Humber set to miss out on chance to lead UK's carbon capture and storage push after Track One no-show

The Humber's hopes to be the carbon capture trailblazer for the UK appear to have hit the rocks after no projects were selected to enter into the latest phase of negotiations.

A £20 billion Spring Budget pledge had injected further fizz into the sector, with several huge emission-abating schemes for heavy industry aligned with the East Coast Cluster, designated as a Track One entry in late 2021. It united a raft of Teesside and Humber proposals, but today's Powering Up Britain government blueprint on the future of UK energy, has brought forward only three North East elements.

It means the most carbon intensive region in the UK is unlikely to lead in the key race to Net Zero, despite appearing to have the most to offer and major representations to the heart of the decision-making process.

Read more: £100m fund raise launches for innovative Hull plastics recycling plant

The document, led by Energy Security and Net Zero Secretary Grant Shapps, does, however, bring a pledge to launch a further process later this year to add more projects by 2030 – with the Humber specifically referenced. It also leaves the door open for them to become alternatives in the first tranche "if any are unable to agree contracts within the criteria and timelines required".

Zero Carbon Humber, a dual carbon capture and hydrogen supply network stretching from Drax in the west to Easington, taking

in SSE's Keadby cluster, Scunthorpe steelworks, Uniper's operations at North Killingholme and Equinor at Saltend was the key omission, having been heavily backed.

A second separate scheme, Viking CCS – specifically focusing on the South Bank refining cluster – has, however, now been described as a "leading contender" for Track Two, with that cluster process also launching today. It is one of two, alongside Acorn in Aberdeenshire. Both involve Harbour Energy. Viking CCS project director Graeme Davies had called for certainty on the timelines in a Business Live interview last week.

In a separate funding pot, Gigastack, a project using electricity generated from offshore wind to produce green hydrogen, has been shortlisted for Hydrogen Allocation Round One, to kickstart that economy. It proposes production alongside Phillips 66's Humber Refinery, in which it is a partner as end user for a fuel swap, with Orsted and ITM Power.

On the next steps for carbon capture and storage, the statement from the Government said that "following on from the initial HyNet and East Coast Cluster, work later this year will see the selection of additional projects to connect into the HyNet and East Coast Clusters – including the Humber and their associated stores as they become viable, and we will engage the sector shortly on how to deliver this".

It is also stressed that the government is "committed to further development of industrial carbon capture, waste, CCUS-enabled hydrogen, power CCUS, and engineered greenhouse gas removal". The statement concluded, with a potential nod to Drax's own bioenergy with carbon capture and storage element of ZCH – having not been listed as a selected project – that it "will work closely with electricity generators currently using biomass to facilitate their transition to power BECCS, subject to value for money, taking account of energy security

on the road to net zero”.

Drax has immediately confirmed it will imminently enter formal talks with the Government to progress the £2 billion plan.

Read next:

Oil refinery unites with training provider to deliver highly skilled apprenticeships in specialist area

Orsted committed to ‘green-lighting’ £8b Hornsea Three offshore wind farm despite Budget disappointment

Keadby Two Power Station enters commercial operations as the most efficient plant of its kind in Europe

ABP turns to wind power for ports with turbine plans for Grimsby

All your Humber business news in one place – bookmark it now