

STAR ENERGY LIAISON GROUP

**Minutes from the first meeting, held Tuesday 21st March 2006
At 4.00pm, in the Memorial Library**

Present: Prue von Radowitz (chairman, Albury Parish Council)
Jonathan Lord, Blackheath Village Society
Nicola Savage, Save Blackheath Common Group
Patricia Allen, St Martha Parish Council
Paula Grosvenor, Albury Parish Council
Keith Childs, Borough Councillor
David Wright, Borough Councillor
Michael Baxter, Albury Estate
Barrie Hedges, Communications Adviser, Star Energy
Robin McKie, Commercial and Lands Director, Star Energy
Roger Pearson, Group Operations Director, Star Energy
Adrian Fernando, Business Development Director, Star Energy
Joanna Cadman, Clerk to Albury Parish Council (minute taker)

1. **Apologies** were received from Andrew Povey (County Councillor), Dr Paul Lister (Save Blackheath Common Group), David Small (Brook Residents Group), Nick Harrison (Blackheath Village Society).

2. **Election of Chairman**

Jonathan Lord was proposed by Prue von Radowitz, seconded by David Wright, and all were in favour.

3. **Discussion on remit and purpose of the committee**

JL asked if Star Energy ("SE") had similar liaison committees. RM confirmed that the intention was to create a situation where all aspects of the project could be discussed and questions answered, and from where the information could be disseminated. It was unusual to have a liaison group prior to a planning permission, but SE believed that this would be helpful to all parties.

It was agreed that the dissemination of the discussion at the meetings was very important, particularly to those who could not attend, and to other interested parties. JC pointed out that the committee was already in an e-mail group, and all information would go to each person in the group. Other contacts would be added as necessary. She asked to be informed if committee members believed that someone else, or another organisation, should be added.

KC recommended publicising the existence of the committee and its members, so that people with concerns could feed them through to the meetings. DW believed that people with concerns should be invited to come to the meetings. JC was concerned that this might lead to a public meeting situation, which would not be helpful to discussions. It was agreed that those on the committee represented most of the interests in the area.

JL asked that all committee members bear in mind the wider issue of the Surrey Hills, not just this group.

It was agreed that if anyone could not attend a meeting, they could nominate

someone else from their group to take their place.

It was agreed that meetings would not necessarily take place on a regular basis, but would be dictated by the information to be disseminated. It was likely that they would take place about every six weeks.

4. Report from Star Energy

RM: SCC had asked SE to agree to extend the determination of the planning application until June. SE wished to take into account everything that had been said and had initially carried out a transportation study because of the volume of traffic and the amount of stone to be transported. They had also carried out a number of environmental studies and noise assessments. The results of these should be available within the next 4 weeks.

RP: SE's intention was to create the minimum nuisance. They ran 26 sites in the UK and would not be able to do business if they did not pursue a "good neighbour" policy. RP wished to make it very clear that there was no intention of building a gas plant like Humbly Grove on Blackheath Common.

A discussion took place on the impact of Humbly Grove. SE advised that it was impossible to see the restored route of the pipeline from HG to Barton Stacey, where it joins the Transco national pipeline. The nearest connection from Albury was at Ripley.

SE explained that gas extraction did not leave an underground void, as it was extracted from porous rock, which then remained.

KC: the current application was for an appraisal well, did SE intend to ultimately use Albury as a gas facility? The ODPM web site registered two in Albury, one coming on line in 2008 and one in 2010. RP explained that this would depend on what was found. Although the seismic survey had indicated that there was gas, they would have to drill to ensure this was so and to gauge the quantity. A seismic survey worked by taking sound readings from the various rock layers and correlating this information with previous surveys.

SE explained that plant could be placed anywhere between the actual reservoir and the pipeline connection and it would need to satisfy a rigorous site assessment. RM undertook to give the committee details of exactly where SE intended that the facility would be. RP explained the process: when the gas was extracted it came up with water vapour in it as well as natural gas liquids, although gas from the current Albury well was reasonably dry. Domestic gas regulations dictated that gas should be dry, and so the plant removed the liquids by flowing the gas across silica gel beds in silos and then compressing it. PA asked about safety issues: RP advised that SE had to comply with the law and also ran their own risk assessments. They would also appoint an experienced third party to undertake societal risk assessments. In respect of sabotage, RP advised that SE had been advised that a facility of this size would not offer enough material to be a target.

Once gas had been extracted - a possible volume of 4 – 8 billion standard cubic feet (scf) - the site would be used for storage. RP explained that the pipework would be modified so that the gas then flowed in the opposite direction, which would mean no difference in the plant whatsoever. He guaranteed that there would

be no storage plant at Blackheath Common and explained that everything after the initial appraisal would be subject to a new planning application and accompanying assessments. Part of what SE needed to do was to find a suitable site in the terms of the environmental impact.

PG: what exactly would SE install on the heath? RP explained that for a production well site there would be the wells, a pad, and pipework. There would be no flare, no compressors and no moving parts. The existing site had generators, there would be no need for generators on the new site as it was not intended to generate electricity. The maximum noise level would be 32dba outside the nearest house as is the case at the Humbly Grove facility. The pressure in the pipeline at Ripley would be up to 38 bar, whereas at HG it was up to 75 bar.

CP: How much access would be required? RP advised that the production well site would essentially be an unmanned site with security measures such as CCTV. An operator would visit daily, and maintenance would normally be done from the back of a truck. It was very rarely necessary to use a drilling rig.

RM explained the wellsite: two wells, a manifold above ground, 12ft to 18ft in height and probably about 12 feet in length, flow lines of around 6in diameter below ground. Some pipework at ground level. The well pipes would be between 9ft and 20ft in height. The standard size of a site was about 90 metres x 60 metres; the nature of this site meant that it would be a little narrower and longer with an extra piece at the end for the flare, which was needed for the testing period only. The size of the site allowed for being able to bring a rig back if necessary. This "workover" rig would be a much smaller one, and would only require one loader.

KC asked if this group could look at the existing site. *PG* would also like to see Humbly Grove.

PG asked what SE's current plans were to access the site: *RM* said that they were looking at a number of options. Originally, they had planned to go in through Blackheath and a traffic expert had agreed that it was the best option. SE had also looked at Sandy Lane and were now looking at a number of options and discussing them with SCC Highways Department. The biggest traffic issue would be caused by bringing in the stone and, if Sandy Lane was used, the company would instigate a traffic management plan. *RM* agreed that Sandy Lane would have to be widened in places to do this. The use of helicopters for plant delivery had been considered, but the safety issue and effect on horses was considerable, as the only helicopters that could manage the load would be large Chinooks.

Existing Site: SE was exploring the possibility of drilling from the existing site. There was currently no rig in the UK that could drill to the target, but SE was looking overseas. It would be very difficult to get the horizontal thrust needed to get to the site, they would essentially be drilling upwards for a section of the well. SE hoped that within 4 weeks they would be able to say whether they had been successful in finding a suitable rig. If they were able to drill from the existing site, they would take this as their preferred route, even though it would be a more expensive option. The distance would be between 2km to 3km.

The spoil from the drilling would be transported by skip to an approved landfill site. *DW* asked if this option would take the company to the limit of technology, but was

advised that SE would need a greater safety margin than that.

KC: if it was not possible to drill horizontally, what are the alternatives to using Sandy Lane? RM advised that access through Blackheath was unlikely to be an option, as the first tranche of access belonged to a local land owner, who had refused right of access. SE had looked at accessing the site through Brook.

NS: If it was found that there was not sufficient gas to make extraction viable, could the site still be used for storage? RP explained that if there was no reservoir of gas then it would not be possible to use it for storage.

NS: why was on-shore storage needed? AF explained the background to the country's gas resource situation: North Sea gas was discovered in the '60's and the country had now been self-sufficient for a considerable period. Although production was now declining, it was highly flexible and as a result gas storage capacity amounted to only 4% of the country's annual demand.

AF explained that there 3 main ways of storing gas:

1. Depleted reservoirs: these represented over 80% of storage capacity worldwide.
2. Aquifers
3. Salt caverns: the salt was leached out and the resulting void used to store gas.

The North Sea oil fields were in decline and there were a lot of issues about how to use the gas that was left. The problem with storing gas offshore was that, because the fields were so severely depleted, a lot of gas would have to be put back in to make storage possible, and in addition the infrastructure was now very old.

RP advised that the national strategy recognised the importance of the security of gas supply and this site is of strategic importance.

JL: If Albury was developed to its full capacity, what percentage of the country's storage need would it represent? AF advised that it might represent a further 1%, at 30 bcf.

Phase A1: the existing plan.

Phase A2: if more gas was found in the lower strata it would be necessary to link into the pipeline surrounding London, as the gas would need to go into a higher pressure system than Ripley.

DW: Need to look at minimising the impact on Blackheath. RM confirmed that this represented part of their study. RP was not certain that drilling rigs existed that could be broken down sufficiently to be carried by helicopter.

PvR: Could the existing railway system be used? RM confirmed that they had looked at this option, but it was likely that it would take five to six years to reach an agreement with Network Rail. In addition, because of the steep banks from the railway line, it would be very difficult to put a siding in.

DW: Suggested skid-mounting everything on the site, which would remove the need to bring in stone. RM advised that it would be necessary to form a foundation

for the rig base, as the soil was very sandy. RP said that they did not want to bring in more stone than they had to, and they would re-assess the amount of stone needed.

5. Any Other Business

KC: had found the discussion very useful.

CP: from the traffic point of view, the worse case scenario would be access from the A248 and up Blackheath Lane. He understood that there would be 12 – 13 20-tonne trucks every day for six weeks. RM replied that, if that route was used, it would not be necessary to have the same volume of trucks, as there would be no need to form an access route. The volume of traffic would be in the order of 3 trucks per day for 10 weeks.

NS: Time frame? RP advised that SCC had asked the company to accept an extension, which they were happy to do. The next stage was to ascertain whether it was possible to drill from the existing site.

PA: Site visit: JC and SE would liaise on this.

DW: Believed that there was less concern about the drilling than about the impact of the access route. RM agreed that this was the feeling that had come out of this meeting.

JC: How to disseminate information: It was agreed that the full minutes would be circulated to the committee, and bullet point reports would be drawn up for notice boards and for wider distribution.

6. Date of next meeting

JL and JC would liaise with BH and SE.

In the meantime, any questions for SE would be directed through JC.