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Response to: Carbon capture, usage, and storage (CCUS) Consultation on Non-Pipeline Transport (NPT)
1 May, 2026

About Uniper

Düsseldorf-based Uniper is a European energy company with global reach and activities in more than 40 countries. With approximately 8,000 employees, the company makes an important contribution to security of supply in Europe, particularly in its core markets of Germany, the UK, 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 the early 2030s. 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 decarbonisation 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 in the UK

In the UK, Uniper owns and operates a flexible generation portfolio of six power stations, a fast-cycle gas storage facility, two high pressure gas pipelines, and significant regasification capacity at the Grain LNG terminal in Kent. We are also progressing CCS and hydrogen projects and expanding our onshore wind and solar portfolio, to further support energy security in the UK

Consultation Response

We have set out below our view in summary:

- First NPT projects are unlikely to emerge unless government takes a more involved role than that contained in the preferred options in these proposals.
- Without the operational experience gained from FOAK NPT projects a competitive and open NPT market is unlikely to emerge.
- While the high-level delivery mechanisms presented lack sufficient detail for definitive agreement, option E, potentially combined with option D, could provide the most flexibility and commercial viability.

Our views in full:

1. In what capacity are you responding?
As a business.

1. Who are you responding on behalf of, and what is your interest in this consultation?

This response is on behalf of Uniper. Uniper has an interest as a capture plant developer.

2. If you consent to members of the team reaching out for clarifications on responses provided, please provide contact details.

Please refer to the contact details provided in the cover email.

3. Using the data template, please could you provide any information on any prospective full chain unsupported or semi-supported NPT projects you may be involved in?

No Uniper response.

4. Do you agree or disagree with the proposed mechanism to deliver NPT support through the capture business models, and enable delivery of the three archetypes (option E: store-led, capture-led and intermediary led)? In your view, is this approach preferable to the other options considered in the consultation? Please explain your reasoning.

The high-level models presented lack sufficient detail for definitive agreement. The three delivery archetypes are all plausible, with option E, potentially in combination with option D, providing the most flexibility and commercial viability. However, greater clarity is needed regarding roles and responsibilities, particularly those of consignors.

As NPT is a nascent industrial activity, an almost free-form approach by government is unlikely to attract private investment. Without the learning that comes from a FOAK development, that has a more narrowly defined delivery mechanism, it is unlikely that a self-sustaining market will emerge.

5. Where could co-investment add the most value in enabling the deployment of the first NPT projects?

No Uniper view.

6. Do you agree or disagree with the proposed approach to provide support for NPT costs via a separate payment element referred to as the 'NPT fee'? Please explain your reasoning.

We agree that a separate payment element that identifies an 'NPT fee' to cover NPT costs is important to maintain distinction from capture costs.

7. Please provide views on the challenges that could arise for your organisation if the government agrees the NPT fee with capture projects, with NPT service providers not being directly involved in negotiations.

It is important that NPT service providers are involved in negotiations as they can provide detailed technical and cost information that is critical in determining the NPT fee. As a capture plant developer, the organisation would need to establish an ongoing commercial team to manage relationships, verification and financial processing associated with an NPT value chain. This would be complex and costly, potentially introducing considerable bankability issues. These functions may be more efficiently carried out by a central body such as the LCCC.

8. Do you agree or disagree with the proposed scope of NPT costs covered by the NPT fee? Are there any costs that you believe should be included or excluded? Please explain your reasoning.

We agree with the high-level proposed scope.

9. Do you have any comments on the proposal for oversizing of NPT infrastructure? What criteria should be used to assess appropriate sizing to deliver contractual throughput? Please explain your reasoning.

None.

10. Using the data template, please provide technical data and potential costs associated with your NPT solution based on fee option 1. Please provide comments on how costs may change and how risks could be managed commercially, based on other NPT fee options presented.

While we are not in the position to share detailed technical and cost data associated with our potential NPT projects, we note that learnings from FOAK projects and greater political commitment are key for developers to commission necessary pre-FEED and FEED studies. Option 1 also does not offer a commercially viable option to emitters with highly variable or intermittent operation (see our response to question 11).

11. Do you agree or disagree with the payment of the NPT fee, and where applicable capture costs, on throughput at point D (indicative fee option 1)? If you believe that another fee option presented may better support policy constraints and fiscal constraints noted on page 23, please provide evidence to support this.

Given the limited detail currently available on the NPT chain, it is too early to form a definitive view. Delivery timing at point D may be highly variable and could lag significantly behind the point of capture. Where multiple NPT routes supply intermediary storage nodes, it would be challenging to identify discrepancies prior to the settlement of NPT fees to individual capture plants. Any future framework should therefore support investment in buffer storage, alongside the establishment of a robust CO_2 metering and settlement process.

For NPT value chain projects to be bankable and reach a financing threshold, some projects, particularly with variable and intermittent operation, will need a two-part fee

structure, based on a capacity/availability payment and a throughput payment, to give a level of revenue certainty.

The more parties involved in the NPT chain, the more complex fee distribution becomes. To get FOAK NPT projects in operation, government may have to adopt a more prescriptive approach with a simpler NPT chain.

12. Do you believe any of the three subsidy options are more suitable for specific capture project sectors, transport modes, organisational structures, or financing strategies? Please explain your reasoning.

A capacity or availability payment (such as options 2 and 3) will be critical across all sectors, particularly for those with highly intermittent and variable operations, such as power generators. Option 1 is inconsistent with the DPA model, which provides both fixed and variable payments, and risks introducing variability and bankability issues.

13. Do you have any views on the administrative role which capture projects may have under fee options 2 and 3? For responses by capture projects, it would be helpful to understand the potential cost implications of this administrative role.

As outlined in the response to questions 7 and 11, the process of payment and meter settlement between multiple capture plants and NPT service providers could be complex and costly.

14. Do you have any concerns in relation to payments for comingled CO2 under any of the three NPT fee options? Please explain your reasoning and provide alternative suggestions.

As outlined in the response to questions 7, 11 and 13, the process will involve complex metering and payment settlement, increasing as the number of capture plants and NPT service providers increases.

15. Do you have any views on potential payment or other policy mechanisms to realise cost efficiencies, as more users join or greater operational efficiencies are achieved over the lifetime of a capture contract?

Any other policy mechanism aimed at realising the cost efficiencies associated with mature and NOAK projects should not undermine the bankability of initial FOAK NPT projects.

16. Do you have any views on a proposed optimisation mechanism? What are the benefits and challenges in the creation of an optimisation mechanism?

See response to question 15.

17. What are your views of the proposed position on stranded asset risk for the NPT solution? Please provide detail to your response in reference to areas such as investability and bankability, and where required, additional scenarios where you believe stranded asset protection may be required.

No Uniper view.

18. Please can you provide suggestions for how the termination fee for the NPT solution is calculated. We welcome views on what cost components should be considered in the structure and how the residual value of the assets is calculated.

No Uniper view.

19. Do you agree or disagree that CO2 quality risk within the NPT project can be effectively managed by industry? Please explain your reasoning.

We agree.

20. Do you agree or disagree that the NPT project is best placed to manage the timing mismatch risk? Please explain your reasoning.

No Uniper view.

21. Do you agree or disagree with the creation of an NPT solution readiness OCPs and ICPs? Please explain your reasoning.

No Uniper view.

22. To what extent is being able to access CCU markets significant for the commercial viability of your project (during operations and in cross-chain risk events) and to government's missions (e.g. kickstarting economic growth and accelerating the transition to net zero)?

Access to CCU markets is unlikely to be significant for our projects.

23. Beyond mechanical failures, do you have any views on what scenarios could result in an unplanned disruption within the NPT value chain that could result in system availability losses? Please use the data template to share scenarios, potential likelihood, impact and mitigations.

No Uniper view.

24. What are the cost implications of using technical and commercial strategies (e.g. extra vessels/interim storage/permanent storage capacity; cross-sector redeployable design rather than fixed assets) to mitigate cross-chain risks?

No Uniper view.

25. Do you have any views on potential mechanisms needed to enable CO2 to be transported to another store in the event of a T&S outage?

As no CO2 infrastructure is yet in place, Uniper has no informed view on how this mechanism might operate. However, a future CCS Code for NPT could describe these mechanisms.

26. If you have suggested that you need government support to manage any cross chain risks, please explain what market conditions would be required in order for your NPT project to operate unsupported?

No Uniper view.

27. What are your views on the effectiveness of the current regulatory framework provided by the Competition Act 1998 and the Enterprise Act 2002 in addressing potential anti-competitive behaviours related to the NPT sector? If you believe economic regulation is required, please provide detailed explanations and economic arguments to support your view.

In a nascent market, it is important to minimise the regulatory burden, which may deter investment or market growth. Economic regulation can be introduced later, if required and once the market is more mature.

28. Do you have views regarding competition if NPT infrastructure was operated by economically licensed T&SCos? Please explain your reasoning.

No.

29. Do you have views on the carbon storage licensing requirements for the intermediate storage of CO2? Do your views differ for different types of intermediate storage? Please gives reasons for your answer(s).

We do not see the added benefit of extending licensing requirements to intermediate stores.

30. Do you have views on the interactions between storage licensing requirements for intermediate storage of CO2 and the ETS or other regulatory frameworks?

While intermediate storage sites may not necessarily require a separate carbon storage licensing regime, non-pipeline transportation of carbon dioxide should be a UK ETS regulated activity. As we have previously raised in our response to the 'UK ETS scope expansion' consultation, ETS liability should be held by the party with custody of the carbon dioxide.

31. Do you have views on whether access obligations should apply to facilities used for the onshore intermediate storage of CO2 as part of NPT value chains?

It is appropriate that onshore intermediate storage facilities are subject to information-sharing obligations, enabling transparency for third parties and allowing engagement where mutually agreed. However, there may be legitimate reasons for not providing access in certain circumstances, and these should be clearly set out and assessed on a case-by-case basis.

32. Do you agree or disagree with our proposal for an industry and regulator-led approach to NPT standardisation? Please explain your reasoning.

We agree that both industry and the regulator should be involved in setting specification and measurement requirements.

33. Are there any potential issues with how NPT standardisation is currently developing both in the UK and Europe? Please explain your reasoning.

None of which we are aware.

34. Which existing international standards do you consider most relevant for review and potential adoption by the UK NPT sector?

No Uniper view.

35. As an NPT service provider, how confident are you in the ability of the value chain to reliably and promptly characterise whether a CO2 stream (from a single source or mixed) is compliant with the CO2 specification as it enters the T&S network?

No Uniper view.

36. At the point of delivery into the T&S network, do you consider that technical operating processes inherent to the NPT value chain could affect how CO2 quality should be assessed, as compared to on a piped network? Please outline any differences and explain the potential impacts.

No Uniper view.

37. How will testing requirements at the point of entry to the T&S network be impacted by the batch transfer nature of NPT-derived CO2 flows (as opposed to the continuous flow associated with pipeline-based networks)? Additionally, what could be the role of NPT's batch-wise delivery in remediating any non-compliant CO2 before it enters the T&S network?

No Uniper view.

38. Do you have a preference for which entity within the NPT value chain (in Figure 5) should hold Registered Capacity in the T&S network? Please explain your reasoning.

No Uniper view.

39. Would NPT service providers require a constant rate of flow, or can they vary their flow rate into the T&S network? If varying flow is an option, what is required (from a technical, commercial, and operational perspective) to enable this and how quickly can the CO2 flow be stopped and started, from both the NPT service provider and a receiving T&S network's perspective?

No Uniper view.

40. Do you have any suggestions for new/different capacity products that can effectively accommodate NPT flows and their inherent flexibility? Please explain your reasoning.

The current definition of capacity in the CCS Code is a basic, firm product. More sophisticated capacity products exist, for example, in the gas Uniform Network Code (UNC), but these have been developed in response to market need and, fundamentally, are underpinned by obligations or regulatory incentives on networks to release additional capacity or products or take on more operational risk. This regulatory model does not currently exist in CCS.

The CCS Code can be modified and developed in response to market demand, so in our view, it is better to start with the existing, simple capacity product and develop alternatives, if required. However, government must be mindful that simply defining new capacity products alone is unlikely to motivate network owners to maximise their release to potential users. Additional regulation of networks is likely to be required to support this.

It may also be necessary to develop NPT-specific capacity products. In principle, there is no reason that capacity must be a homogeneous product for both pipeline or non-pipeline projects.

41. Should modification of CCS Network Code seek to simultaneously enable all three archetypes supported by the government's preferred option E (as set out in Chapter 1)? Or should modification be phased? Please explain your reasoning, and if phased, please indicate respective priorities for the archetypes.

It is not practical or helpful to describe three potential archetypes in a Network Code, as it will add significant complexity and confusion. Government should commit to one, fully

developed archetype with clearly defined roles and responsibilities and then consider the Code implications. The Code can be modified in future, and therefore does not need to anticipate all potential outcomes at this stage.

42. Do you have any additional comments or views not covered by the questions above? We welcome any further input you consider relevant to the consultation.

No Uniper view.