BG INTERNATIONAL LIMITED
EVEREST FIELD INCREASE IN PRODUCTION

Environmental Statement Summary

To: Wendy Kennedy
From: Paul Batty
Date: 20 December 2016

<table>
<thead>
<tr>
<th>ES Title:</th>
<th>Everest Field Production Increase</th>
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<tbody>
<tr>
<td>Operator:</td>
<td>BG International Limited</td>
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<td>Consultants:</td>
<td>BG International Limited</td>
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<td>Field Group ():</td>
<td>OGA, Central North Sea</td>
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<td>ES Report No:</td>
<td>D/4191/2016</td>
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<tr>
<td>ES Date:</td>
<td>September 2016</td>
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<tr>
<td>Block Nos:</td>
<td>22/9, 22/10a, 22/14a</td>
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<td>Development Type:</td>
<td>Increase in Production</td>
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Project Description

BG International Limited (BG) has submitted an Environmental Statement (ES) to support an application for an increase in production from the Everest field from 2016. The proposals relate to engineering improvements on the North Everest topside facilities and improved production from existing wells.

The Everest field is located in Blocks 22/9, 22/10a, 22/14a in the Central North Sea, approximately 217 km east of the Scottish mainland and 14 km west of the UK / Norway median line, in a water depth of approximately 90 metres. Hydrocarbons are produced from the East, North and South Everest areas and processed via two bridge-linked steel platforms. The field began gas and condensate production in 1993. Gas is exported to Teeside via the Central Area Transmission System (CATS) pipeline, and condensate is exported to Kinneil Terminal via the Forties Pipeline System (FPS). Gas from the field is also used as fuel for power generation.

The proposed increase in production exceeds the EIA Directive Annex I thresholds of 500,000 m³ of gas and 500 tonnes of condensate per day, and the new production levels will equate to the maximum processing capacity of the installation. There have been no changes to the processing plant, and there will only be minor changes in chemical use and discharge and produced water discharge. The field is covered by an existing Oil Pollution Emergency Plan (OPEP).

Key Environmental Sensitivities

The Environmental Statement (ES) identified the following environmental sensitivities:

**Fish Stocks:** The Everest field is located within spawning grounds for cod, Norway pout, mackerel and sandeels, and nursery areas for cod, haddock, whiting, plaice, Norway pout, blue whiting, mackerel, herring, sandeels, ling, anglerfish, European hake, spurdog and spotted ray.
**Seabirds:** Seabird vulnerability is very high in November, high in January, July, August, September, October and December, and moderate to low for the remainder of the year.

**Annex I Habitats:** No Annex I habitats have been identified in the vicinity of the Everest field.

**Annex II Species:** Harbour porpoise, minke whale, and white-beaked dolphins have been recorded in the general area, with most frequent observations between July and September. Grey and harbour seals are unlikely to be present in large numbers because of the distance from their haul-out sites.

**Protected Sites:** The nearest Special Area of Conservation (SAC) is the Scanner Pockmarks located 75 km to the south. The nearest Marine Protected Area (MPA) is the Norway Boundary Sediment Plains site which is located 26 km to the northeast.

**Other Users of the Sea:** Fishing effort is low to moderate through most the year, although there are periods of high fishing intensity in February and November. Landings are primarily demersal species, including haddock and *Nephrops*, although there is some trawling for pelagic species. The area is categorised as low shipping density.

### Key Potential Environmental Impacts

The ES identified the following key potential environmental impacts:

**Atmospheric emissions:** The main sources of atmospheric emissions will be from the existing platform power generation and flaring activities, and from periodic supply vessel and helicopter traffic.

**Marine discharges:** Changes to production chemical use and discharge are expected to be limited. Produced water volumes are expected to increase in proportion to the increase in production.

**Physical presence:** No impacts have been identified as there are no changes to the existing installation.

**Physical disturbance:** No impacts have been identified as no new infrastructure is being installed.

**Noise:** No significant sound impacts have been identified.

**Cumulative effects:** There are no anticipated cumulative impacts that are determined to be significant in a regional context.

**Accidental events:** Control measures will be in place to minimise the risk of accidental events. The procedures to respond to any spill are detailed in the existing OPEP.

**Transboundary effects:** The increases in emissions and discharges are not anticipated to result in any significant transboundary effects. In the event of a significant spill that crosses the median line, BG would liaise directly with the Norwegian authorities and UK Government could decide that the NORBRIT Agreement should be implemented.
Consultation

Consultee(s): The statutory consultees for this project were the Joint Nature Conservation Committee (JNCC), Marine Scotland (MS), the Maritime and Coastguard Agency (MCA), the Ministry of Defence (MoD) and the Northern Lighthouse Board (NLB). No objections were received.

Public Consultation: The ES was also subject to Public Notice, but no comments were received.

Further Information

Issues identified by consultees and during the BEIS review of the ES were passed on to BG, and a response was received from BG on 13th December 2016 that adequately addressed the comments.

Conclusions

Following consultation and the provision of the additional information, BEIS is satisfied that this project is not likely to have a significant impact on the receiving environment, including any sites or species protected under the Habitats Regulations or on other users of the sea.

Recommendation

On the basis of the information presented within the ES, the advice received from consultees and the provision of further information by BG, it is recommended that the ES should be accepted and the OGA should be advised that there are no objections to issuing consent for the proposed production increase, and that there are no environmental conditions directly related to the ES review that should be attached to the consent.

Sarah Pritchard
22/12/2016
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Date
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