

Statement on behalf of the Minister for Communications, Energy and Natural Resources to An Bord Pleanála oral hearing in respect of the Corrib Gas Pipeline

1. I make the following statement on behalf of the Minister for Communications, Energy and Natural Resources (hereinafter referred to as the Minister) who is a prescribed body for the purpose of this oral hearing.
2. Pursuant to section 13 of the Petroleum and Other Minerals Development Act, 1960 and section 40 of the Gas Act, 1976 as amended, the Minister is the consent authority with respect to the Plan of Development for the Corrib Gas Project and the application to construct the Corrib Gas Pipeline.
3. On 31 May, 2010, following the applicant's decision to accept the Board's invitation to re-route part of the pipeline, the applicant revoked its applications to the Minister in respect of both the section 40 application and the required amendment to the Plan of Development and re-submitted new applications for the modified route. Because there is no provision under the Gas Act to modify an existing application, the new applications to the Minister are for the full pipeline from wellhead to terminal inclusive.
4. On the 25 June 2010, the Board informed the Minister that it proposed to reconvene the oral hearing on the revised route and invited the Minister to make submissions under the following headings:
 - i. Details of the commencement of the Petroleum (Exploration and Extraction) Safety Act 2010;
 - ii. Any comments with regard to the revised pipeline route in addition to the Minister's submission to the Board dated 11 May 2009 and subsequent submission to the oral hearing on 24 June 2009;
 - iii. Any further submission/observation the Minister wishes to make in respect of the revised proposal.
5. On the 28 July 2010 the Minister responded to the Board's request.

Details of the commencement of the Petroleum (Exploration and Extraction) Safety Act 2010

6. On 3 April 2010 the Petroleum (Exploration and Extraction) Safety Act was enacted which confers responsibility on the Commission for Energy Regulation for the regulation of upstream petroleum activities with regard to safety.
7. On 22 May 2010 section 1, 2 and 4 of the 2010 Act were commenced.

- a. Section 1 sets out the short title and commencement provisions
 - b. Section 2 provides for the definition of terms
 - c. Section 4 amends Schedule 1 of the Electricity Regulation Act 1999 and enables the Commission to levy regulated companies to cover the cost of regulation.
8. On 23 July 2010, section 3 of the 2010 Act in part was commenced. Section 3(d) of the 2010 Act inserts a new Part IIA into the Electricity Regulation Act 1999. In order to allow the Commission to begin the detailed scoping and preparatory works necessary for the establishment and implementation of the Safety Framework the following sections of Part IIA were commenced:
 - a. Section 13A provides for the definitions of terms in Part IIA;
 - b. Section 13B provides that the operation of Part IIA does not restrict any other safety obligation imposed by law;
 - c. Section 13C sets out to whom Part IIA applies;
 - d. Section 13G sets out the principal objective of the Commission under Part IIA
 - e. Section 13H sets out the functions of the Commission, the principal of which is to regulate petroleum undertakings with respect to safety.
9. By the same order, section 13K of the 1999 Act was also commenced. This section provides that there is a general duty, in addition to the safety regime to be introduced by the Commission, on petroleum undertakings to ensure that the activities they carry out and the infrastructure they construct, design, install, maintain, modify, operate and finally decommission is done in such a manner as to reduce any risk to safety to a level that is as low as is reasonably practicable.
10. It is intended to commence the remainder of the provisions at a later date once the preparatory phases have concluded.
11. It should be noted that because the Commission requires a period of time to develop and implement the safety framework and that in the event the Minister grants consent to the applicant pursuant to section 40, the process outlined to the Board in the Minister's closing statement of the 24 June 2009 will continue to apply.

Any comments with regard to the revised pipeline route in addition to the Minister's submission to the Board dated 11 May 2009 and subsequent submission to the oral hearing on 24 June 2009

12. As already outlined pursuant to section 40 of the Gas Act, 1976, as amended, the applicant has submitted a new application to the Minister.
13. There are three elements to the Minister's assessment of this application. These are environmental, safety and engineering fitness for purpose.

14. With regard to the environmental assessment, the consultancy firm Environ has been engaged by the Minister to review the Environmental Impact Statement. Environ is an international consultancy, with expertise in environmental and human health issues. Helen Meekings from Environ will present this part of the Minister's statement. Experts from Environ in the fields of traffic, ecology and other project issues are available to deal with any questions arising at the relevant modules of the hearing next week if required.
15. The consultancy firm Entec has been engaged to assist the Minister in his assessment of the safety aspects of the new application. Entec's role is to consider the design documentation of the applicant and to advise the Minister as to whether or not the proposed construction, operation and maintenance of the pipeline meets or exceeds all relevant codes and standards and demonstrates best practice with regard to safety matters generally and further demonstrates that it reduces both individual and societal risk to a level that is as low as is reasonably practicable. This assessment will inform the Minister's decision as to whether or not to approve the application with regard to safety. Mr. Peter Waite will present this element of the Minister's statement. Relevant experts from Entec will be available to take questions on the design/safety/stability module of the hearing if required.
16. The third element of the Minister's assessment is in terms of engineering fitness for purpose to ensure that the infrastructure can deliver the volumes of gas for the lifetime of the project. This assessment is undertaken in-house by the Minister's Petroleum Affairs Technical Division. Further details of this process can be provided should such be required.
17. For completeness, the Minister wishes to reaffirm the contents of the previous submissions of 11th May, 2009 and 24th June, 2009 made on his behalf.

Any further submission/observation the Minister wishes to make in respect of the revised proposal.

18. The third and final request by the Board is for details of any further submission/observation the Minister wishes to make in respect of the revised proposal.
19. As part of the assessment of the new application, the Minister has sought the advice of the National Standards Authority of Ireland (the NSAI) with regard to what are the appropriate standard(s) to apply to the design and construction of High Pressure Untreated Natural Gas Pipelines. I would like to provide some context to this additional element to the Minister's process.
20. In its 2005 report to the Minister's Technical Advisory Group, consultants Advantica found that the approach proposed by the applicant to base the then revised pipeline design on the Irish Standard IS EN 14161, supplemented by the use of PD 8010 and IS 328 would be acceptable provided that the more

onerous requirements of PD 8010 and IS 328 were adopted where appropriate. This recommendation was accepted by TAG and these standards accordingly have informed the Minister's assessment of all subsequent applications by the applicant pursuant to section 40.

21. In the intervening period the Minister has brought forward the 2010 Act referred to above. A yet to be commenced part of the Act places an obligation on the Commission, where it considers it appropriate to designate by regulation, any petroleum activity to be a designated petroleum activity and to prepare guidelines for the preparation of and appropriate contents of a safety case applicable to all or any designated petroleum activity. Safety case guidelines will make provision for a number of matters including the standards and codes of practice applicable to designated petroleum activities. Before making such a designation or developing such guidelines, the Commission shall be required to consult with a number of prescribed bodies, including the NSAI. Preparations are in train by the Minister, the Commission and the NSAI for the establishment of a Petroleum Exploration and Extraction Standards Committee analogous to the existing Gas Technical Standards Committee which advises the NSAI with regard to Irish Standards and Codes of Practice necessary for downstream natural gas and LPG. It is intended that the Petroleum Exploration and Extraction Standards Committee which will be established as a technical consultative committee to the NSAI, under section 10 of the NSAI Act 1996, will advise the Commission with regard to the relevant standards and codes of practice for designated activities.
22. To ensure that the Minister's assessment process is as compatible as possible with the process to be established by the Commission and an efficient and effective transition of responsibility is achieved, the Minister requested the NSAI to advise as to the applicable standard(s) for the Design and Construction of High Pressure Untreated Natural Gas Pipelines. Mr. Enda McDonnell, Director of Standards, of the NSAI will present the Authority's findings in this regard and will also be available to take questions if required.