

Mr Giles Scott
Head, National Infrastructure Consents
Department of Energy and Climate Change
3 Whitehall Place
London SW1A 2AW

2 July 2014

Dear Mr. Scott

Underground Gas Storage facility – Preesall Lancashire


I am writing, as a Managing Director of Orion Windows in support of Halite Energy Group's Underground gas storage facility at Preesall, which I understand is currently being examined by you for planning permission. My company was established in the North of England in 1989 and is independently owned. From the early days we have worked to build a company based on recommendations by providing an outstanding service and high levels of customer care. We, like several other SME firms in the North West will benefit one way or the other if Preesall goes ahead.

Research shows that there is clearly a need for flexible gas storage capacity in the UK, which is the world's seventh largest gas market. There has been a dramatic decline of UK Continental Shelf (UKCS) gas production from a year 2000 peak of 100 bcm to 50 bcm in 2013. The UK significantly lags behind other countries with respect to gas storage capacity, with its current storage capacity of less than five per cent of annual consumption compared to approximately 15 percent from other industrialised economies. The UK has just 14 days of gas storage compared with many months in the rest of Europe; within the past 18 months this has dropped to just a few hours at peak times.

Investment in new UK storage such as Preesall is required to ensure security of supply and to provide the flexibility required as a result of UKCS decline and the Government's renewable energy policy.

For Lancashire, Halite's project would generate demand for a wide range of skills and occupations. Halite is committed to buying in certain types of activity during the construction phase that will create business opportunities for firms such as Orion Windows. At other gas storage facilities such as Holford in Cheshire a large portion of the work was awarded to local SME businesses from the North.

Lancashire has strengths across a range of sectors but particular concentrations of businesses in engineering and building construction. A £600m injection of private capital is substantial; I would respectfully ask that DECC and the Secretary of State grant this project consent as it is 'shovel ready' to go.



Yours sincerely
Stuart Baxter