Mr Giles Scott

Head, National Infrastructure Consents
Department of Energy & Climate Change
3 Whitehall Place
London
SW1A 2AW.

18th February 2014

Dear Mr Scott

Preston onshore gas storage facility

Energy and Utilities Alliance represents 250 member companies involved in the industry and specifically we provide the secretariat support for the Gas Storage Operators Group. One of our member companies, Halite, is proposing to develop an onshore, fast-cycle gas storage facility at Prestan.

Not wishing to go over the recent history of legal proceedings that have taken place, the decision to support the project and award a development consent order now rests with DECC.

The Prestan facility would increase gas storage by 20 per cent and the fast-cycle nature of its operation means it will have the ability to supply the grid to negate the impact of short term price spikes and improve short term security of supply (especially relevant with increased renewable generation) being envisaged in the future.

What we fear is also missing in the consideration is the local benefit from granting permission to the scheme. Halite’s project will create over 3000 jobs in the UK during the peak year of construction, and they plan to create 380 jobs a year over the 8-year construction phase. In an area of above average unemployment, this is a local gain over and above the national strategic benefit that additional gas storage provides.
Failure to approve this project would send a very poor signal to the industry that investment is not welcome in the UK under this administration. That is a message we all want to avoid.

We are more than willing to come along to DECC to discuss further if this helps.

Because of the importance of this issue, I am copying this email to both the Minister of State, Michael Fallon MP and his Shadow, Tom Greatrex MP.

Yours sincerely

Michael Foster
Chief Executive Officer