

ESG Energy Transition 2025 – NZT Power & NEP, UK

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The successful financial close at the end of last year (2024) of 2 landmark transactions – Net Zero Teesside Power (NZT Power) and Northern Endurance Partnership (NEP) were chosen to win the energy transition ESG award.

While being separate projects, [NZT Power](#) and [Northern Endurance Partnership](#) are intrinsically linked as a gas fired power plant (NZT) and the carbon capture and sequestration element (NEP).

One of the judges said of the duo: “The \$10.97 billion financing for Net Zero Teesside Power and Northern Endurance Partnership in the UK sets new standards for CCUS projects of national strategic importance.

“Financing will cover a CCGT plant with integrated carbon capture, with CO2 feeding into a pipeline leading to permanent sequestration in an offshore site. This is a landmark development.”

The judges were all impressed with this transaction with one lauding it as “another first-of-a-kind for the UK” and another saying it represents a “milestone transaction in UK CCS”.

NEP is the UK’s first CCS project and the first of two Track 1 CO2 transportation and storage projects under the UK’s CCUS business model. At financial close, NEP was the only project developed under this framework.

NEP’s infrastructure enables NZT Power, a 742MW gas-fired power station with CCS, to supply flexible low-carbon power to the national grid.

It is expected to be the world’s first fully integrated gas-fired power and carbon capture project.

Both projects form part of the East Coast Cluster, a Track 1 CCS cluster selected by the UK government to support its net-zero emissions strategy.

NEP will transport millions of tonnes of CO2 through a 145km offshore pipeline to injection facilities located around 1,000 metres below the North Sea.

The projects are backed by strong business and risk profiles, and the sponsors – BP, Equinor and TotalEnergies – contribute significant power expertise.

The transactions represent a pioneering approach to environmental impact mitigation through the development of the UK’s first operational CCS project.

NEP introduces an environmental framework combining large-scale industrial decarbonisation with secure geological storage.

NZT Power establishes the world's first fully integrated gas-fired power and carbon capture project, creating a novel ESG structure that transforms traditional fuel power generation into a low-carbon energy solution.

This integration represents an original approach to reconciling energy security with environmental responsibility within a single operational framework.

On the social front, the project contributes to a just and inclusive energy transition. It supports the retention of skilled jobs in traditional industries while creating 4,000 new roles in engineering, construction and low-carbon operations.

Located in Teesside – a region historically impacted by economic decline – the project brings significant investment and industrial revitalisation. It helps reduce regional inequalities and provides long-term opportunities through workforce training and education initiatives.

From a governance perspective, the deals exemplify best practice in ESG-aligned infrastructure delivery. They involve complex collaboration across government, industry and local communities.

The structure reflects clear accountability, strong risk management, and active stakeholder engagement. It sets a benchmark for future energy transition projects, showing how large-scale climate infrastructure can be delivered responsibly and transparently.

This transaction marks a critical step in the UK's energy transition, with meaningful environmental, social, and economic impacts. It demonstrates how public and private sectors can align to accelerate decarbonisation at scale.

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