

Date: 8th. May 2006.
From: John Kelleher. Phone 087-2615650.
Subject: IOSEA Consultation Workshop.
To: Mr. Rory Boyd. P.A.D.

I recently attended part of the Workshop in Galway, however due to commitments was unable to attend the full day. I wish to submit the following for your attention.

CARBON EMISSIONS AND THE OFFSHORE ENVIRONMENT

In the quest for offshore hydrocarbons there is an issue which should be addressed at the earliest possible stage in order to mitigate additional cost to the tax payer in the form of payments as a result of Ireland's failure to meet stated emission targets. As a nation we face substantial financial penalties should we overrun our stated target figures for carbon emissions.

Demand for Oil and Gas in Ireland has been increasing and coupled with our declining native Gas supply places heavy emphases on the need for additional offshore exploration and hopefully development.

Some people have stated that processing of any hydrocarbons found should be conducted offshore, this is a miss guided understanding of the true position which must be faced in the future.

Offshore structures, in order to sustain themselves and before any processing is undertaken will produce large quantities of emissions by their very nature. Running as they must all of the self sustaining equipment, electrical generation, fire pumps, heating and lighting systems, waste management systems to mention but a few, before any product processing takes place.

This is further added too by the need for standby vessels, helicopter personnel transport along with supply vessels on an ongoing basis over the life of the field.

Offshore structures (depending on size and manning levels) can produce thousands of tons of emissions per year plus logistics, vessels and helicopters etc. before any processing takes place. This would continue year on year until field life ends.

Future Licence agreements should take into account the implications for the Irish tax payer in the form of penalties for exceeding agreed emission levels. Three additional offshore structures anywhere on the west coast could be costly to the tax payer in this regard.

A further added factor is the requirement to consume large quantities of product (Gas or Oil) in order to sustain the structure/s offshore.

People who advocate processing at sea have not considered this point or choose to ignore it for their own ends.

We can not however retrofit this thinking to existing offshore production licence agreements but we can view future agreements with this point in mind.

We must except that there can be and most lightly will be exceptions, I am referring to product here and not onshore exceptions. Not all product can and will flow over long distance pipelines without pumping or compression being applied. But this is the exception.

Note: Recent calls by members of the public to have the Corrib Gas processed at sea is an example which ignores the above issue, a greater understanding is required in this area.

Regards.

John Kelleher