



THIRD ENERGY & MOORLAND CONSULTATION EVENT



WELCOME

Welcome to the Third Energy & Moorland consultation event.

This exhibition outlines our plans and proposals to install a pipeline to connect the existing Ebberston Moor South Well site to the existing Knapton Generating Station.

Last year Third Energy UK Gas Ltd consulted local residents on plans to develop the conventional Ebberston Moor gas field and link it to the Knapton Generating Station via an underground pipeline. Planning permission was granted earlier this year. In 2012, Moorland Energy also received planning permission for their Ebberston South development along with a pipeline to a new processing plant at Thornton le Dale.

ABOUT THIRD ENERGY GAS LTD

Third Energy Gas Ltd, formally known as Viking UK Gas Ltd, will construct and operate the facility on behalf of the joint venture. It has been operating in North Yorkshire for some 20 years and has worked hard to ensure it does so with minimal impact on the local community. It has licence acreage in North Yorkshire, including producing fields.

Assets in North Yorkshire include licences and gas fields in the Vale of Pickering that have been producing gas for a long time. The gas is transferred through underground pipes to the Knapton Generating Station (KGS), which was opened on 22 May 1995.

The two companies have been in discussions and propose to jointly construct a single pipeline connecting the Ebberston Moor field to the Knapton Generating Station. This means that the proposed Thornton le Dale processing plant will not now be needed. We believe the new proposals fully comply with local planning policies since they make use of existing infrastructure.

The Pipeline will be designed, constructed and buried according to regulations and will have minimal environmental impact on the area. This exhibition is aimed at giving local people a better understanding of what we are doing, why we are doing it and what you can expect to see.

We hope that you find the exhibition informative, but if you have any questions, or comments please feel free to ask or speak with one of our team members.

KGS is located near East Knapton on a secluded site which is sheltered by trees on all sides.

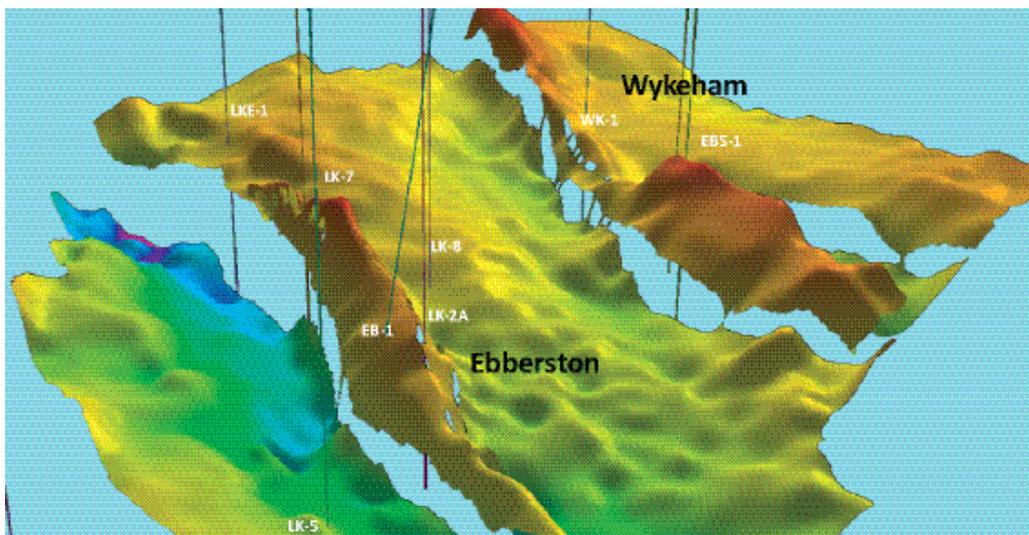
The site passes largely unnoticed by the local community. Third Energy Gas Ltd has an excellent safety and environment record, having operated in the local area without any significant incidents for the last 20 years.

The existing pipelines network, which cannot be seen once construction has finished, has similarly been operating safely for that time.



THE NEED FOR GAS

- Demand for gas in the UK is predicted to continue to rise to meet the greater demand from business and consumers as the economy recovers
- Natural gas is a far cleaner burning and more efficient fuel than coal or oil. Natural gas emits only two thirds as much nitrogen oxides as coal, 57 per cent of the carbon emissions of coal and 70 per cent of the emissions of oil.
- Currently more than two-thirds of the energy used to heat our homes and for cooking comes from gas distributed through the National Grid, and this is unlikely to change for the foreseeable future.
- Britain currently sources just half of its gas supplies from the North Sea and is becoming increasingly reliant on overseas supplies from places like Norway, the Middle East and Russia
- In 2004 the UK became a net importer of oil and gas for the first time. Since then demand has continued to rise with the UK currently importing around one third of its gas. It is anticipated that by 2020 this could increase to 70 per cent or more.
- Energy regulator Ofgem's recently-published Project Discovery report states that while supplies are thought to be secure for the next three years, it has concerns regarding supplies for 2015 onwards
- The report calls for action to deliver secure supplies and environmental objectives at affordable prices, warning that unprecedented levels of investment will need to be sustained over many years
- It is now more important than ever to extract reserves from new sites to ensure that a range of new energy supplies are brought online as soon as possible
- The cost of transporting gas long distances increases the gas price charged to consumers. The greater the quantities imported, the more impact this will have on increased gas prices.



HISTORY OF GAS PRODUCTION IN THE AREA

This area of North Yorkshire has a long history of gas development and production, originally going back to the early 1970s. From the mid-1980s onwards, gas has been produced from the Ryedale Gas Fields. Many of the Ryedale Gas Fields were originally discovered by Taylor Woodrow Exploration Limited and subsequently developed by Kelt UK Limited. Kelt sold its interest in the Ryedale Gas Fields to Tullow Oil. Viking UK Gas Ltd acquired the interests of the Ryedale Gas Fields from Tullow Oil in 2003 and has subsequently undertaken an active drilling and workover programme to enhance gas production from the producing fields located at Kirby Misperton, Pickering, Marishes and Malton.

THE EBERSTON MOOR GAS FIELD

The Eberston Moor gas field (originally called Lockton) was discovered in 1966 and produced gas between May 1971 and 1974. Since the 1970s further discoveries of gas have been made in the area.

In 2011 Viking UK Gas Limited was acquired by Third Energy. Since acquiring the company, Third Energy has continued to undertake work on the existing wellsites and evaluate the gas fields in the northern part of its licenced acreage, known as Eberston Moor.

Third Energy & Moorland are using the latest technology to unlock the potential of these gas fields, creating a boost to the local economy and helping to secure indigenous UK gas supplies.

The interpretation of 3D seismic data acquired over the fields in 2007 was re-interpreted in 2012 which has improved the understanding of the reservoirs' structure. In addition further sub-surface studies have improved the understanding of the reservoirs' behaviour.

OUR PROPOSAL

Background

In 2009, Moorland (formally known as Moorland Energy) acquired and drilled a well from Eberston Moor South Site, south of Wykeham Forest and 4km north of the village of Eberston. The well was tested, proved to be successful and demonstrated that commercially attractive reserves of gas were sufficient to justify the development.

Our proposal

The Proposed Development aims to carry out the following activities:

- Conventional gas production from the existing well at the Eberston Moor South Well Site; and
- Construction of one 12" diameter steel underground pipelines from the existing Eberston Moor South Well Site to deliver hydrocarbons to the KGS at East Knapton where the gas will be combusted to produce electricity
- Drill an additional water production/disposal well at Eberston South Well Site
- Install water separation and gas control equipment at Eberston Moor South Well Site

PROPOSED ROUTE

The proposed length of the pipeline is 13.9km. The proposed pipeline route has been developed taking into account a number of different factors and constraints including:

- Environmental issues
- Archaeological sites
- Roads and waterways
- Public footpaths
- Land ownership

One underground 12" diameter pipeline will be constructed from Eberston Moor South Well Site to KGS to transport gas. The pipeline will be accompanied by a fibre optic cable within the construction working width. Normally, the construction working width will be 30m across although in some sensitive locations, this may need to be reduced.

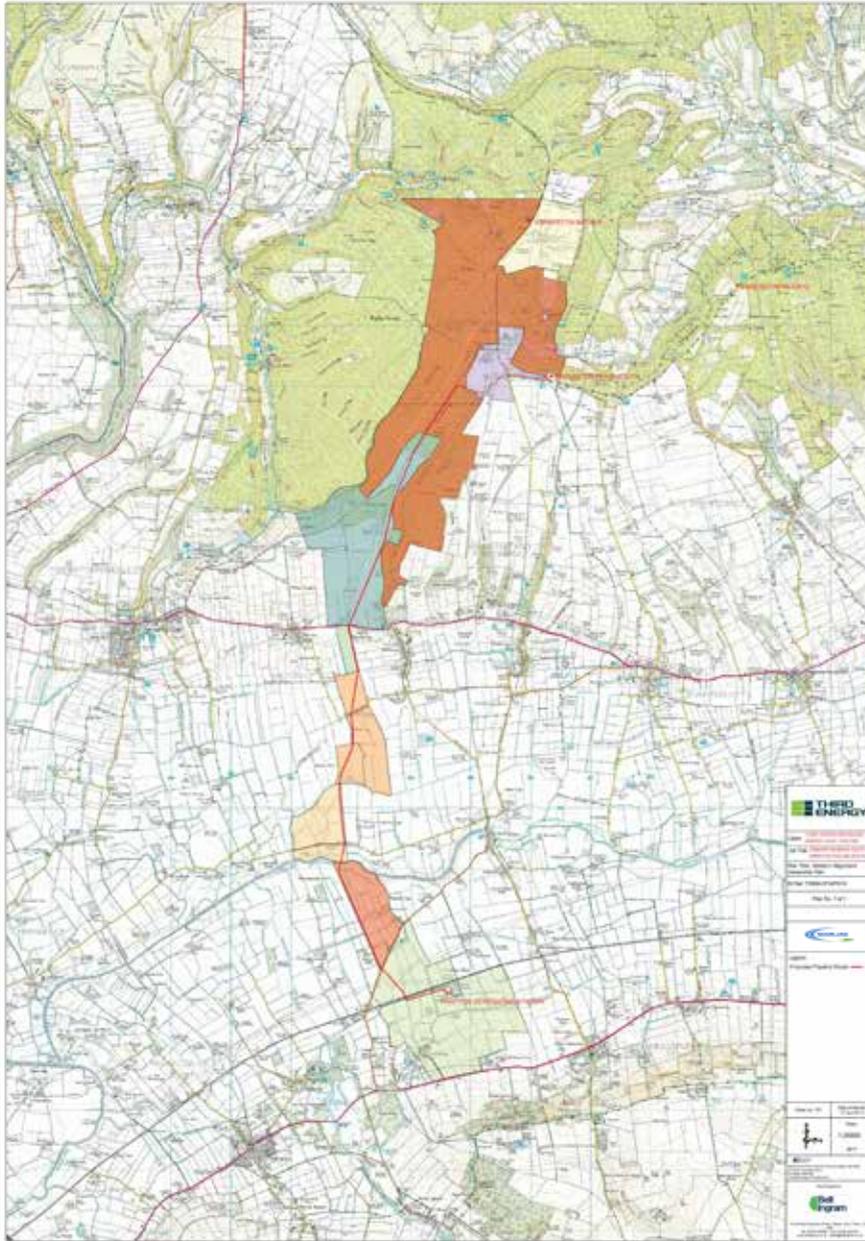
After construction the pipeline will be buried in accordance with regulations. Once construction has been completed, a 10m easement will be maintained during the operational lifetime of the proposed pipeline for maintenance purposes.

Access

Access to the Eberston Moor South Well Site is from the A170 via Eberston Lane and Eberston Common Lane. No unauthorised vehicles associated within the Proposed Development will use the Dalby Forest Drive. Eberston Common Lane is an unclassified road with passing places. Approximately 100m north of Givendale Head Farm, the road becomes an unimproved public highway (gravel track). There is already an established access using this route to Eberston Moor South Well Site and the adjacent LTZ Lockton Compound.

Access to the pipeline corridor is from the local road network including: A170; B1415 Penniston Lane; Allerston Lane; Marishes Lane and B1258 Malton Road where the pipeline crosses these roads.

PROPOSED ROUTE



WHAT YOU CAN EXPECT TO SEE

The 12" diameter steel pipeline 13.9km in length will be laid from the Eberston Moor South Well Site to KGS using an open trench for the majority of the length. However, where crossing railways, the River Derwent and roads, auger boring will be used to limit surface disturbance.

Normally, the construction working width for the pipeline will be 30m across although in some sensitive locations, this may need to be reduced. The working corridor will be required to allow for the laying down of pipe work, the movement of construction vehicles and the use of machinery required for the construction of the pipelines. Lengths of pipe will be transported to the working width from the laydown area and strung out along the line parallel to the proposed trench. The pipes will then be welded together to make a continuous pipeline.

Topsoil stripping

Great emphasis will be placed on creating the least possible disturbance to the land by limiting any potential adverse effects of the construction process and to ease the process of reinstating the land. Topsoil and subsoil will be stripped and left in individual rows along the edge of the right of way to be redistributed upon completion of the right of way section.

Trenching

A trench will be excavated to a depth sufficient to provide in excess of one metre cover of the pipe.

Crossings of existing high pressure pipelines, HV electricity or other third party services will be clearly identified by the owner of the service and hand excavated within the last meter on both sides. The work to enable the pipeline to cross the services will only be undertaken in line with the requirements of the asset owners.

Lowering in of the pipe and backfilling

The pipeline will be lowered into the trench using side boom tractors or equivalent plant. Extreme care will be taken to avoid damaging the pipe coating. The trench will then be backfilled with the excavated subsoil, which will be graded to avoid damage to the pipeline coating. The subsoil will be carefully compacted around and over the pipe up to the top of the trench.

The final cover of topsoil will be crowned over the pipeline to account for future settlement. This is not a major issue in arable land as the topsoil is usually ploughed back into the rest of the field. The expected duration for fabrication and installation will be approximately three months, but the various sections of pipeline will be completed as quickly as possible and long lengths of ditch will not be left lying open.



CONSTRUCTION

Construction of the proposed scheme will include the following activities:

Site Preparation (including excavating and grading) Prior to the onset of the main construction phase, an initial programme of work will be required to make the site ready. This will include:

- Construction of temporary compounds and lay down areas
- Temporary site fencing
- Temporary surface water management
- Ground modelling works
- Workshop facilities for the construction equipment

Construction Phase

Once the site has been prepared, the main construction phase can begin. This will include:

- Trench excavation and construction
- Installation of below and above ground services and pipelines
- Construction of the main building envelopes on Eberston Moor South Well Site.



Landscaping

Where needed, landscaping works will involve some ground modelling works. The works will include soil preparation, tree and vegetation planting and seeding. The ground modelling works will be undertaken concurrently with the site preparation and below ground works outlined above. The sequence of works will be:

- Clear felling of woodland and clearance of other vegetation;
- Stripping and stockpiling of existing topsoil;
- Placement of materials recovered from excavations for foundations, roadways and pipeline and services trenches;
- Placement of topsoil; and
- Tree and vegetation planting and seeding.

Hours of work

NYCC and NYMNPA may wish to stipulate the hours of work prior to the commencement of the construction works. It is anticipated that these may for example be 07:00 to 18:00 Monday to Friday and 07:00 to 13.00 on Saturdays. All work outside these hours will be subject to prior agreement, and/or reasonable notice, by NYCC and NYMNPA which may impose certain restrictions. Night time working beyond the drilling operations will be restricted to exceptional circumstance.



REINSTATEMENT AND OPERATION

Reinstatement of the surface of the land is normally carried out within the same season as construction. Walls and fences will be reinstated and hedges replanted between protective fences. Permanent pipeline markers and cathodic protection test posts will be installed at agreed locations. Finally, any temporary fencing along the working width will be removed. In conservation areas, reinstatement may be modified to suit special conditions found there.

Operation

Once the pipeline has been constructed and tested, it will be handed over to the competent staff at the Knpton Generating Station for operation and maintenance. The staff will monitor the performance of the pipeline and will be able to respond to any issues and carry out routine inspection and maintenance on a regular basis.

Decommissioning and Restoration

At the end of the life of Proposed Development, all the wells will be abandoned and Eberston Moor South Well Site will be restored unless planning permission for future use of the site is secured. The general aim of restoration would be to return the site to forestry in a condition as close as practicable to its original state or to a combination of forestry and amenity uses.

The finished contours on Eberston Moor South Well Site will be close to the original site contours. Any hedgerow or trees removed during construction or operation will be replanted with good nursery stock plants guarded with stock and rabbit proof fences during the first year.

The pipeline between Eberston Moor South Well Site and KGS will be left in situ with the ends capped to avoid further disturbance of the ground. There will be no decommissioning or restoration required at KGS.



RESPECTING THE ENVIRONMENT

All developments in the North York Moors National Park are strictly controlled by the North York Moors National Park Authority. In addition, the field development plan has to be approved by the Department for Energy and Climate Change. The Environment Agency also plays an important role in providing advice and acceptance to both the North York Moors National Park Authority and the Department for Energy and Climate Change.

An Environmental Statement and an Environmental Risk Assessment have to be conducted prior to the planning submission which requires individual studies on:

- Ecology;
- Landscape and Visual Amenity;
- Air Quality;
- Noise;
- Transport and Traffic;
- Flood Risk, Hydrology and Drainage;
- Archaeology and Cultural Heritage;
- Economics; and
- Ground Conditions and Contamination.

It will also highlight where our proposals will provide potential benefits to the area.

In addition to all of the above, one of the most important parts of the planning process is you – the public. We have invited you here today to listen to your views and help us shape the project. It is your Park, and we want to be good neighbours.

FREQUENTLY ASKED QUESTIONS:

Q. Why was this proposed pipeline route selected?

A. The route proposed is the shortest route between the Ebberston Moor South well site and the Knapton Generating Station, taking into account the various environmental, physical, technical and practical constraints.

Q. Moorland Energy has obtained planning permission for gas production at Ebberston South and a pipeline to a new processing facility near Thornton-le-Dale. How will this proposal affect this scheme?

A. The two companies have been in discussions and propose to jointly construct the single pipeline connecting the Ebberston Moor South Field to the Knapton Generating Station. This means that the proposed Thornton le Dale processing plant will not now be needed. We believe the new proposals fully comply with local planning policies since they make use of existing infrastructure.

Q. How has Third Energy & Moorland considered the possible environmental impacts?

A. Third Energy has commissioned the production of an Environmental Statement which includes detailed assessments on ecology, noise, transport, landscape and visual impact, archaeology and cultural heritage, flood risk, hydrology and drainage, ground conditions and contamination and economics.

Q. Does Third Energy & Moorland require planning permission to build the pipeline?

A. Third Energy is required to secure planning permission from the North York Moors National Park Authority and North Yorkshire County Council under the Town and Country Planning Act 1990.

Q. When does Third Energy & Moorland expect to be ready to submit a planning application?

A. Third Energy intends to submit a planning application in August 2014 subject to this public consultation and responses. The application will be accompanied by an Environmental Statement which describes the proposed development in detail and outlines the likely environmental, social and economic impact upon the surrounding area.

Q. How will Third Energy & Moorland manage vehicle movements?

A. Third Energy will implement a traffic management plan during all phases of the development and subsequent operations. This will require all vehicles associated with the proposals to follow specified routes. The plan will be developed in conjunction with advice from the Planning Authorities.

Q. What noise will be generated from this development?

A. Noise levels at the nearest sensitive receptors are predicted to be very low so that the impact upon visitors and users of the National Park as well as residents will be negligible and well within approved limits. This will be covered in the Environmental Statement.

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Q. Is this anything to do with fracking?

A. No. This proposal concerns the development of the conventional Ebberston Moor South Field and the transportation of gas back to the Knapton Generating Station via an underground pipeline.

Thank you for attending today's exhibition.
We hope you found it informative and helpful.

If you think of anything later on that you wish
you had asked us, please email us at:

info@third-energy.com

or write to us at:

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