Department of Energy & Climate Change

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Paul Grace
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Your ref:
Our ref: 12.04.09.04/279C

1 May 2014

Dear Mr Grace,

PROPOSED UNDERGROUND GAS STORAGE FACILITY AT PREESALL, LANCASHIRE

As you will be aware, the Department wrote to interested parties on 8 April 2014 in accordance with The Infrastructure Planning (Examination Procedure) Rules 2010 setting out the matters in relation to which the Secretary of State considers further representations are needed for the purposes of his re-determination of the application made by your client, Halite Energy Group for its proposed underground Gas Storage Facility at Preesall, Lancashire.

You will also be aware of the Secretary of State's intention to appoint an independent Geological Assessor to advise him on geological matters and to produce a Geological Report, which will subsequently be made available for comment by interested parties. In addition to the seismic and geological data already available on the National Infrastructure Planning Portal (and also any new geological information provided by other interested parties), I am writing to further clarify the geological data the geological assessor will require from your client in order to provide expert advice to the Secretary of State and to produce the geological report.

It is considered that the following data will also be required from your client:

1) The detailed 3D geological model (in oil industry standard electronic format – Petrel preferred) prepared by the British Geological Survey (BGS) and used by your client in storage volume calculations and hazard identification;

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2) All spreadsheets (Excel format) used by your client to calculate storage volumes (Total, Cushion, Working);
3) Access to RESPEC geomechanical reports on Salt cavern geomechanical modelling and stability assessments for the Preesall development project; and
4) The following technical data to allow us to assess storage volumes using standard Reservoir Engineering techniques rather than the spreadsheet based approach adopted by your client:

a. Expected production rate and duration;
b. Expected injection rate and duration;
c. Number of wells per cavern;
d. Tubing OD and ID;
e. Export pipeline length;
f. Export pipeline ID;
g. Export pressure;
h. Recommended maximum gas velocity;
i. Rock mechanical restrictions (expressed as pressure depletion rates);
j. Gas specific heat capacity;
k. Pipeline roughness;
l. Overall heat transfer co-efficient; and
m. Gas Gravity.

Yours sincerely,

Giles Scott

Giles Scott
Head of National Infrastructure Consents