

27 January 2026

Edward Mountain, Convenor
Net Zero Energy and Transport Committee
Scottish Parliament, Edinburgh
EH99 1SP
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RE: Clarification of statements made on Acorn CCS at the Net Zero, Energy and Transport Committee meeting

Dear Mr. Mountain,

I am writing in relation to the Net Zero, Energy and Transport Committee meeting on 20 January 2026, at which Professor John Underhill contributed to the committee's consideration of the Draft Climate Change Plan. During that session there was discussion relating to the prospects for the Acorn CCS project.

A number of statements made during that session, and subsequently repeated in media coverage, do not accurately reflect Acorn's technical status, regulatory position or commercial context. These include assertions about:

- industrial demand for CCS in Scotland,
- cross-border CO₂ transport under the London Protocol,
- the geological and technical status of Acorn's storage sites, and
- inferences about investor confidence and ownership decisions.

While we recognise the value of the committee hearing a range of perspectives, it is important to distinguish between general academic commentary and project-specific technical or commercial evidence. Professor Underhill has no role in the Acorn project or with Storegga, no access to the project's subsurface datasets, and no involvement in our regulatory or commercial processes. There is therefore no evidential basis on which he would have knowledge of investor intent, partner decision-making, ownership process dynamics, or commercial viability assessments.

Where technically specific assertions about a regulated infrastructure project are made without access to project data or regulatory submissions, there is a material risk of misunderstanding being propagated beyond the committee, particularly once such statements are cited externally. As these points are now being referenced publicly, and the committee's proceedings are available on the public record, we consider it important that accurate, project-specific technical and regulatory context is available alongside the general commentary.

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For the committee's information, I attach a short factual note setting out corrections and clarifications. This is provided in the interests of ensuring that the committee has access to accurate technical and policy context.

I would be grateful if this note could be:

- circulated to committee members for awareness, and
- published or otherwise noted alongside the Official Report for that session as supplementary information.

We would also be happy to provide further written or oral clarification, or technical input, if that would assist the committee's scrutiny.

Yours sincerely,

Tim Stedman

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Clarification of statements relating to the Acorn CCS project during the Net Zero, Energy and Transport Committee meeting on 20 January 2026

1. Industrial demand and emission sources

The strategic case for Acorn is not dependent on any single industrial site. Industrial demand for decarbonisation infrastructure is long-term and diversified across sectors, with CCS often one of the few viable options for addressing process emissions.

Internationally, companies in hydrogen, fuels, chemicals and advanced manufacturing are choosing locations based on access to CCS. Building Acorn therefore positions Scotland and the UK to compete for these future industries.

Industrial demand for CCS is structural rather than short-term or site-specific. Without Acorn, Scotland's ability to decarbonise existing industry and secure inward investment is materially weakened.

Scotland therefore faces a clear strategic choice: provide a credible, affordable decarbonisation pathway that helps retain and attract industrial activity or accept a higher risk of offshoring investment and jobs to regions with established CCS access.

2. London Protocol and cross-border CO₂ transport

Imports are an upside for long-term growth, not a prerequisite for Acorn's initial delivery. The near-term focus remains domestic capture and phased network build-out.

The London Protocol framework has moved materially since the original 2009 amendment. Provisional application of the CO₂ export amendment is expressly provided for under Resolution LP.5(14), and bilateral "agreements or arrangements" can enable cross-border transport for sub-seabed storage.

The UK has accepted the relevant London Protocol amendments that create a legal pathway for cross-border CO₂ transport for offshore storage. Implementation requires bilateral agreements and domestic regulatory action, which the UK continues to pursue with partner states and international bodies.

The UK government and industry bodies such as the Carbon Capture and Storage Association (CCSA) have consistently characterised this as an enabling policy and regulatory issue under active development, rather than a fixed legal barrier.

3. Storage geology, subcrop and licence footprint

Licence configuration changes and relinquishments are a normal feature of offshore projects as appraisal matures and the optimal development footprint becomes clearer. They do not, by themselves, evidence geological shortcomings. The North Sea Transition Authority (NSTA) licensing framework explicitly anticipates staged progression through appraisal and related regulatory decisions, including transfers, relinquishments and ongoing scrutiny.

The suggestion that the Acorn storage system is compromised by a western subcrop is false and not supported by field evidence. A subcrop is where an underground rock layer comes

close to the surface or seabed, which could matter if fluids could travel along it. Acorn's storage rock does not connect to any subcrop. Data from fields in the area acquired in 2021 have reinforced that there is no pressure connection to any subcrop.

Acorn's storage concept is grounded in extensive historical subsurface data from the region. Changes in the project's footprint reflect responsible development and regulatory process, not a sudden discovery that the geology "doesn't work". Vast amounts of well data gathered over many years give confidence that the rock which makes up the Acorn store behaves as a single connected system within the defined storage complex. In simple terms, Acorn storage is a closed box, that behaves like one large underground space rather than a series of separate compartments. Pressure therefore spreads naturally across the whole space over time.

Licences are only required to cover the anticipated extent of the CO₂ footprint. That means relinquishing parts of the original licence, because the CO₂ will not reach those areas, does not reduce the amount of CO₂ that can be stored.

Storage expansion is planned in an area called East Mey, to the north-east. In East Mey, storage is focused almost entirely on a saline aquifer rather than former oil or gas reservoirs. Part of the East Mey licence was relinquished in 2024 as part of normal regulatory requirements. Much of the area given up was close to existing or abandoned oil fields that the project always intended to avoid.

It is true that some abandoned hydrocarbon wells are not suitable for CCS, but they do not prevent the project from advancing. CCS developments routinely plan around legacy wells and infrastructure constraints through well placement, monitoring plans and risk management. Acorn has not rejected any of its storage areas because of geology.

4. Ownership, investor confidence and commercial process

Ownership discussions are common at stage gates in major infrastructure projects. What matters is continuity of capability and compliance, which is governed by the regulatory transfer regime.

Acorn remains one of the UK's most advanced CO₂ transportation and storage projects, developed through close collaboration with both the UK and Scottish Governments and backed by their clear ambition to see it progress. Interest in Acorn is strong, consistent with its maturity, strategic importance and position within the UK's CCS cluster programme.

Storegga's portfolio decisions relate to alignment of shareholder interests across the wider business. The sale of its Acorn stake forms part of a broader portfolio restructuring.

Investor or partner intent should not be inferred from a confidential commercial process.