



**PRESALL UNDERGROUND GAS STORAGE
FACILITY, LANCASHIRE
Infrastructure Planning Commission (IPC) Application
Reference Number: EN030001**

**STATEMENT OF COMMON GROUND BETWEEN HALITE
ENERGY GROUP LIMITED AND THE HEALTH AND
SAFETY EXECUTIVE ON THE TOPIC OF DEEMED
HAZARDOUS SUBSTANCE CONSENT**

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ATTACHMENT

4.1	APPLICATION FOR DEEMED HAZARDOUS SUBSTANCE CONSENT	
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1. INTRODUCTION

1.1.1 This is a Statement of Common Ground (SoCG) between Halite Energy Group Ltd (Halite) and the Health and Safety Executive (HSE) on the topic of Halite's application for a Deemed Hazardous Substance Consent which forms part of its application for a development consent order in respect of an underground gas storage facility at Preesall, Lancashire (Project).

1.1.2 It is agreed that sufficient quantity of natural gas is to be stored on the Project site for a deemed hazardous consent to be required under the Planning Hazardous Substances Act) 1990 (as amended by Schedule 2, paragraphs 42 to 47 of the Planning Act 2008) namely:

(a) Natural Gas

Natural Gas is classified as extremely flammable under Part 3 of Schedule 1 of the COMAH Regulations. The lower tier limit is 10 tonnes and the upper tier limit is 50 tonnes. The amount of gas stored on the caverns will mean that the facility will be an upper tier COMAH site.

1.1.3 Other Substances Not Requiring Hazardous Substance Consent

(a) Methanol

Methanol will be stored on site to inject into the underground gas storage caverns to prevent the formation of Methane Clathrate (Methane Hydrate). Less than 30 tonnes of Methanol is expected to be stored on site.

(b) Glycol

Tri-Ethylene Glycol (Glycol) is used to remove excess water from the Natural Gas and as a heating medium. Glycol is not considered to be a dangerous substance under the COMAH Regulations.

1.1.4 Information relating to the application for a Deemed Hazardous Substance Consent is contained in DCO application document reference 4.1 (attached).

2. WORKS TO BE CONSENTED

2.1.1 It is agreed that the Project will be a top tier Control of Major Accident Hazard Regulations 1999 (COMAH) site as in excess of 50 tonnes of natural gas will be stored in underground salt caverns and various manifolds and pipes connecting the caverns to the Gas Compressor Compound and subsequently to the National Transmission System(NTS).

2.1.2 It is agreed that after Deemed Hazardous Consent is granted there will be an ongoing requirement under the Control of Major Accident Hazard Regulations (COMAH) 1999 Amended 2005 to submit a pre-construction and pre-operation safety report to the Competent Authority.

3. PRE-APPLICATION CONSULTATION

- 3.1.1 In addition to the formal pre-application section 42 consultation on the Project Halite also undertook pre-application consultation on the proposed application for Deemed Hazardous Substance Consent.
- 3.1.2 A meeting took place on the 21st April 2011 in Bootle, Merseyside between Halite and the HSE to understand the process for obtaining a Deemed Hazardous Substance Consent as the Hazardous Substance Authority (HSA) was then the IPC) and not the Local Planning Authority(LPAs).
- 3.1.3 At the meeting on the 21st April Halite explained the basis to the Preliminary Quantitative Risk Assessment (PQRA) (a document produced for the pre-application consultation in relation to assessment of safety risk). HSE were satisfied with the approach taken by the PQRA.
- 3.1.4 A letter was received from the HSE on the 23rd May 2011 in response to pre-application consultation under section 42 Planning Act 2008 stating that if the Project did not materially change from the indicative consultation scheme then they would not advise against the grant of a development consent order for the Project (see Appendix A).
- 3.1.5 As part of the pre-application consultation process the appropriate Form 1 was completed and drawings prepared (Appendix B of DCO Application Document 4.1) showing the location of the wellhead compounds, gas compressor compound and the area for cavern development.

This was submitted for consultation purposes to the HSE and to Lancashire County Council (LCC) and Wyre Borough Council (WBC) on the 13th September 2011(Appendix C of DCO Application Document 4.1). HSE reviewed the information received from Halite.

- 3.1.6 Several telephone conversations took place between Halite and the HSE regarding the proposed application for Deemed Hazardous Substances Consent after which a letter was received from the HSE on the 12th October 2011 stating that when asked by the IPC for an opinion, if the Project had not materially changed then it is unlikely they would advise against the grant of Deemed Hazardous Substance Consent for the Project.

4. DCO APPLICATION AND FORMAL APPLICATION FOR DEEMED HAZARDOUS SUBSTANCE CONSENT

- 4.1. HSE has reviewed the DCO application documents relevant to the application for Deemed Hazardous Substance Consent including the Risk Assessment (DCO Application reference 9.3.1) and Application for a Deemed Hazardous Substance Consent (DCO Application document 4.1).
- 4.2 HSE has assessed the risks from the maximum quantities of hazardous substances identified in the proposed Project and is satisfied that the Deemed Hazardous Substance Consent applied for as part of Halite's DCO application can be granted.

5. GAS COMPRESSOR COMPOUND LOCATION ON THE WEST BANK OF THE RIVER WYRE

- 5.1. An alternative location for the Gas Compressor Compound (GCC) on the west bank of the River Wyre was considered and at a meeting in 2010 between Halite, Lloyds Register and the Health and Safety Executive (HSE) it was agreed that the west bank was not a suitable location for the GCC and the HSE advice would likely be against granting consent on grounds of public safety.

STATEMENT OF COMMON GROUND

**This Statement of Common Ground on the topic of Deemed Hazardous
Substance Consent has been prepared by Halite Energy Group and
agreed by The Health & Safety Executive**

Signed



on behalf of Halite Energy Group Ltd

Date: 31.05.12

Signed



on behalf of The Health & Safety Executive

Date: 31.05.12