Premier Oil UK Limited SOLAN FIELD DEVELOPMENT Environmental Statement Addendum Summary

To:Wendy KennedyFrom:Tracy EdwardsDate:17 September 2014

ES Addendum Title:	Solan Development, Direct Export Option 2014
Operator:	Premier Oil UK Limited (Premier)
Consultants:	Genesis Oil & Gas Consultants
Field Group (DECC):	Aberdeen (West of Shetland)
ES Report No:	W/4031/2008
ES Addendum Date:	April 2014
Block No:	205/26a
Development Type:	Oilfield Development
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A) Project Description

Approval for the Solan Field Development was originally granted in April 2012. The development consists of 2 production and 2 water injection wells tied back to an installation that would not be permanently manned, with production via a subsea storage tank that would be offloaded via a shuttle tanker. First production relies on the timely installation of the subsea storage tank and, as a contingency measure to cover for any delay in its installation, Premier sought approval for a temporary Direct Export Option (DEO) facility. The DEO is the sole subject of this summary.

The DEO entails installation of an additional 10" jumper (with reducer spoolpiece) and associated protective mattresses, and additional rock dumping, on the original 24" export line. The proposal also requires a dynamically-positioned export tanker to be located on station for 100% of the time.

B) Key Activities

The EIA identified and discussed the following key activities as having the potential to cause an environmental impact:

- Subsea installation operations additional subsea infrastructure and pipeline deposits, additional rock dumping, and hydrotest discharges;
- Vessel presence atmospheric emissions and noise; and
- Wider concerns accidental spills, transboundary issues and cumulative effects.

C) Key Environmental Sensitivities and Impacts

The EIA identified the following environmental sensitivities and potential impacts:

• Atmospheric issues: The presence of an export tanker on location 100% of the time will increase the emissions to air. However, this has been assessed as not significant, given the remote location and the dispersion anticipated at the tanker location. No air quality issues are expected.

- Fish: The area is a recognised spawning area for Norway pout, blue whiting, whiting, lemon sole, sandeels and herring, and a nursery area for haddock, Norway pout, blue whiting, lemon sole, mackerel and sandeels. However, the spawning and nursery areas are extensive and any potential impact would be localised and temporary. The proposals are therefore unlikely to have any significant impact on these species.
- Seabirds: Seabird vulnerability is high in April and July, and moderate to low throughout the rest of the year. Sufficient mitigation measures are considered to be in place to prevent accidental spills that could have a significant impact on seabirds.
- Protected habitats: The environmental baseline survey did not identify any new areas of Annex I habitat. The closest identified Annex I habitats are the Wyville Thompson Ridge (107km) and the Solan Bank Reef (110km) both located to the southwest of the development. The proposals are therefore not expected to have any significant impact on protected habitats.
- Protected species: Harbour porpoise, white-beaked dolphin, minke whale, Atlantic white-sided dolphin, and both bottlenose and common dolphin have been recorded in this general area with highest numbers recorded during the period of May to October. Whilst grey and common seals inhabit the coastal waters around the Scottish coast and have occasionally been observed to travel long distances when foraging, both species are unlikely to be present in large numbers at the Solan area. Any disturbance of marine mammals is expected to be limited and unlikely to compromise local populations.
- Other users of the sea: The proposed development is situated within ICES rectangle 49E6, and relative fishing effort in the area is high with low to moderate landing values. Shipping density in the vicinity of the proposed development is low. As the proposed operations will take place within existing 500m safety zones, impacts on other users of the sea are considered to be negligible. Appropriate navigational controls will be applied to the tankers, and it is not anticipated that there will be any significant additional navigational risk. There are no renewables or aggregate extraction areas in the vicinity of the development.

D) Consultation

The Joint Nature Conservation Committee (JNCC), Marine Scotland (MS), the Maritime and Coastguard Agency (MCA), the Ministry of Defence (MoD), the Northern Lighthouse Board (NLB) and the Health and Safety Executive (HSE) were consulted on the proposals. The Environmental Statement Addendum was also subject to public notice.

- **JNCC**: JNCC considered it unlikely that there would be any significant impact on the environmental value of the area.
- **MS**: MS confirmed that they had no objections.
- **MCA**: MCA confirmed that they had no objections. Standard navigational conditions were recommended for subsequent permits, consents, etc. required by the operator.
- **MoD**: MoD confirmed that they had no objections.
- **NLB**: NLB advised that notification would be required for the project to ensure that appropriate marking, lighting, etc. conditions were implemented.

- **HSE**: HSE did not respond to the consultation.
- **Public Notice**: No comments were received in response to the public notice.

E) Further Information

Further information was requested from Premier on 17th July 2014 to clarify some inconsistencies and request more detailed information. The Department received a reply from Premier on 2nd September 2014 that adequately addressed the issues raised.

F) Conclusion

Following a review of the proposals and the responses to the consultation, DECC OGED is satisfied that the project will not have a significant adverse impact on the receiving environment or the living resources it supports, or on any protected sites or species or other users of the sea.

G) Recommendation

On the basis of the information presented within the Environmental Statement Addendum, DECC OGED is content that there are no environmental or navigational objections to acceptance of the addendum and has advised DECC LED that there are no objections to the grant of the relevant consents.

The recommendation is conditional upon all previously notified conditions relating to the Solan Development remaining in place, and acceptance of the following additional condition relating to the Direct Export Option:

- Premier should provide quarterly reports to confirm progress in relation to the installation of the subsea storage tank; and
- If the DEO operations are anticipated to exceed 12 months from the date of first production, Premier should seek explicit agreement from the Department to continue the operations at the time of submission of the third quarterly report. In such circumstances, Premier would also be required to consider the use of alternative mooring arrangements.

...Wendy Kennedy..... Wendy Kennedy Director, DECC OGED ...23/09/2014...... Date