

Environmental Statement (ES) Summary and Sign-Off

Title: Banff and Kyle Fields Production Increase Environmental

Statement

Operator: CNR International (CNRI)

Report No: D/4168/2014
Submission Date: August 2014
Block No: 22/27a and 29/02
Development Type: Increase in Production

Reviewer: Mark Shields

Date: October 2014

A) Project Description:

CNRI are ceasing gas injection into the Banff and Kyle fields in 2015, resulting in an increase in production from both the Banff and Kyle fields from 2015 onwards. Both the Banff and Kyle fields are tied back to the Banff Floating Production Storage and Offloading vessel (FPSO). There will be no change in the volume of gas produced from the fields, however the volume of gas exported under the production consent will increase from 2015 onwards.

The Banff field is located in Blocks 22/27a and 29/02 and the Banff FPSO is moored in Block 22/27a. The Banff field is situated 192 km from the nearest Scottish coastline and 66 km from the UK/Norway median line, in water depths of approximately 95 m. The field began producing in 1996 and comprises of four production wells and one gas injector well. The Kyle field is located to the south of the Banff field in Block 29/02c with comparable water depths to Banff field. The Kyle field began producing in 1999 and comprises of four production wells.

The increase in gas production at the Banff field is above 500,000 m³ per day EIA threshold, and an Environmental Statement was required in support of the increase in production. Although the increase in production for gas and oil at the Kyle field and oil at the Banff field is below the EIA threshold it has also been assessed as part of the Environmental Statement.

The increase in production from the Banff and Kyle fields is within the design capacity of Banff FPSO and no process plant modification is required to process the additional fluids. The increase in production is not expected to increase the risk of chemical or oil spills and the development proposals are covered by an existing Oil Pollution Emergency Plan (OPEP).

B) Key Environmental Impacts:

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

- Production atmospheric emissions, power generation, flaring, venting, produced water processes, flow assurance and chemical applications atmospheric emissions, accidental hydrocarbon spills.
- Wider concerns accidental events, transboundary issues, cumulative effects

C) Key Environmental Sensitivities:

The EIA identified the following environmental sensitivities:

- Fish: The Banff and Kyle fields are located within the spawning grounds of lemon sole, Norway pout cod and sandeel and as a nursery area for haddock, Norway pout, anglerfish, blue whiting, hake, herring, ling, mackerel, plaice, spurdog, whiting, cod and sandeel. The spawning and nursery areas are extensive and the development proposals are unlikely to have an impact on these species.
- Seabirds: Seabird vulnerability is high in July, September and November and moderate to low the rest of the year. It has been assessed that there are sufficient mitigation measures in place to prevent accidental spills that could have a significant impact on seabirds and this will also be covered by the OPEP.
- Protected habitats: The closest identified Annex I habitat is the Scanner pockmarks SAC located 143 km to the north. The Banff FPSO is located ~2km from the East of Gannet and Montrose Fields Nature Conservation MPA, designated for the presence of the Ocean Quahog and offshore deep-sea mud. The recommended Fulmar Marine Conservation Zone is located 56 km to the southeast, and is an important area for foraging seabirds such as fulmar and gannet. The development proposals are not expected to have any significant impact on the protected habitat.
- Protected species: Harbour porpoise, White-beaked dolphin, Minke whale, Atlantic white-sided dolphin, common dolphin and killer whale have been recorded in this general area with highest numbers recorded during the period of March to November. Grey and Common Seals inhabit the coastal waters around the North Sea and have occasionally been observed to travel long distances when foraging, both species are unlikely to be present in large numbers at both fields. No disturbance of marine mammals is expected as a result of the development proposals.
- Other users of the sea: The proposed development is situated within ICES rectangle 43F1, and relative fishing effort in the area is low. Shipping density in the vicinity of Block 22/27 is low. Appropriate navigational controls are already in place, and it is not anticipated that there will be any significant impact on other users of the sea from the increase in production. The closest renewable energy zone is located 160 km south of the proposed development.

D) Consultation:

Comments were received from the Joint Nature Conservation Committee (JNCC), Marine Scotland (MS), Maritime and Coastguard Agency (MCA), Ministry of Defence (MoD). The ES was also subject to public notice.

JNCC: JNCC confirmed that they have no objections

MS: MS confirmed that they were content for the ES to be accepted.

MCA: MCA confirmed that they have no objections.

MoD: MoD confirmed that they have no objections.

Public Notice: No comments were received in response to the public notice.

E) Further Information:

No further information was requested from CNRI.

F) Conclusion:

Following consultation, DECC OGED is satisfied that this 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 ES and advice received from consultees, DECC OGED is content that there are no environmental or navigational objections to approval of the proposals, and has advised DECC LED that there are no objections to the grant of the relevant consents.

Approved:	Sarah Pritchard
	Head of Offshore Environmental Operations

Sarah P	rítcha	rd					
Date:	.22/10	/2014.	 	 	 	 	