

SAFETY PERMIT
Reference Number: SP 08B
under Section 13P of the Electricity Regulation Act 1999, as amended

granted to

PSE Kinsale Energy Limited

on

13th May 2019

in respect of the carrying on of certain designated petroleum activities related to production

under or in connection with

**the Petroleum Lease granted pursuant to section 13 of the Petroleum and Other Minerals
Development Act 1960, as amended, dated 7th May 1970;**

in accordance with

Production Safety Case (KG-17-SR-PRD-00349-G-H1) (27th November 2014)

Production Safety Case (KG-17-SR-PRD-00349-G-H2) (30th May 2016)

Production Safety Case (KG-17-SR-PRD-00349-G-H3) (4th July 2018)

PART I: Safety Permit

The Commission for Regulation of Utilities (the “**Commission**”) in the exercise of the powers conferred by Section 13P of the Electricity Regulation Act 1999, as amended, (the “**Act**”):

HAVING CONSIDERED:

- the Production Safety Case KG-17-SR-PRD-00349-G-H1 (27th November 2014); and
- the Production Safety Case KG-17-SR-PRD-00349-G-H2 (30th May 2016);
- the Production Safety Case (KG-17-SR-PRD-00349-G-H2) (4th July 2018);

submitted by **PSE Kinsale Energy Limited**, on 6th July 2018 as supplemented by the Additional Information furnished by PSE Kinsale Energy in connection with the following petroleum authorisation(s) held by PSE Kinsale Energy, a “**Grantee**”:

1. Petroleum Lease granted pursuant to section 13 of the Petroleum and Other Minerals Development Act 1960, as amended, dated 7th May 1970;

(the “**Safety Case**”).

BEING SATISFIED THAT—

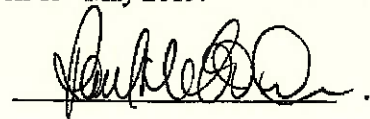
1. the information contained in the Safety Case complies with the requirements of section 13M(5) of the Act;
2. the Operator is capable of implementing the safety and environmental management system described in the Safety Case(s), and
3. the Grantee is, subject to the conditions (the “**General Conditions**”) set out in Part II, and the special conditions (the “**Special Conditions**”) set out in Part III of this safety permit (together the “**Conditions**”), and is capable of complying with its duties and obligations under section 13K and 13KA of the Act;

HEREBY ACCEPTS the Production Safety Case (KG-17-SR-PRD-00349-G-H3) (4th July 2018); (the “**Accepted Safety Case**”) subject to the Conditions; and

HEREBY GRANTS to the Grantee a safety permit in respect of the Production Activities, subject to the Conditions.

This safety permit shall come into force on 13th May 2019 (the “**Commencement Date**”) and, subject to the Conditions, shall continue in full force and effect until its expiry date, as per Part III: Special Conditions Paragraph 3.1, or until it is revoked by the Commission or replaced by a new safety permit.

Sealed with the common seal of the Commission Regulation of Utilities on 13th May 2019.



Paul McGowan
Chairperson
Commission for Regulation of Utilities

PART II: General Conditions

1. Definitions and Interpretation

1.1 Unless the context otherwise requires or unless otherwise defined in this safety permit, words or phrases defined in the Act shall have the meanings given to them in the Act.

1.2 Unless the context otherwise requires, in this safety permit:

“Accepted Safety Case(s)” has the meaning given in Part I of this safety permit;

“Act” means the Electricity Regulation Act 1999, as amended;

“Letter of Acceptance” means the letter issued to the Operator providing notification of acceptance of the submitted safety case referenced in Part I of this safety permit, and setting out the Requirements of the Letter of Acceptance placed on the Operator;

“Levy Order” means an order made under paragraph 16 of Schedule 1 to the Act;

“Operator” means the entity appointed under section 13KA (1) to conduct designated petroleum activities including managing and controlling the functions of petroleum infrastructure (except non-production installations) in carrying out petroleum activities as defined in Section 13A of the Act;

“Production Activities” means those designated petroleum activities in respect of which the Accepted Safety Case has been prepared which fall within the class of designated petroleum activity described in Regulation 4(2) of the Petroleum Safety (Designation of Certain Classes of Petroleum Activity) Regulations 2013;

“Petroleum Authorisations” means those authorisations listed in Part I of this safety permit;

“Petroleum Infrastructure” means all or any part of the facilities structures and installations described in the Accepted Safety Case;

“Petroleum Undertaking” means a person to whom a petroleum authorisation has been given or granted as defined in Section 13A of the Act;

“Requirements of the Letter of Acceptance” means the requirements placed on the Operator, listed in Annex A of their Letter of Acceptance;

“Relevant Authority” means an authority listed under section 13H(4) of the Act.

1.3 In this safety permit

(a) **“Grantee”** refers to the person or each person to whom this safety permit is granted and any reference to **“the Grantee”** refers to each Grantee severally.

(b) a reference to:

(i) a Part, Condition or paragraph, unless otherwise specified, is a reference to a Part, Condition or paragraph of this safety permit;

(ii) the singular includes the plural and vice versa and references to one gender includes all genders;

- (iii) any other document referred to in this safety permit is a reference to that document as amended, varied, novated or supplemented at any time.
- (c) a reference to a statute or statutory provision shall be construed as a reference to the laws of Ireland unless otherwise specified and includes:
 - (i) any subordinate legislation made under it including all regulations, by-laws, orders and codes made thereunder;
 - (ii) any repealed statute or statutory provision which it re-enacts (with or without modification); and
 - (iii) any statute or statutory provision which modifies, consolidates, re-enacts or supersedes it.
- (d) any phrase introduced by the terms “including, “include” and “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- (e) The headings are inserted for convenience only. They are to be ignored in the interpretation of this safety permit.

2. Compliance with the Conditions

- 2.1 The Grantee shall comply with the Conditions until the Grantee discharges all obligations under or in connection with the Petroleum Authorisations and the Grantee ceases to carry out any activities under or in connection with the Petroleum Authorisations.
- 2.2 The Grantee shall procure that the Operator comply with the Conditions. Any breach of a Condition or Conditions as a result of an act or omission of the operator, shall be deemed to be a breach of such Condition or Conditions by the Grantee.
- 2.3 Notwithstanding anything else in this safety permit, the Conditions shall cease to be binding on the Grantee when the Grantee has discharged all obligations under or in connection with the Petroleum Authorisations and the Grantee has ceased to carry out any activities under or in connection with the Petroleum Authorisations.

3. The Safety Case

The Grantee shall procure that the Operator shall at all times act in accordance with their Accepted Safety Case, and where relevant the combined operations notification accepted by the Commission under section 13OA(11) of the Act.

4. Letter of Acceptance

- 4.1 The Grantee shall procure that the Operator shall comply with the Requirements placed on the Operator in the Letter of Acceptance:

PSE Kinsale Energy Limited Letter of Acceptance, D/18/22187, 13 May 2019.

5. **Safety Performance Requirements**

The Grantee shall, and shall procure that the operator, comply with such safety performance requirements as may be specified by the Commission from time to time.

6. **Transfer of Petroleum Authorisation**

6.1 In the event that all or any of the Petroleum Authorisations, or the benefits thereof, are proposed to be assigned, novated or otherwise transferred, in whole or in part, such that:

- (a) all or any of the Grantee(s) will cease to carry on all or any of the Production Activities; and/or
- (b) a new petroleum undertaking which is not the holder of a safety permit in respect of the Production Activities wishes to carry on those Production Activities,

and provided that no material alteration is proposed to be made to the Accepted Safety Case, the Grantee(s) shall apply to the Commission to have this safety permit replaced with a new safety permit in the names of the new petroleum undertaking(s).

6.2 Nothing in this Condition 6 shall prejudice the obligations of any Grantee or its procured Operator or any other petroleum undertaking in respect of any material alteration to an Accepted Safety Case.

7. **Notices**

7.1 The relevant notice details for the Grantee shall be as specified in the Special Conditions, provided that the Grantee may notify the Commission of any changes to the notice details specified on not less than two (2) clear weeks' prior written notice.

7.2 The Grantee (the "Appointor") may authorise another Grantee to act as agent for service of notices under this safety permit. In such case the Appointor agrees that that any notice and / or request for information under this safety permit shall be effectively served on it in connection with this safety permit if such notice or request is properly served on its agent.

7.3 A copy of any notice served on an agent shall be sent by post to the Appointor. Failure or delay in serving such a copy shall not prejudice the effectiveness of the notice.

8. **Revocation**

8.1 The Commission may at any time revoke this safety permit by not less than 21 days' notice in writing to the Grantee:

- (a) if the Grantee or its procured Operator fails to comply with the Conditions of this safety permit;
- (b) if the Grantee or its procured Operator fails to comply with an Improvement Notice issued under section 13Z of the Act
- (c) where, in the opinion of the Commission, the Grantee is not complying with its duties under section 13K of the Act; or
- (d) in accordance with section 13T(2)(e)(iv) of the Act.

9. **Petroleum Safety Levy**

The Grantee shall pay to the Commission any amounts specified in, or determined under a Levy Order, in accordance with the provisions of such Levy Order.

10. **General**

For the avoidance of doubt, the Conditions in this safety permit are not exhaustive of the obligations of the Grantee and are additional to and without prejudice to any other obligations under any applicable law or regulatory instrument.

PART III: Special Conditions

1. Definitions and Interpretation

1.1 Unless the context otherwise requires, in this safety permit:

“Additional Information” means:

- In connection with Production Safety Case (KG-17-SR-PRD-00349-G-H1) (24th November 2014):
 - (a) Responses to Additional Information Request Letter no. 1 of 17th December 2014 as follows:
 - (i) 13th July 2015/ CER/SP08/00101;
 - (b) Response to Additional Information Request Letter no. 2 of 22nd January 2015 as follows:
 - (i) 14th July 2015/ CER/SP08/00102;
 - (c) Responses to Additional Information Request Letter no. 3 of 18th March 2015 as follows:
 - (i) 16th July 2015/ CER/SP08/00104;
 - (d) Responses to Additional Information Request Letter no. 4 of 23rd April 2015 as follows:
 - (i) 16th July 2015/ CER/SP08/00105;
 - (e) Responses to Additional Information Request Letter no. 5 of 12th May 2015 as follows:
 - (i) 16th July 2015/ CER/SP08/00106
 - (f) Responses to Additional Information Request Letter no. 6 of 22nd May 2015 as follows:
 - (i) 16th July 2015/ CER/SP08/00107
 - (g) Responses to Additional Information Request Letter no. 7 of 9th June 2015 as follows:
 - (i) 16th July 2015/ CER/SP08/00108
 - (h) Responses to Additional Information Request Letter no. 8 of 2nd July 2015 as follows:
 - (i) 16th July 2015/ CER/SP08/00109
 - (i) Responses to Additional Information Request Letter no. 9 of 6th July 2015 as follows:
 - (i) 21st October 2015/ CER/SP08/00111

- (j) Responses to Additional Information Request Letter no. 10 of 14th July 2015 as follows:
 - (i) 21st October 2015/ CER/SP08/00112
- (k) Responses to Additional Information Request Letter no. 11 of 20th July 2015 as follows:
 - (i) 21st October 2015/ CER/SP08/00113
- (l) Responses to Additional Information Request Letter no. 12 of 19th August 2015 as follows:
 - (i) 27th October 2015/ CER/SP08/00114
- In connection with Production Safety Case (KG-17-SR-PRD-00349-G-H2) (30th May 2016):
 - (a) Responses to Additional Information Request Letter no. 1 of 8th July 2016 as follows:
 - (i) 15th August 2016/ CER/SP08/00123
- In connection with Production Safety Case (KG-17-SR-PRD-00349-G-H3) (4th July 2018):
 - (a) Responses to Additional Information Request Letter no. 1 of 3rd September 2018 as follows:
 - (i) 26th September 2018/ CER/SP08/00160
 - (ii) 8th November 2018/ CER/SP08/00164

1.2 in each case as submitted by PSE Kinsale Energy Limited for and on behalf of the Grantee.

2. **Prohibition on the carrying on of specified activities without ALARP Demonstration**

2.1 This safety permit does not permit the carrying on of well interventions and workovers from the Alpha and Bravo installations noted in the Safety Case where an ALARP demonstration has not been furnished for such methods, systems equipment or components.

Reason: Each petroleum undertaking is required to demonstrate that it has reduced risks to a level that is ALARP in respect of each petroleum activity undertaken. Where alternative methods, systems, equipment or components are flagged in the Safety Case, they will nevertheless require a full ALARP Demonstration prior to their employment.

3. **Safety Permit expiry**

3.1 This permit expires on 14th January 2021.

Reason: To comply with the accepted safety case.

4. **Replacement of Safety Permit SP 08A Dated 15th December 2016**

With effect from the Commencement Date, this safety permit replaces Safety Permit SP 08A dated 15th December 2016 which was granted in accordance with Production Safety Case ((KG-17-SR-PRD-00349-G-H2) 30th May 2016 and with effect from the Commencement Date, Safety Permit SP 08A dated 15th December 2016 is no longer in force.

5. Notices

The notice details for each Grantee are as follows:

PSE Kinsale Energy Limited

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]