peakcluster.co.uk)). The project has stated that they will regularly update the project website as the project progresses.

Best wishes,

A handwritten signature in black ink that reads "Michael Shanks". The signature is written in a cursive style with a horizontal line underneath the name.

**MICHAEL SHANKS MP**  
Minister of State for Energy