

## STAR ENERGY LIAISON GROUP

### Minutes from the meeting, held Thursday 27th September 2007, 6.00pm At Albury Village Hall

Present: Jonathan Lord (Chairman) (Blackheath Village Society)  
Patricia Allen, St Martha Parish Council  
David Wright, Guildford Borough Council  
Nick Wenman, Chairman, Albury Parish Council  
John Brockwell, Albury Parish Council  
Rob Kelly, SaveBlackheathCommon  
Niall Breen, Blackheath Village Society  
Walter Willcox, Save Blackheath Common  
Andrew Oliver, CPRE  
Paul Dacombe, Star Energy  
Barrie Hedges, Communications Advisor, Star Energy  
Joanna Cadman, Clerk to Albury Parish Council

1.	<b>Apologies</b> were received from Andrew Povey (SCC), Roy Hogben (GBC), Dr Paul Lister, Nicola Savage, Tim Harrold, Chris Pollard, Roger Pearson (SE) and Robin McKie (SE).
2.	<b>Minutes of the meeting held Thursday 24<sup>th</sup> May 2007</b> were agreed.
3.	<b>Star Energy presentation</b>  Paul Dacombe made a presentation summarising Star Energy's response to the various key points made during consultation on the preliminary gas storage authorisation application as follows:  <b>Gas Storage Consultation</b> <ul style="list-style-type: none"><li>• Consultation timescale set by statute</li><li>• Publicised application over and above statutory requirements</li><li>• Documents available from <a href="http://www.alburygasstorage.info">www.alburygasstorage.info</a>.</li></ul> <b>Preliminary v Formal Application</b> <ul style="list-style-type: none"><li>• Gas Act 1965 has unusual two-stage process</li><li>• Preliminary stage requires very limited information</li><li>• Followed by decision in principle by Secretary of State</li><li>• Formal stage follows, supported by more detailed information, Environmental Statement and safety document</li><li>• Further round of notifications and consultation.</li></ul> <b>National Need</b> <ul style="list-style-type: none"><li>• Demonstrable case for additional gas storage</li></ul>

- Security of supply
- Efficiency of the gas market
- Strong support within UK Energy Policy
- Very limited locations with suitable geology
- Need requires all available gas storage sites to be developed – they are not alternatives
- Formal application will be supported by detailed need case.

### **Safety**

- Proven technology with good safety record
- *“Incidents involving the release of dangerous substances in normal operation are rare.” (1)*
- Highly regulated industry
- Demonstrable reservoir integrity

*“The integrity of the storage reservoir, having formed naturally, is of low concern, as it is not pressurised above its historical pressure so as not to compromise the reservoir cap.”(1)*

(1)HSE (28 June 2006) The Health and Safety Risks and Regulatory Strategy related to Energy Developments, An expert report by the Health and Safety Executive to the Government’s Energy Review.

- Detailed safety assessments on:
  - gas store
  - wellsite
  - pipelines
  - gas processing facility
  - tie-in to grid
- Process risks are shown to be within the risk acceptability criteria adopted by the HSE
- Although not COMAH (Control of Major Accident Hazards) regulated - have volunteered a safety document.

### **Greenbelt & AONB**

- Demonstrable national need for storage
- Mineral planning policy recognises that there are limited locations available for gas storage:
- *“...suitable onshore locations for gas storage will be very limited in number, due to the lack of suitable geographical features for underground gas storage, so that alternative possibilities may not be available”.(2)*

(2) Mineral Planning Statement 1.

### **National v local benefit**

- *“New energy infrastructure projects may not always appear to convey any*

*particular local benefit, but they provide crucial national benefits, which all localities share.”(3)*

- Planning policy generally prefers the expansion of existing facilities rather than the development of completely new ones
- Continuation of use of the existing wellsite would not compromise the openness of the greenbelt – extremely limited visibility.

(3) Ministerial Written Statement, Secretary of State for Trade and Industry, 16th May 2006, Energy Statement of Need for Additional Gas Supply Infrastructure.

#### **Alternative Development Sites**

- Detailed site selection study undertaken and issued to interested parties, also available on website
- Methodical evaluation of alternatives for:
  - wellsite
  - pipeline routes
  - gas process facility
  - above ground installation
- Consideration of alternative wellsites outside and within AONB.

#### **Incremental Damage & Harmful Precedent**

- Albury 1 and Albury 2 projects are independent
- Development of Albury 1 does not dictate that Albury 2 would also go ahead
- Equally, Albury 1 is commercial in its own right and can proceed without Albury 2.
- The Albury 2 project would be subject to separate development consent decisions in the future.
- Albury 1 has, as far as is possible at this stage, taken account of the possible infrastructure requirements of Albury 2 in order to minimise the amount of incremental land take
- Wellsite and GPF have sufficient space within the footprints to accommodate anticipated additional equipment that may be required for Albury 2
- Pipeline between the Wellsite and the GPF would have sufficient capacity to accommodate anticipated gas flows for Albury 2, thereby preventing additional environmental impact from laying a parallel pipeline.

#### **Environmental Impact**

- Independent Environmental Impact Assessment, covering amongst other issues:
  - landscape and visual
  - ecology and nature conservation
  - noise
  - traffic

	<ul style="list-style-type: none"> <li>○ water resources</li> <li>● Environmental Statement will be submitted with the formal applications.</li> </ul> <p><b>Procedural Issues</b></p> <ul style="list-style-type: none"> <li>● Formal public consultation requirements are set out in the Gas Act 1965 and are being complied with</li> <li>● Rights to object are not compromised</li> <li>● Previous application under Gas Act 1965 for Caythorpe Gas Storage Project</li> <li>● Draft Guidelines on the Act have been produced.</li> </ul> <p><b>Next stages</b></p> <ul style="list-style-type: none"> <li>● Complete the Environmental Statement</li> <li>● Complete safety studies</li> <li>● Subject to Secretary of State approval, a Formal Application for a Storage Authorisation Order</li> <li>● Planning Application for the redevelopment of the existing Wellsite (and the other above ground development at the GPF, AGI and temporary construction compound).</li> </ul>
4	<p><b>Questions</b></p> <p>Paul Dacombe responded as follows to various questions about his presentation:</p> <ul style="list-style-type: none"> <li>● On the issue of need, the company was bringing forward all of its sites suitable for gas storage. He was not aware of any government assessment or plan dictating where storage should be geographically located. Government policy was to leave this to the market.</li> <li>● The greatest potential barrier for the development of storage offshore was the economics, specifically the greater cost of developing a project offshore. Not all depleted offshore fields are technically suitable for storage. Star had an offshore site and is doing a feasibility study.</li> <li>● The safety record for gas storage in depleted oil and gas fields was good.</li> <li>● To date the security services had not identified projects like Albury as likely targets for terrorists.</li> <li>● Albury 1 and Albury 2 were independently viable.</li> <li>● Additional wells would be required for Albury 2 but it is not possible at the present time to determine how many wells would be necessary.</li> <li>● The company hoped that it might be possible to get a decision from the Secretary of State on the preliminary gas storage application in the next month or so. That would then determine the overall application timetable.</li> <li>● More wells would make it possible to produce the remaining gas in Albury 1 more quickly.</li> <li>● It was confirmed that Star Energy had no current plan for another wellsite towards the western end of the Albury 1 reservoir.</li> </ul>

	<ul style="list-style-type: none"> <li>• The risk assessment showed that the risks at the nearest properties to the various operations were within the HSE’s acceptability criteria.</li> <li>• It had not yet been possible to complete the noise attenuation work on the proposed drilling rig. Only when that had been completed and tested could the company re-apply for appraisal drilling on Albury 2.</li> <li>• The company would apply under the Gas Act 1965 only for the sub-surface activities. The company had permitted rights for laying pipelines but needed to seek the Secretary of State’s agreement to the Albury pipeline as it was partly within the AONB. Above-ground plant would be subject to planning applications to Surrey County Council.</li> </ul>
5.	<p><b>Date of next meeting</b></p> <p>The date of the next meeting would be set once the application timetable became clear and would be unlikely until early 2008.</p>