

Caythorpe Gas Storage Project

Boynton Parish Council
26 January 2009

centrica

Outline

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- Acquisition of Caythorpe Gas Storage Limited
- Project Overview
- Activities on site within coming weeks / months
- Longer-term schedule of activities on site
- Environmental management
- Community liaison
- Questions

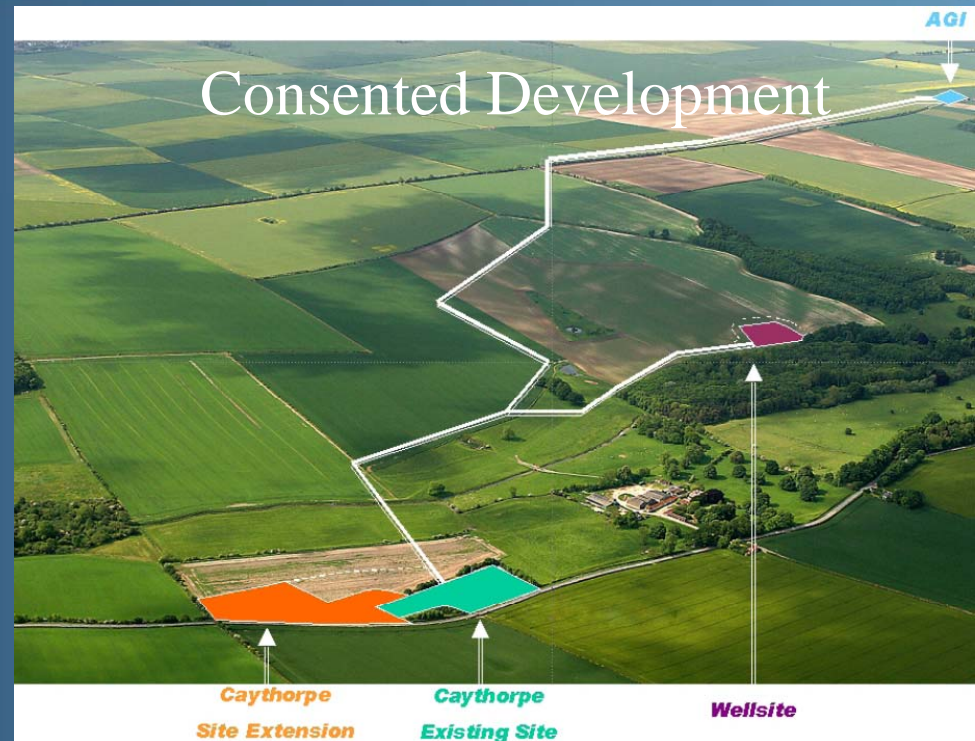
Introduction to Centrica

- Centrica was demerged from the former British Gas plc in 1997
- Trading as “British Gas” we are the largest residential supplier of gas and electricity in the UK
- Centrica Energy sources gas and electricity to supply to customers
- Centrica Storage provides gas storage services and operates the Rough Gas Storage Facility offshore East Yorkshire and the Terminal at Easington
- Rough represents more than 70% of existing gas storage capacity in the UK
- Understanding the impact of our business on society and the environment, and responding accordingly, is fundamental to Centrica’s strategy

Acquisition of Caythorpe Gas Storage Limited

- On 22nd September 2008, Centrica announced the acquisition of Caythorpe Gas Storage Limited (CGSL) from Warwick Energy
- CGSL owns the substantially depleted Caythorpe gas field
- Caythorpe has planning permission for conversion to an onshore gas storage facility with a capacity of up to 7.5 billion cubic feet of gas
- The project would require additional capital investment of around £100 million and could be operational by the winter of 2011/12
- Centrica Energy is responsible for the project management of the design and construction of the gas storage facility
- CGSL, a subsidiary of Centrica Storage, owns the site and will operate the facility
- **Inherited the consent conditions and commitments made by Warwick Energy**

Caythorpe Development Overview



- Redevelop existing site
- New remote wellsite for up to 6 wells and 1.2km flowline to main site
- Connection to gas grid – 4.4 km 24” pipeline and Above Ground Installation (AGI)
- Underground electrical connection

Near Future Activities on Site

- Well Maintenance Work
 - 24th January 2009 to 9th February 2009
 - Maintain the well and make it safe for future project work
- Generator Building Removal
 - 23rd February 2009 to 30th April 2009 (preliminary plan)
 - Generator equipment retained by Warwick Energy and being re-located to another site
 - The three generator sets and the building will be dismantled and removed by road

Well Maintenance Work

- Approximately 10 HGV movements to/from the site at the beginning and end of the programme
- Work on site 7 days per week from 0700hrs to 1900hrs, with total of 17 persons on the site
- Additional temporary lighting on site at dawn and dusk due to the limited daylight available
- Very brief periods of gas venting
- Intermittent operation of pumps and compressors
- Crane movements on site to rig and de-rig equipment
- Erection of a temporary 25m high wire-line rig above the well in the centre of the site

Generator Building Removal

- Adherence to the Construction Design & Management (CDM) regulations to control the activity
- All work carried out under the control of Centrica Storage
- Controlled dismantling of the equipment according to best practice by a qualified Contractor
- Use of a heavy-lift crane
- Removal of the dismantled equipment by HGV (some over-size loads anticipated)
- Use of concrete breaking equipment to remove structures that cannot be reclaimed (minimise use)
- Placement of temporary welfare facilities and storage containers on the site
- Work during daylight hours only

Longer-term schedule of activities on site

- Seismic survey Q2 2009
- Archaeological survey Q2/Q3 2009
- Landscape and ecological surveys ongoing through Spring/Summer 2009
- Front End Engineering Design (FEED) Q2/Q3 2009 – offsite contractor
- Drilling Q1-Q3 2010
- Main construction period Q2 2010-Q4 2011
- Commissioning and gas fill Q1 2012

Environmental Management

- Avoiding vehicle movements during school arrival / departure times
- Scheduling vehicle movements to avoid congestion at the site entrance
- Instructing vehicle drivers of the correct route to take, to be courteous and to observe speed limits
- Arrange temporary lighting so as to minimise light pollution beyond the site boundary
- Use of properly silenced equipment and avoid noisy operations outside normal working hours
- Ensure no dust, liquid, vapour or vibration will be generated that has the potential to affect any off-site areas

Community Liaison

- Section 106 requirement to form a “Liaison Committee” to serve as a channel for information on operational and development matters that may affect the local community or the environment
- Membership to include representatives from:
 - the Company (Centrica)
 - Parish Councils of Boynton, Rudston and Burton Agnes
 - Council Members for Bridlington Central and Old Town Ward
 - One additional Member of the Council
- Propose quarterly meetings in 2009 and monthly from 2010
- Company is required to provide information and maintain records of complaints
- If requested, the Company is to create an “environmental support fund”

Point of contact

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Questions?