

Hornsea Project Three
Offshore Wind Farm



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Appendix 35 to Deadline 7 submission – Spirit Energy
Protective Provisions

Date: 14th March 2019

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Ørsted

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Front cover picture: Kite surfer near a UK offshore wind farm © Ørsted Hornsea Project Three (UK) Ltd., 2019.

SCHEDULE 9, PART 10
Protection for Oil and Gas Licensee

Application

1. For the Protection of the Licensee from time to time of United Kingdom Petroleum Production Licences P83 and P468, unless otherwise agreed in writing between the Undertaker and the Licensee the provisions of this part of this Schedule shall have effect for so long as those Licences shall remain in full force and effect.
2. In the event that one or more of the Licences is terminated and no longer has effect, the obligations on the Undertaker in this Schedule shall no longer have effect in so far as they relate to the Licensee's Works under the terminated Licence(s).

Interpretation

3. In this Part of this Schedule—

“Applicable Laws” means applicable laws, rules, orders, guidelines and regulations, including without limitation, those relating to health, safety and the environment and logistics activities such as helicopter and vessel operations;

"C6 Protected Area" means the spherical area of seabed having a radius of 1 nautical mile from 479776 Easting, 5978186 Northing (ETRS89 UTM Zone 31N) in respect of the proposed C6 wellhead in Licence P468, which is subject to Licences held by the Licensee shown delineated dark blue on the Protective Provisions Plan;

"C7 Protected Area" means the spherical area of seabed having a radius of 1 nautical mile from 479444 Easting, 5976524 Northing (ETRS89 UTM Zone 31N) in respect of the proposed C7 wellhead in Licence P468, which is subject to Licences held by the Licensee shown delineated light blue on the Protective Provisions Plan;

“Good Offshore Wind Farm Construction Practice” means the application of those methods and practices customarily used in construction of wind farms in the United Kingdom Continental Shelf with that degree of diligence and prudence reasonably and ordinarily exercised by experienced operators and contractors engaged in the United Kingdom Continental Shelf in a similar activity under similar circumstances and conditions;

“Good Oilfield Practice” means the application of those methods and practices customarily used in good and prudent oil and gas field practice in the United Kingdom Continental Shelf with that degree of diligence and prudence reasonably and ordinarily exercised by experienced operators engaged in the United Kingdom Continental Shelf in a similar activity under similar circumstances and conditions;

“Guidance” means the “Oil and gas clause in Crown Estate leases, Guidance on procedures for independent valuation where necessary” published by the Department of Energy and Climate Change in June 2014, or any similar supplementary or replacement policy;

"Grove Protected Area" means the spherical area of seabed having a radius of 2.8 nautical miles from 490342.72 Easting, 5951915.84 Northing (ETRS89 UTM Zone 31N) that point being the centre of the existing Grove platform in Licence P83 operated by the Licensee shown delineated green on the Protective Provisions Plan;

“Licences” means United Kingdom Petroleum Production Licences P83 and P468;

“Licensee” means the licensee from time to time of the Licences (or any one of them);

“Licensee’s Works” means the operation of any infrastructure existing in the Grove Protected Area at the time of this Order, or to be installed in the C6 Protected Area or C7 Protected Area after the date of this Order, and owned, occupied or maintained by or on behalf of the Licensee, and authorised by the Licences;

“Ministerial Statement” means the written statement given by the Secretary of State for Energy and Climate Change to the UK Parliament regarding Crown Estate Leases for Offshore Renewables Projects on 12 July 2011, or any similar supplementary or replacement policy;

“Plan of the Licensee’s Works” means an exploration and development programme and details and location of Licensee’s Works and minimum requirements known at that time in accordance with Good Oilfield Practice and Applicable Laws to enable the Licensee to, as applicable, explore, appraise, develop and/or decommission hydrocarbon resources as permitted by the Licences;

“Plan of the Undertaker’s Works” means a construction programme and details of the proposed location of the Undertaker’s Works and minimum requirements known at that time such as safety in accordance with Good Offshore Wind Farm Construction Practice and Applicable Laws to enable the Undertaker to construct and operate the Undertaker’s Works;

“the Protected Areas” means the Grove Protected Area and the C6 Protected Area and the C7 Protected Area;

“the Protective Provisions Plan” means the plan entitled Protective Provisions Plan and certified as the Protective Provisions Plan for the purposes of this Part of this Schedule;

“Proximity Agreement” means an agreement entered on reasonable terms between the Undertaker and the Licensee in respect of the Undertaker’s Works to reconcile and protect the interests of the parties as are known at the time to secure the implementation of the Undertaker’s Works and the Licensee’s Works, taking account of the matters in paragraph 12;

“Restricted Area” means the spherical area of seabed having a radius of 2.8 nautical miles from 483310.36 Easting, 5976788.24 Northing (ETRS89 UTM Zone 31N) that point being the centre of the existing Chiswick platform in Licence P468 operated by the Licensee shown delineated purple on the Protective Provisions Plan;

“Relevant Activities” means all development activity relating to the carrying on of the Undertaker’s and Licensee’s businesses within, or adjacent to the Protected Area and the Restricted Area, including (but not limited to) the preparation of development proposals, the submission of applications for statutory consents associated with those proposals and consultation in respect thereof, the acquisition of or application for new licence oil or gas blocks;

“REWS” means the radar early warning system fixed to the existing J6A platform located at 496306.16 Easting, 5963872.35 Northing (ETRS89 UTM Zone 31N) operated by the Licensee and shown on the Protective Provisions Plan;

“Undertaker’s Works” means the works permitted by this Order within the Protected Areas.

Restriction on authorised development

4. No wind turbine generator shall be erected in the Restricted Area, unless otherwise agreed in writing between the Licensee and the Undertaker.

Proximity Agreement

5. Save as provided in paragraphs 9, 11 and 13 no part of the Undertaker's Works shall commence until in respect of the relevant Protected Area either—

(i) one or more Proximity Agreement(s) has been concluded between the Undertaker and the Licensee in respect of the Undertaker's Works and the Licensee's Works; or

(ii) the Undertaker and the Licensee shall have agreed in writing that no Proximity Agreement is required in respect of the Undertaker's Works and the Licensee's Works.

6. Preparation of a Proximity Agreement must commence when the Undertaker serves notice on the Licensee of the Undertaker's intention to commence the Undertaker's Works.

7. Any such notice must be served within no less than 12 months of the intended commencement date of the Undertaker's Works and shall include a Plan of the Undertaker's Works and a request to the Licensee to produce a Plan of the Licensee's Works.

8. In response to the notice the Licensee shall produce a Plan of the Licensee's Works within 28 days of service of the notice.

9. Preparation of a Proximity Agreement must be concluded within 3 months of the date for production of the Plan of the Licensee's Works under paragraph 8 above.

10. If the Undertaker considers that the Plan of the Licensee's Works produced pursuant to paragraph 8 above provides insufficient detail of—

(i) the existence of a realistic oil and gas prospect within the areas subject to the Licences (or any one of them);

(ii) the nature and location of the Licensee's Works in order to enable the Undertaker to define or mitigate the effects of the Undertaker's Works on the Licensee's Works; and/or

(iii) any area of sea and/or airspace required for the Licensee's Works having been minimised in light of (i) above to enable a Proximity Agreement to be concluded which contains ongoing limitations on the programming siting design construction or operation of the Undertaker's Works,

(as applicable) the Undertaker must notify the Licensee of the additional detail required whereupon the Licensee must provide all such additional detail within 28 days of such notification by the Undertaker.

11. Subject to paragraph 13 below, paragraph 5 shall not apply if the plan of the Licensee's Works or additional detail provided pursuant to paragraph 10 above provides insufficient detail for the purposes set out in paragraph 5 above.

12. The Proximity Agreement must be based on the Plan of the Licensee's Works and the Plan of the Undertaker's Works and must take account of—

(i) the nature and location of the Licensee's Works on any Plan of the Licensee's Works as known at that time;

(ii) the location and extent of sea and/or airspace required for the Licensee's Works (including all applicable exclusive zones) as known at that time;

(iii) all such evidence as is available at the time to support the existence of an oil and gas prospect areas subject to the Licences;

(iv) the objectively assessed ability of the Licensee to reduce or remove its sea and/or airspace area requirement under (ii) above in light of evidence at (iii) above, whether with immediate effect or at a specified later date;

(v) the date by which the Licensee will seek to commence exploitation, or at which works of exploration, will cease as known at that time;

(vi) the siting and design of the Undertaker's Works on any Plan of the Undertaker's Works as known at that time;

(vii) the minimum feasible exclusive zones, buffer zones or safety zones required for safe construction and operation between the Undertaker's Works and the Licensee's Works;

(viii) protocols protective of navigation communication and use of the sea or air by third parties;

(ix) possible future transfer of the benefit of the Order or of the Licence; and

(x) the national objectives of co-existence and the ongoing commercial viability of the authorised development permitted under the Order together with exploration for and commercial exploitation of oil and gas within the Protected area.

13. If no Proximity Agreement is concluded, or the parties shall not have agreed whether paragraph 5 applies within the period specified in paragraph 9, the outstanding matters in dispute must be determined in accordance with Article 37 (Arbitration) of this Order. The Undertaker's Works must not commence until the determination of the arbitrator has been made and must only be implemented in accordance with the arbitrator's determination which is final and binding on the parties (save for manifest or legal error)—

(i) the arbitration shall be decided by a sole arbitrator whose appointment shall be agreed by the parties, but where the parties fail to agree to appoint an arbitrator within 28 days of the delivery of a notice of arbitration, then upon application the Secretary of State will appoint an arbitrator within 28 days. At any time prior to the appointment by the Secretary of State the parties may make an appointment;

(ii) the arbitrator shall be a person (including one who has retired) with not less than twenty years' aviation, radar or shipping and marine navigation, experience (as applicable) associated with a combination of offshore oil and gas development and offshore wind farm development or as a lawyer or other professional advisor serving those industries and having that experience;

- (iii) the arbitrator should make a determination within 3 months of appointment; and
- (iv) the seat of arbitration shall be London.

Radar Early Warning System

14. If the Licensee considers there to be an adverse impact on the REWS caused by the operation of the wind turbine generators comprised in the authorised development the Licensee may serve notice of that impact on the Undertaker. The notice served under this paragraph must be accompanied by a REWS mitigation proposal specifying:

- (i) the nature and extent of the impact;
- (ii) the evidence in support of the impact;
- (iii) the mitigation the Licensee reasonably believes would resolve the impact; and
- (iv) a programme and cost estimate for implementing and maintaining the mitigation.

15. The parties shall thereafter use reasonable endeavours to agree the terms of the REWS mitigation proposal within six weeks of the Undertaker's receipt of the notice and REWS mitigation proposal.

16. The Licensee shall thereafter implement and maintain the agreed REWS mitigation proposal, the cost of which shall be borne by the Undertaker in accordance with the terms of the REWS mitigation proposal.

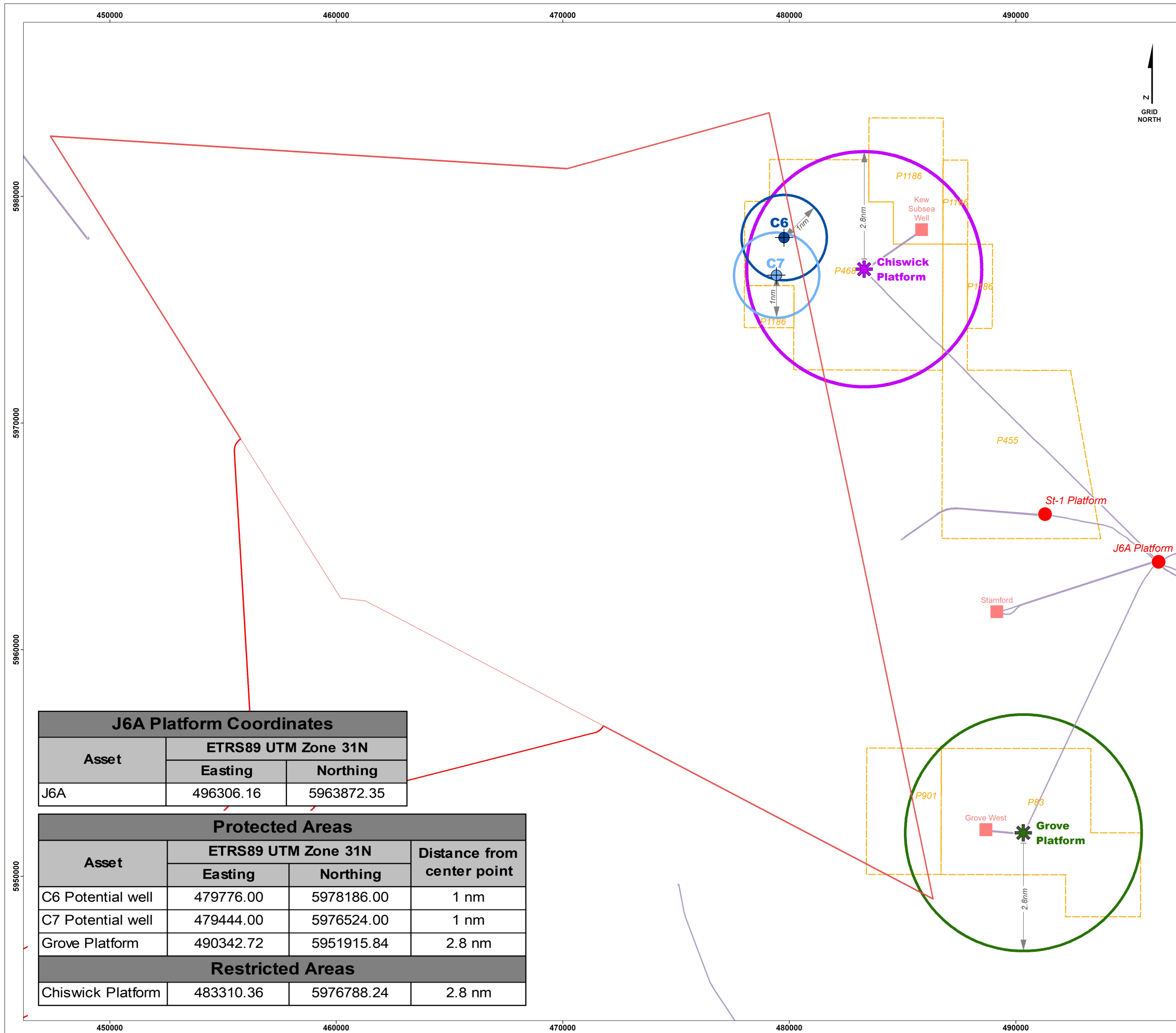
17. If the parties cannot agree any matter prescribed by paragraph 14, then the matters in dispute must be determined in accordance with Article 37 (Arbitration) of this Order and the provisions of paragraph 13 (i) to (iv) of this Part of the Schedule shall apply to those proceedings.

Provision of information

18. Without prejudice to any other rights or obligations under this Part of the Schedule the Licensee and the Undertaker shall from time to time keep each other informed of Relevant Activities such that the Licensee and the Undertaker may seek to agree solutions to allow the Undertaker's works and the Licensee's Works to successfully co-exist as far as reasonably practicable or if later until completion of activities required under any statutory decommissioning plan required under the Petroleum Act 1998 in relation to the Licences and taking place within the areas subject to the Licences.

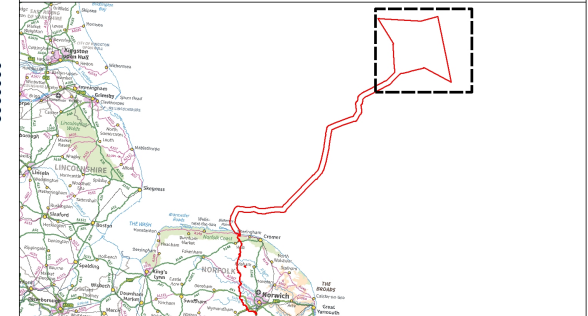
Compensation

19. Nothing in this Part of the Schedule shall affect any rights or obligations or assessment of compensation in accordance with the Ministerial Statement and the Guidance (as applicable).



- Hornsea Three**
- Order Limits
 - Array Area
- Restricted Area**
- Chiswick Platform 2.8nm Restricted Area
- Protected Area**
- Protected Area C6
 - Protected Area C7
 - Protected Area Grove Platform
- Spirit Energy Assets**
- C6 (Potential well)
 - C7 (Potential well)
 - Chiswick Platform
 - Grove Platform
 - Active Platforms (Spirit Energy)
 - Active Sub Surface Infrastructure (Spirit Energy)
 - Licensed Blocks (Spirit Energy)
- Pipelines Offshore**
- Active Pipeline

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 Contains Spirit Energy Planned Wells: Spirit Energy, 2019
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Reference System : ETRS89
 Projection : UTM31N
 Scale@A3: 1:165,000
 Vertical reference: LAT

0 2 4 6 8 Kilometres
 0 1 2 3 4 Nautical Miles

REV	REMARK	DATE
00	Initial Issue	14/03/2019
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Hornsea Three
Protective Provisions Plan

Doc no: HOW030325
 Created by: XAMIJ
 Checked by: KALEY
 Approved by: ANGUY



J6A Platform Coordinates		
Asset	ETRS89 UTM Zone 31N	
	Easting	Northing
J6A	496306.16	5963872.35

Protected Areas			
Asset	ETRS89 UTM Zone 31N		Distance from center point
	Easting	Northing	
C6 Potential well	479776.00	5978186.00	1 nm
C7 Potential well	479444.00	5976524.00	1 nm
Grove Platform	490342.72	5951915.84	2.8 nm

Restricted Areas			
Asset	Easting	Northing	Distance from center point
Chiswick Platform	483310.36	5976788.24	2.8 nm