



Shell E&P Ireland Limited

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Mr. Garrett Blaney
Commissioner
Commission for Energy Regulation
The Exchange
Belgard Square North
Tallaght
Dublin 24

3rd July 2012

Our ref: COR-01-SH-GE-1815

Dear Garrett,

Subject: Corrib Project Timeline

The Corrib Project partners are targeting first gas production from the Corrib Field in late 2014. The project critical path schedule includes the tunnel construction and subsequent installation of the onshore pipeline in the tunnel. Following completion of the pipeline provided CER approvals are in place, the facilities will be commissioned by the introduction of gas from the Corrib Field. Once reliable operations have been achieved, commercial production can commence and Corrib can then contribute to the security of gas supply in Ireland.

The Bellanaboy Gas Terminal (BBGT) will be ready to receive gas by January 2014. SEPIL proposes to commission and test the BBGT in early 2014 using gas from the Bord Gais Network (BGN). This reduces the overall project schedule by 2 - 3 months and potentially more if delays were to occur during this activity. Using gas from the BGN system enables the teething problems that may be encountered on the terminal to be resolved before commencing feed from the Corrib Field. In addition to saving time, this enhances reliability by reducing undesirable exposure to stop and start operation of the wells.

SEPIL recognises that in order to introduce gas from the BGN system and eventually Corrib Field gas into the BBGT it will be necessary to have a Safety Case approved by CER and the performance of the safety critical elements verified by an approved Independent Competent Body (ICB). This of course presumes that the Petroleum Safety Framework has commenced at the time gas from the BGN system is intended to be introduced into BBGT.

Based on current and planned future progress SEPIL is confident of having the Safety Case for the Corrib project ready for submission in June 2013 and the ICB (DNV) is expected to issue the BBGT Introduction of Gas Release Note in January 2014.

SEPIL would very much like to avail of the opportunity of testing the BBGT using gas from the BGN system to support a safe and efficient start-up with minimal delays. However, we recognise that the Corrib schedule may not align with the CER's current planned date for being in a position to accept Safety Cases. Without compromise of the CER's review procedures, would it be possible for CER to be in position to review the Corrib Safety Case in June 2013 in order to facilitate the testing of BBGT in Q1 2014? If helpful to the CER, SEPIL is prepared to present a Safety Case for the entire project and a second Safety Gas for testing of the BBGT on BGN gas.

Thank-you for your consideration of this matter.

Yours sincerely,



Michael Crothers
Managing Director, Shell Exploration and Production Ireland Limited

