

# Stublach Gaz-ette No.2

October 2009

## At the end of August 2007...

GDF SUEZ announced the acquisition of the Stublach Gas Storage Project, a greenfield development.



## Two years later...

The beginning of solution mining operations marks the first key milestone in the development of the largest salt cavern gas storage scheme in the UK. The whole team at Storengy UK is proud of this achievement!



# storengy

## On time!

During the first half of 2009 the construction of the solution mining facility progressed according to the original plan. The commissioning started as expected in the spring and was completed in September. Solution mining of the ten wells of Stublach Phase 1 has started and will last for three years. The first set of caverns will then be ready for commercial operations by the end of Q3 2013.



## Modular gas plant

The gas plant Front End Engineering Design (FEED) study was completed in the summer and integrates the feedback received from several interested parties on the desired performances of the facility (working gas volume, injection/withdrawal flowrates & ramp rates, flexibility, availability and reliability). This in turn allowed Storengy UK to refine the project costs estimate and assess the costs of providing various types of storage services.

As far as the construction of the gas plant is concerned Storengy UK has opted for a staggered approach – three separate phases – thereby allowing an increase in overall throughput capacity in line with caverns development and customers requirements. The construction of the first phase of the gas plant will start next year and will be completed by the end of 2012, in time for the first gas filling.

## Third Party Access exemption

The energy regulator Ofgem published in June a letter on "TPA exemptions – minor facilities" clarifying the exemption regime and the criteria used to grant exemptions.

On 1st October Ofgem published a consultation on Storengy UK's request for an exemption from the negotiated third party access requirements for the Stublach Gas Storage Facility. The consultation period closes on 5th November. Further information can be found on <http://www.ofgem.gov.uk/Markets/WhIMkts/CompanDEff/TPAccess/Pages/TPAccess.aspx>

## Marketing

During the first half of 2009 Storengy UK presented the Stublach Gas Storage Project, the flexibility products on offer and the pricing structures to several shippers/suppliers. Further commercial negotiations were pursued with a number of interested parties. The general terms and conditions are currently being finalized. Storengy UK will be ready to sign storage services contracts towards the end of 2009, once the regulatory regime has been clarified.

## Did you know?

- In May Storengy UK received the prestigious Gas Industry Safety Award, the direct result of the strong safety ethic that is promoted by management at Storengy UK and filters through to all levels of staff and contractors within the company.



- You can find further information on Storengy UK and the Stublach Gas Storage Project on our new website: [www.storengy.co.uk](http://www.storengy.co.uk)
- Storengy has partnered with BGE (Northern Ireland) to assess the feasibility of another salt cavern project in Northern Ireland. Further information can be found on: <http://www.northeaststorage.com/>

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