

KM8 COMMUNITY BENEFITS FUND FACT SHEET



Background

Under its Community Engagement Charter, members of United Kingdom Onshore Oil & Gas (UKOOG), including Third Energy, have committed to put in place benefit schemes appropriate to local communities that host hydraulic fracturing operations. £100,000 per site will be paid to the local community situated near to each exploratory (hydraulically fractured) well site, regardless of whether recoverable deposits are found.

- Third Energy has signed a contract with Two Ridings Community Foundation to act as the independent administrators of the Kirby Misperton Community Fund and be responsible for distributing the £100,000. Third Energy will not be involved in running the Fund or distributing the money as grants. Third Energy will be paying a contribution toward the costs of administering the fund in addition to the £100,000 available for community grants.
- The area of benefit is comprised of the village Kirby Misperton, including the area outside the parish boundary around the Beansheaf Hotel, and the villages of Great and Little Habton and Great and Little Barugh. Under the scheme, projects proposed by organisations outside this area but providing services to residents based within the area of benefit will also be considered.
- Upon receiving hydraulic fracturing consent for the KM8 project from the Secretary of State at the Ministry of Business, Energy and Industrial Strategy, Third Energy will pay £100,000 into an escrow (holding) account set up in Two Ridings' name. The money will be transferred to the Fund available for distribution as grants, when the first hydraulic fracture of the KM8 starts. If the hydraulic fractures do not proceed for any reason the money will not be transferred from the escrow account to the Fund.
- Two Ridings will shortly begin the work to set up the Kirby Misperton Community Fund which will include a survey to establish local priorities and the recruitment of a panel to advise on the distribution of funds.
- Grants will be available to:
 - Voluntary organisations, community groups, small charities and other types of not-for-profit organisations provided that the project is wholly charitable. Priority will be given to those based in and/or serving the area of benefit
 - Parish councils may also apply provided that the project is wholly charitable and falls outside of their usual remit
- This Fund is focused on the initial £100,000 associated with the exploration/appraisal phase. If any further development involving hydraulic fracturing leads to commercial production, arrangements will be made to manage the 1% of production revenues, committed to the local community under the UKOOG Community Engagement Charter.

Further information regarding the management of the Kirby Misperton Community Fund can be found at www.trcf.org.uk/grants-kirby-misperton-fund