

**Our Ref:** RL 08.RL2607  
**P.A.Reg.Ref:** GA 00003  
**Your Ref:**

J. McElligott & R. O'Mahoney  
Safety Before LNG,  
Island View,  
Convent Street,  
Listowel,  
Co. Kerry

**Date:**

**17 FEB 2009**

**Referral Re:** Whether works associated with Shannon LNG project  
(PL08.GA003) is or is not development or is or is not exempted  
development.  
Ralappane, Co. Kerry.

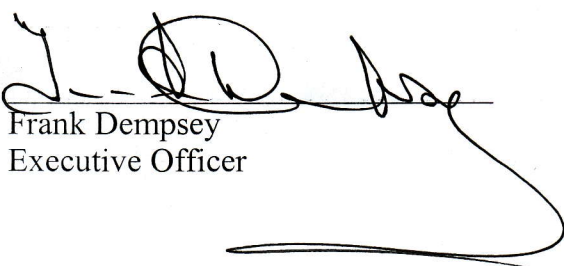
Dear Sirs,

An Bord Pleanála has received your letter in which you intended to make a  
referral under section 5 of the Planning and Development Acts 2000 to 2007.

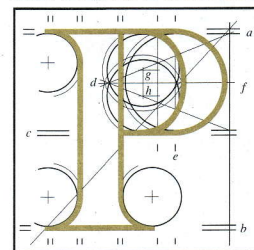
Having reviewed the submitted documentation the Board has decided that the  
referral is invalid as no question has been raised that comes within the scope of  
section 5 of the Planning and Development Acts 2000 to 2007.

The documents lodged by you and a cheque for the money lodged are enclosed.

Yours faithfully,

  
Frank Dempsey  
Executive Officer

An Bord Pleanála

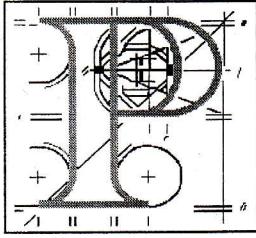


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64 Marlborough Street,  
Dublin 1.

An Bord Pleanála



## Board Direction

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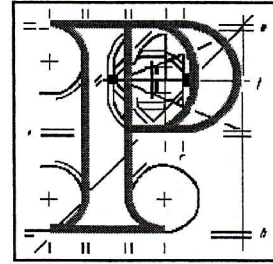
Ref: 08.RL2607

The submissions on this file and the file memoranda were considered at a Board meeting held on 16<sup>th</sup> February 2009.

The Board decided, in accordance with the recommendation of the ADP, that the referral is invalid as no question has been raised that comes within the scope of Section 5 of the Act. Fee to be returned.

Board Member: Brian Hunt Date: 17<sup>th</sup> February 2009.  
Brian Hunt

**Memorandum**



To:- Board

Re:- File ref.08.RL2607

Subject:- Validity of referral

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This file involves the referral, by the "Safety before LNG" group, c/o J. McElligott and R O'Mahony, of the decision (or purported non-decision) of Kerry County Council, under Section 5 of the Act, dated 16<sup>th</sup> December 2008, in respect of their submission to the Council of 27<sup>th</sup>/28<sup>th</sup> November 2008.

The submission related to the question as to whether or not changes to the Shannon LNG project (permitted by the Bord under file ref PA0003), as a result of the current proposal for a gas pipeline (file ref GA0003) would represent a material change to the original LNG project as to constitute development that is not exempted development.

**Background**

The Council's decision was that the function of a Section 5 reference is to clarify whether particular works or use constitute development or exempted development, and that, as the works involved were the subject of 2 planning applications to the Board under the 2006 Act, the "determination under Section 5 was "not relevant and inappropriate in this instance".

In their referral to the Board, the referrers have argued that Kerry County Council was wrong to have rejected their Section 5 request, and consider that the Council "seems to be of the opinion that since planning permission for a pipeline has now been applied for separately then this does not represent any material change in the original permission given for an LNG terminal, which did not include the pipeline". The referrers ask the Board to determine the matter. They submit that the provision of the proposed pipeline involves material changes to the permitted LNG terminal, and request a declaration as to whether or not such changes to the Terminal project are or are not development and are or are not exempted development.

The referrers' submission, which is quite lengthy and includes a number of appendices, is somewhat opaque, and refers to a number of other matters, including an alleged lack of safety assessment of the overall project, and lack of full and comprehensive assessment of the environmental impact of the overall project, due to



the separation of the different aspects of regulatory regime to differing agencies in Ireland. They also criticise the conduct of the oral hearing on the pipeline case, alleging that witnesses were not permitted to ask questions and raise issues on safety matters, and on the LNG terminal.

It would appear to me, from a careful examination of the submitted documentation, that the essential argument put forward by the referrers, under Section 5, is that, by having two separate planning applications, the applicants for the development (Shannon LNG Ltd) have engaged in "project splitting", by separating the two components of what is an overall scheme. Their request to the Board is summarised as follows:-

*"We are of the opinion that the current GA0003 application before the Board should be for a pipeline and an LNG terminal. We are essentially requesting a declaration as per our original request to the Council, because it represents a MATERIAL CHANGE to the original project and is contrary to the EIA Directive".*

### **Assessment**

I have read the entire submission, and have also checked the content of the two planning applications, for respectively the LNG Terminal and the Pipeline.

I note that the Terminal proposal, for which permission has already been granted by the Board, included a gas metering building, and "all associated on-site infrastructure required to serve the proposed development" (see copy of public notice from that file, attached).

I note that the pipeline proposal, while it shows the proposed pipeline commencing/terminating in this gas metering building, indicates that the gas metering building is part of the Terminal application, and is shown on the submitted drawings for that application "for illustrative purposes only" (see copy of page 29 from the EIS).

Hence it is evident to me that there are no actual works envisaged in the overall combined project that were not included or contemplated in either of the two planning applications. In layman's terms, in the first part of the process, the Terminal, the gas is offloaded into the terminal site and stored, and directed to a metering building. In the latter, it is taken from this metering building, and transmitted into the grid network by means of the pipeline.

For this reason, there is no actual new development proposed at the Terminal site as a result of the pipeline proposal, and therefore there are no changes, material or otherwise, of the Terminal development, resulting from the provision of the pipeline.

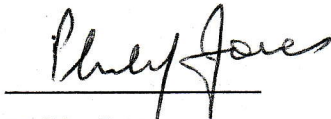
All of the proposed works are, of course, development and are not exempted development, but they are the subject of valid planning applications. Those in the Terminal are now, as a result of the Board's permission, permitted development, and if the Board grants permission for the pipeline proposal, those works would also be permitted development. However, that is not what was queried by the referrers.

I am also satisfied that the "project splitting" mentioned by the referrers is not within the ambit of Section 5, which is designed to determine whether or not particular works or changes of use are or are not development and are or are not exempted development.

I consider that all of the other arguments put forward in the lengthy submission are not within the ambit of Section 5, and many would appear to be legal in nature, and hence a matter for the courts.

### **Recommendation**

I therefore conclude that there is nothing in the referrers' submission that raises any question that falls to be determined within the ambit of Section 5 of the Act. I would therefore recommend that the Board should invalidate the referral, as the Planning Authority had done, and return the fee.

A handwritten signature in dark ink, appearing to read "Philip Jones", is written over a horizontal line.

**Philip Jones**

**Assistant Director of Planning**

11<sup>th</sup> February 2009



LNG  
Terminal  
V. 1.1

## Planning and Development Acts 2000 to 2006

### NOTICE OF DIRECT PLANNING APPLICATION TO AN BORD PLEANÁLA IN RESPECT OF A STRATEGIC INFRASTRUCTURE DEVELOPMENT

In accordance with Section 37E of the Planning and Development Act 2000 as amended by the Planning and Development (Strategic Infrastructure) Act 2006 Shannon LNG Limited gives notice of its intention to make an application for permission to An Bord Pleanála in relation to the following proposed development:

The proposed development is a liquefied natural gas (LNG) regasification terminal, located on the southern shore of the Shannon Estuary in the townlands of Ralappane and Kilcolgan Lower, Co. Kerry, comprising a new marine jetty with mooring and breasting dolphins and vehicle access, gangway tower, equipment to unload LNG from ships, monitor house, seawater intake and outlet, seawater pump house and screening equipment, jetty gate house, pipe racks and pipe tracks with LNG pipelines and seawater pipelines, plate and frame heat exchangers, 4 no. LNG storage tanks (each approximately 200,000m<sup>3</sup> in volume) with ancillary platforms, pumping equipment and vents, LNG vaporisation process equipment including compressor house, boil-off gas condensers, high pressure send-out pumps, shell and tube heat exchangers, monoethylene glycol (MEG) storage tank, MEG circulation pumps, MEG transfer pumps, MEG expansion tank, local instrument equipment room, heater building, main control room, LNG impounding basins, main electricity substation, process area electricity substation, utility area electricity substation, nitrogen generation plant comprising air purification equipment, evaporators, compressors, cold boxes, nitrogen trim heater, liquid nitrogen vaporisers, liquid nitrogen storage vessels, instrument air system comprising air receivers, air compressors, compressor aftercoolers and air driers, ancillary equipment and facilities, gas metering building, workshop and warehouse building, external storage areas, guard house, firewater pump house, materials jetty, administration building, car parking, demolition of existing derelict dwellings and farm buildings, site roads, earthworks, underground and above-ground drainage including outfall to estuary, water supply services, utility systems, embankment and pond, construction laydown areas, operational laydown areas, security fence, landscaping, works to existing public road to accommodate two new entrances to the development, and all associated on-site infrastructure required to serve the proposed development.

An Environmental Impact Statement has been prepared in relation to the application.

The proposed development relates to the provision of an establishment to which the Major Accident Directive applies.

The proposed development comprises or is for the purposes of an activity requiring an Integrated Pollution Prevention and Control (IPPC) Licence.

The planning application and the Environmental Impact Statement prepared in connection with this application may be inspected free of charge or purchased on payment of a specified fee during public office opening hours for a period of seven weeks commencing on 28 September 2007 at the following locations:

The Offices of An Bord Pleanála 64 Marlborough Street, Dublin 1.

The Offices of the relevant Planning Authority: Kerry County Council, County Buildings, Rathass, Tralee

The application may also be viewed/downloaded on the following website:

<http://www.shannonlngplanning.ie>

Submissions or observations may be made only to An Bord Pleanála ('the Board') 64 Marlborough Street, Dublin 1 during the above-mentioned period of seven weeks relating to -

- (i) the implications of the proposed development for proper planning and sustainable development, and
- (ii) the likely effects on the environment of the proposed development, if carried out.

Any submissions/observations must be received by the Board not later than 5.30p.m. on the 16 November 2007 and must include the following information:

- (i) the name of the person making the submission or observation, the name of the person acting on his or her behalf, if any, and the address to which any correspondence relating to the application should be sent,
- (ii) the subject matter of the submission or observation, and
- (iii) the reasons, considerations and arguments on which the submission or observation is based in full.

Any submissions or observations which do not comply with the above requirements cannot be considered by the Board.

The Board may in respect of an application for permission decide to -

- (a) (i) grant the permission/approval, or
- (ii) make such modifications to the proposed development as it specifies in its decision and grant permission/approval in respect of the proposed development as so modified, or
- (iii) grant permission/approval in respect of part of the proposed development (with or without specified modifications of it of the foregoing kind), and any of the above decisions may be subject to or without conditions,

or

- (b) refuse to grant the permission/approval.

Any enquiries relating to the application process should be directed to the Strategic Infrastructure Section of An Bord Pleanála (Tel. 01-8588100)



### **Pig-Trap (bi-directional)**

The function of the pig-trap (and associated equipment) is to launch (or retrieve) a 'pig' which is propelled through the pipeline. Pigs are used for two purposes: initially during the gassing-up/commissioning to clean and dewater the pipeline, and later, when the pipeline is operational, an intelligent pig is sent through the pipeline to monitor pipeline conditions such as the wall thickness of the pipeline. Refer to **Section 3.5.3** for a description of the 'pigging' process.

### **Meters**

The metering facilities will be part of the permitted Shannon LNG Terminal development. They are described in this EIS for illustrative purposes only. The proposed Shannon LNG meters will be of the multi-path ultrasonic type. The meters may be housed in a building or structure of a suitable design.

### **3.7.2 Foynes AGI**

The Foynes AGI is the interface between the Shannon Pipeline and the national gas network. The Foynes AGI will facilitate the Shannon Pipeline in metering and controlling the gas flow and the transfer of custody of gas to Bord Gáis, and will allow Bord Gáis to receive the gas into the national gas network. There are two parts to the Foynes AGI, one for the Shannon Pipeline one for the Bord Gáis pipeline system. The facilities at Foynes AGI are described below under two headings: the Shannon Pipeline facilities, and Bord Gáis facilities.

#### **3.7.2.1 The Shannon Pipeline Facilities**

The Shannon Pipeline part of the AGI will contain the following elements:

### **Pig-Trap (bi-directional)**

Pig-Traps are described in detail in **Section 3.7.1**.

### **Meters**

The proposed Shannon Pipeline meters are described in **Section 3.7.1**. This meter at the Foynes AGI will be the official meter for the natural gas custody transfer.

### **Access, Security and Maintenance**

The operational equipment will be enclosed within a security fence, and landscape planting will be undertaken to screen the installation. A closed-circuit television system will be installed in the AGI, and will be monitored by Shannon LNG. The AGI will normally be unmanned; however it will be visited regularly by maintenance personnel. Normal maintenance will require vehicular access, and access will be gained from the local road at Leahys townland.

#### **3.7.2.2 Bord Gáis Facilities**

The configuration of the Bord Gáis part of the AGI is based on information provided by Bord Gáis. It will be typical of existing Bord Gáis AGIs on the national gas network. It contains filters, meters, heaters, pressure regulators and a flow control system. The layout, sizing and extent of the Bord Gáis buildings and equipment presented in this EIS are typical for an installation of this size and function. Changes are expected based on detailed design to be conducted later, although these changes are not expected to materially increase the impact of the facility on the environment or residents in the area.

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Island View,  
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**Date:**

**17 FEB 2009**

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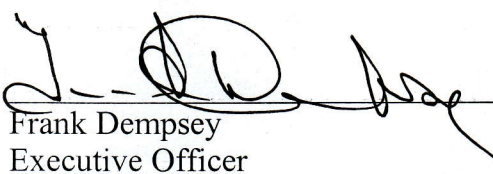
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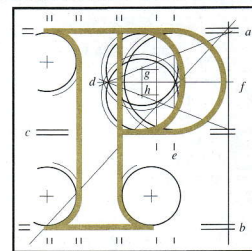
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Frank Dempsey  
Executive Officer

An Bord Pleanála



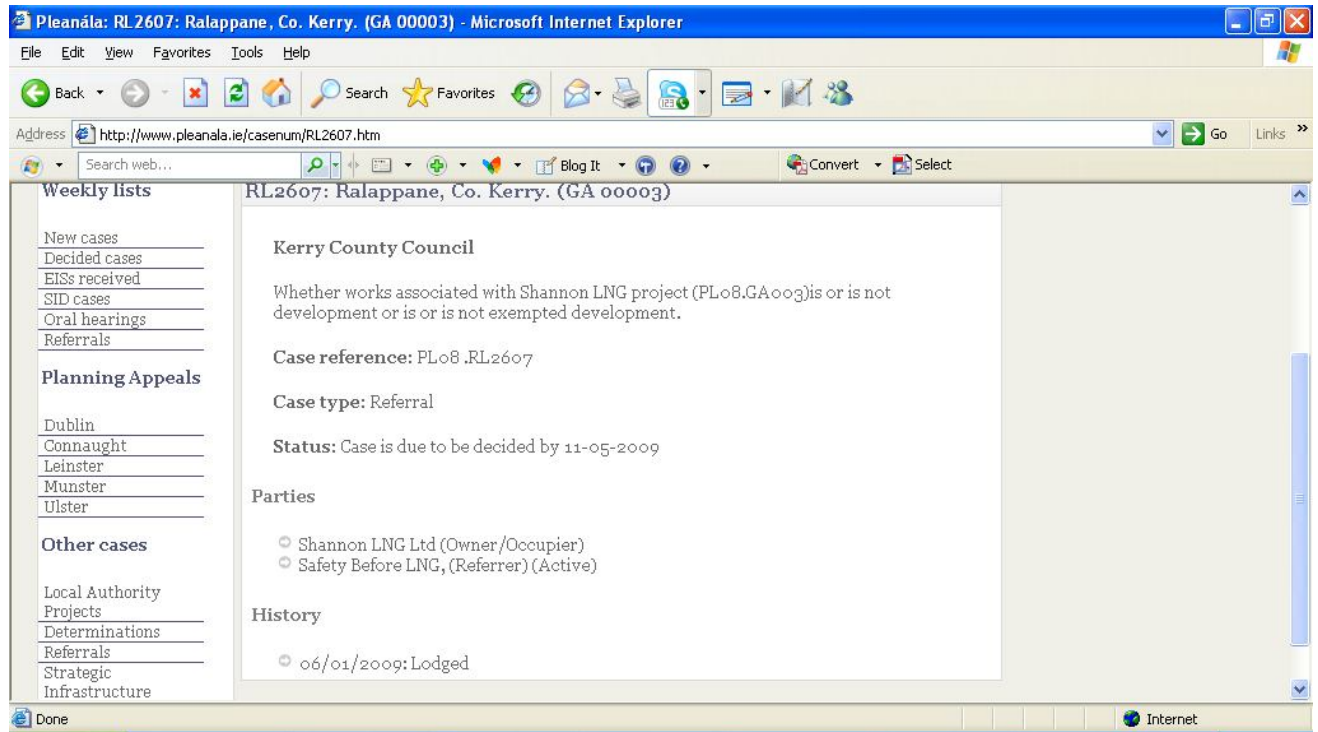
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64 Marlborough Street,  
Dublin 1.



Section 5 referral to An Bord Pleanála on project splitting of Shannon LNG project with a decision due by May 11<sup>th</sup> 2009:





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Convent Street  
Listowel  
County Kerry

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Web: [www.safetybeforelng.com](http://www.safetybeforelng.com)

## *Safety before LNG*

*Protecting the Shannon Estuary and its people*

5 January 2009

An Bord Pleanála,  
64 Marlborough Street,  
Dublin 1.

Re: Section 5 referral on whether changes to the Shannon LNG project at Tarbert, County Kerry granted permission under PA0002 constitute work on the original project which is or is not development and is or is not exempted development.

Dear Sir,

We are hereby referring to An Bord Pleanála the Planning and Development Act 2000, section 5 ruling by Kerry County Council received by us on December 16<sup>th</sup> 2008.

The 'Safety Before LNG' group represents people from both Kilcolgan and the wider community and is advocating responsible strategic siting of LNG terminals in areas which do not put people's health and safety in danger.

Please find enclosed a cheque for €220, the required fee for this referral.

We are also attaching the following documentation:

- I) Original Section 5 Submission to Kerry County Council
- II) Section 5 Appendix 1. Signed Submission by MEP Ms. Kathy Sinnott.
- III) Section 5 Appendix 2. Signed Submission by 'Friends of the Irish Environment'.
- IV) Section 5 Appendix 3. Shannon LNG Information booklet, Issue 5 November 2008.
- V) Section 5 Kealy and Pierce Brosnan Signed Submission
- VI) Section 5 Susan Jordan of the California Coastal Protection Network Signed Submission
- VII) Section 5 Pobal Chill Chomain, County Mayo, submission
- VIII) Section 5 Steve Goldthorpe, Energy Analyst, submission
- IX) Section 5 reply from Kerry County Council of December 16<sup>th</sup> 2008.



Kerry County Council, in its reply, seems to be of the opinion that since planning permission for a pipeline has now been applied for separately then this does not represent any material change to the original permission given for an LNG terminal, which did NOT include the pipeline.

However, as highlighted by us in our section 5 request to Kerry County Council, we are seeking a declaration under Section 5 (1) of the Planning and Development Act 2000 on whether changes to the Shannon LNG terminal project constitute work on the original project which is or is not development and is or is not exempted development.

We are of the opinion that the current GA0003 application before the Board should be for a pipeline AND an LNG terminal. We are essentially requesting a declaration on whether or not “project splitting” is development which is not exempt as per our original request to the Council, because it represents a MATERIAL CHANGE to the original project and is contrary to the EIA Directive.

We are especially concerned that Kerry County Council can deem our referral to it as “not relevant and inappropriate” and would hope that An Bord Pleanála will, at the very least, apply prudence in examining the issues we have raised here.

We have serious concerns about the cumulative impacts of this LNG project which have not been assessed to date. The largest LNG tankers in the world will be coming to store LNG in the most sizeable hazard in Ireland in the world’s largest LNG storage tanks. This is effectively a third-world project in a first-world country.

1. There has been NO marine risk assessment of an LNG spill on water. This assessment should be comparative.
2. There has been No marine risks assessment of an LNG accident from ships travelling in the Shannon Estuary. The Health & Safety Authority confirmed at the recent An Bord Pleanála oral hearing in Listowel on December 1<sup>st</sup> 2008 into the pipeline that its remit stopped at the shoreline and the planning advice it gave to An Bord Pleanála did not include any risks on water nor any deliberate acts such as terrorism or sabotage.
3. No consideration has been given to the consequences of an LNG accident or the consideration of an emergency plan. No account has been taken of how and if an emergency plan can even be implemented for the given site and project.
4. It is our contention that the interactions between the decision-making bodies (such as the Foreshore Section, An Bord Pleanála, the EPA, the CER and the HSA) are illegally totally inadequate and currently almost non-existent, cannot be assessed and that the procedural requirements of the EIA Directive are not being respected. This is compounded by the level of project-splitting of this development. An infringement notice has been issued by the EU Commission against Ireland for the lack of interaction between the EPA and An Bord Pleanála. There is no integrated assessment of this project in our opinion.
5. Following the unexpected quick end to the An Bord Pleanála oral hearing into the LNG pipeline held at Listowel on December 1<sup>st</sup> and 2<sup>nd</sup> 2008, the Safety Before LNG group is calling for an investigation into what it now perceives as serious irregularities

in the planning process for the Shannon LNG project.

- a. The group's technical expert, Peter North, was not allowed to cross-examine the developer at the oral hearing on the QRA the developer used to calculate the risk of the project, because the inspector, Anne Marie O'Connor noted that this document had not been submitted to the planning authority and would have to be assessed by the CER. This brought a rapid close to the oral hearing because our hands were effectively tied.
- b. Peter North said that the risk could be 1000 times more than that stated by Leon Baudoin for the developer, who had himself referred to the same QRA at the same oral hearing when describing the risks to individuals as "insignificant"
- c. The QRA had been supplied to Safety Before LNG by the Robert O'Rourke of the CER on November 27<sup>th</sup> 2008 at 16:40 who stated "The Commission is currently reviewing the Section 39A application from Shannon LNG and we will be in contact with you in due course in relation to your submission. In the meantime we have passed on your submission to Shannon LNG and have asked them to provide a response. For your information, please find attached a Quantative Risk Assessment undertaken by Shannon LNG, this document is also available on Shannon LNG's website."
- d. In its initial submission the CER said it would not have an Oral hearing if An Bord Pleanála had one, but this was retracted by Denis Cagney of the CER at day 1 of the oral hearing when we indicated that we would be cross-examining the CER.
- e. Patrick Conneely, senior inspector of the Health and Safety Authority, admitted at the hearing on day 1 that the H S A advice to An Bord Pleanála stopped at the shoreline, did not include any risks from LNG tankers moving in the estuary, did not include any LNG spill on water and did not include risks from deliberate acts such as sabotage or terrorism.
- f. When questioned by Peter North, Denis Cagney of the CER admitted that it did not have the ability in house to assess the risks from the LNG project.
- g. The Safety Before LNG group was also not allowed to submit evidence from a New Zealand-based energy analyst Steve Goldthorpe who questioned the entire logic of the LNG project. He stated that "the entire supply of natural gas for power generation in Ireland in 2007 would correspond to 38 shiploads of LNG per year". As the developer anticipates 125 ships a year then it is now evident that the LNG is for eventual export and that lower Irish corporation tax would be a motivating factor. This cannot therefore be said to be in Ireland's national interest.
- h. We are of the opinion that Shannon LNG provided information to the planning authorities which was misleading, if not downright false - an offence under the planning laws.
  - i. they claimed that "spillages of LNG is likely to evaporate quickly on discharge" which is not true.
  - ii. the risks from the pipeline could be up to 1000 times more risky than submitted by Leon Baudoin.

To repeat ourselves, the proposed LNG terminal will be the most sizeable hazard in Ireland, the impacts of which will be felt by many different interest groups beyond the local area. .



The 'Safety Before LNG' group are now accusing the statutory bodies of cutting corners in the assessment of the most sizeable hazard in Ireland because all the statutory bodies have still refused to undertake or demand an LNG Marine Risk Assessment dealing with the consequences of an LNG spill on water and do not have the expertise inhouse to deal with the overall safety issues of the LNG project

6. Shannon LNG has delayed the construction date of its proposed Liquefied Natural Gas regasification terminal at Tarbert County Kerry, according to industrial news agencies in the US. Texas-based Industrial Info Resources reported on December 23rd 2008 that Shannon LNG, a wholly-owned subsidiary of Hess LNG, has delayed the construction date but remains committed to constructing the first-ever Irish LNG-receiving terminal. However, no future date has been disclosed. The 'Safety Before LNG' group highlighted at an oral hearing held by An Bord Pleanála in Listowel on December 1st and 2nd 2008 into the proposed pipeline from the LNG plant, evidence from New Zealand-based energy analyst, Steve Goldthorpe, who noted that "the entire supply of natural gas for power generation in Ireland in 2007 would correspond to 38 shiploads of LNG per year".

As already mentioned above, Shannon LNG, however, has stated in its formal planning application documents that it has plans for deliveries of up to 125 shiploads of LNG per year. We believe that this latest news would confirm our suspicions that Hess is only interested in an LNG plant in Ireland if it can either monopolise the Irish Market or else export gas via the interconnector, benefitting from Ireland's low corporation tax. This project by a foreign multinational cannot therefore be deemed to be in the national or public interest and we now request that the department assesses this information in detail.

7. The Irish Constitution – Bunreacht na hEireann – states in Article 40 (1) that “All citizens shall, as human persons, be held equal before the law”. It states in Article 40 (3)(1) that “The State guarantees in its laws to respect, and, as far as practicable, by its laws to defend and vindicate the personal rights of the citizen”. And in Article 40(3)(2) it states that “The State shall, in particular, by its laws protect as best it may from unjust attack and, in the case of injustice done, vindicate the life, person, good name, and property rights of every citizen.” We expect that An Bord Pleanála, as an organ of the state should uphold these aforementioned constitutional rights. Residents of a sparsely-populated area must be afforded the same degree of protection from danger as residents of a more densely populated area, such as Dublin would be as obliged by Article 40(1).

It was made quite clear to everyone involved at the An Bord Pleanála pipeline oral hearing in Listowel on December 1<sup>st</sup> and 2<sup>nd</sup> 2008, that the inspector was only concerned about the pipeline and would not entertain any reassessment of the original planning application. She was therefore considering the pipeline as a standalone project.. This referral therefore requires a ruling by the board on whether the pipeline represents a material change to the original planning permission that would require a completely new planning application.

Yours sincerely,

Johnny McElligott and Raymond O'Mahony

Safety Before LNG

<http://www.safetybeforelng.com>

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Address: Island View, Convent Street, Listowel, County Kerry, Ireland



Kerry County Council reply:

Planning Department,  
Kerry County Council,  
County Buildings,  
Tralee,  
County Kerry.

HS/PG  
16<sup>th</sup> December, 2008

Mr. Johnny McElligott  
Island View,  
Convent Street,  
Listowel,  
County Kerry

Section 5 Referral relating to the Shannon LNG project

Dear Sir,

I wish to refer to the Section 5 referral accompanied by a fee of €80 as received from you on 27<sup>th</sup> and 28<sup>th</sup> November, 2008.

The function of a Section 5 reference is to clarify whether particular works or use constitute development or exempted development within the meaning of the Planning and Development Acts, 2000 to 2007.

You will be aware that the Shannon LNG project is the subject of 2 no. planning applications to An Bord Pleanála in accordance with the Strategic Infrastructure Act 2006. You will also be aware that:

- a) a decision to grant permission on the first application per Bord Pleanála reference 08.DA0003 (in respect of the LNG terminal) has been made;
- b) an oral hearing relating to the second application per Bord Pleanála reference 08.GA0003 (in respect of the pipeline to the grid network) has been conducted with a decision now pending on the application.

Given that the development in question is the subject of a current permission / current application, the Planning Authority considers that a determination under Section 5 of the Planning and Development Act, 2000 is not relevant and inappropriate in this instance.

A refund of the fee of €80 as submitted with the referral application is currently being arranged and will be forwarded to you in due course..

Yours faithfully,

A.O. Planning



Safety Before LNG  
Island View  
Convent Street  
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Email: [safetybeforelng@hotmail.com](mailto:safetybeforelng@hotmail.com)  
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## ***Safety before LNG***

### *Protecting the Shannon Estuary and its people*

28 November 2008

Planning Department  
Kerry County Council  
Council Buildings  
Rathass  
Tralee  
Co. Kerry  
By email to: [kcc@kerrycoco.ie](mailto:kcc@kerrycoco.ie) and [plan@kerrycoco.ie](mailto:plan@kerrycoco.ie)

RE: Section 5 declaration on whether changes to the Shannon LNG project at Kilcolgan, Tarbert, County Kerry granted permission under PA0002 constitute work on the original project which is or is not development and is or is not exempted development.

Dear Sir/Madam,

This is an application to Kerry County Council seeking a declaration under Section 5 (1) of the Planning and Development Act 2000 on whether changes to the Shannon LNG project constitute work on the original project which is or is not development and is or is not exempted development.

The 'Safety Before LNG' group represents people from both Kilcolgan and the wider community and is advocating responsible strategic siting of LNG terminals in areas which do not put people's health and safety in danger. See attached signed submissions by Ms. Kathy Sinnott M.E.P.<sup>1</sup> and Mr. Tony Lowes for "Friends of the Irish Environment"<sup>2</sup> on whose behalf this submission is also, therefore, being made.

Shannon LNG was granted planning permission for an LNG terminal at Tarbert on March 2008 directly through the fast-track planning procedure of the Strategic Infrastructure Act 2006 by An Bord Pleanála. Shannon LNG has now applied for a 26-kilometre gas pipeline from the proposed LNG terminal under planning reference GA0003. Please consider the following issues in making your decision:

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<sup>1</sup> See 'Section 5 Appendix 1' – Signed submission by Ms. Kathy Sinnott M.E.P.

<sup>2</sup> See 'Section 5 Appendix 2' – Signed submission by "Friends of the Irish Environment".

1. We are of the opinion that the result of the European Court of Justice ruling of July 3<sup>rd</sup> 2008 regarding the inadequate Environmental Impact Assessment (EIA) at Derrybrien<sup>3</sup> is that any new information on a project that has an EIA would **require a new EIA on the entire project** to assess their environmental effects as obliged by the EIA Directive .  
The court ruled as follows :

*“ that, by failing to adopt all measures necessary to ensure that:*

- *projects which are within the scope of Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment either before or after amendment by Council Directive 97/11/EC of 3 March 1997 are, before they are executed in whole or in part, first, considered with regard to the need for an environmental impact assessment and, secondly, where those projects are likely to have significant effects on the environment by virtue of their nature, size or location, that they are made subject to an assessment with regard to their effects in accordance with Articles 5 to 10 of Directive 85/337, and...*

*Ireland has failed to fulfil its obligations under Articles 2, 4 and 5 to 10 of that directive;”*

An extensive programme of pre-development archaeological testing has already taken place on the site which included building a road through the site. This was detailed in Chapter 14.6 of Volume 2 of the EIS submitted by Shannon LNG to An Bord Pleanála for planning application PA0002. Indeed, chapter 7.2 of the same volume describes the archaeological investigation itself as the first of six broad areas of construction activity on the site. This therefore means that this project is development that has already begun and any modifications to this project therefore constitute a project to which the ECJ ruling of July 3<sup>rd</sup> 2008 applies because **this project has been “executed in part”**.

A modification to the Shannon LNG project was officially made by application GA0003 to construct a 26-kilometer pipeline from the proposed LNG terminal to the national gas grid at Foynes in County Limerick. We question that the environmental report accompanying this application was inadequate as per the ECJ ruling of July 3<sup>rd</sup> 2008. We are now requesting a declaration from Kerry County Council on whether or not this modification is or is not exempted development.

2. An official application for a 26-kilometre pipeline is a material change to the permitted LNG terminal as it is an integral part of the project. This is a perfect example of project-splitting which is contrary to the EU EIA Directive. The original planning permission was for a terminal only; the new application is for a pipeline to this LNG terminal. Our contention is that the **project is to be therefore considered as a new one - a pipeline AND an LNG terminal**, compared to the information available during the first assessment. We are now requesting a declaration from Kerry County Council on whether or not this modification to

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<sup>3</sup> European Court of Justice ruling C-215/06: [http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=EN&Submit=Rechercher\\$docrequire=alldocs&numaff=C-215/06&datefs=&datefe=&nomusuel=&domaine=&mots=&resmax=100](http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=EN&Submit=Rechercher$docrequire=alldocs&numaff=C-215/06&datefs=&datefe=&nomusuel=&domaine=&mots=&resmax=100)



the original project is or is not exempted development. In response to a question<sup>4</sup> raised by Member of the European Parliament (M.E.P.) Ms. Kathy Sinnott, the EU Commission responded on this issue as follows on November 7<sup>th</sup>, 2008:

*“When referring to the addition of information requiring a new Environmental Impact Assessments (EIA), the Directive does not provide for a deadline to re-conduct an assessment on the basis of supplementary information. This process depends on the importance of the new elements brought forward and it is for the Member States to appreciate if a new EIA is needed. This could be the case if the project is to be considered as a new one, compared to the information available during the first assessment.”*

In addition, the following works have not yet even been considered for this project:

- a. The developer has only made vague references to its plans for the rest of its site on the land bank. They suggest maybe a gas-fired power station which would, they say, “be the subject of a separate planning application and EIS” (EIS volume 1 page5). On November 2008, Shannon LNG announced in its information booklet, issue 5 that:

*“Shannon LNG has registered an electricity generation company with the Companies Registration Office. Ballylongford Electricity Company Ltd. has been registered in order to provide a vehicle, should it be required, to manage the operation of a separate electricity generation business associated with the proposed LNG Terminal.”<sup>5</sup>*

- b. Shannon LNG also states (EIS volume 1 page5) that electricity to be supplied via 110kv lines from the ESB network at Tarbert will also “be the subject of a separate planning application”. On November 2008, Shannon LNG announced in its information booklet, issue 5 that  
*“Shannon LNG has accepted an offer from Eirgrid for a power supply to the site. The supply will be from Tarbert”.*<sup>6</sup>
- c. Shannon LNG goes on to state (EIS volume 1 page5) that Kerry County Council will upgrade the coast road from Tarbert which “will also be the subject of a separate planning application”.

3. Planning permission was given for the LNG terminal without any conditions attached on the obligation to first obtain all other environmental permits e.g. an Integrated Pollution Prevention and Control (IPPC) licence from the Environmental Protection Agency (EPA). No EPA licence has yet been obtained. It is our contention that applying for a pipeline for a project that has not yet obtained an EPA licence is a modification to the original permission that constitutes development which is not exempted development and we are now asking Kerry County Council to rule on this question. There is no integrated assessment of this project in our opinion. Our contention is that the **interactions between the decision-making bodies is totally inadequate and currently almost non-existent and cannot be assessed and that the procedural requirements of the EIA Directive are not being respected.** In response to a question (reference E-4740/08EN) raised by Member of the European

<sup>4</sup> Question to the EU Commission raised by MEP Ms. Kathy Sinnott: reference E-4740/08EN  
<http://www.europarl.europa.eu/sides/getDoc.do?sessionId=ADB262D6911C8729563B6D432D65463B.no del?type=WQ&language=BG&reference=E-2008-4740&secondRef=0>

<sup>5</sup> See ‘Section 5 Appendix 3’ below: Shannon LNG Information Booklet, Issue 5, November 2008

<sup>6</sup> See ‘Section 5 Appendix 3’ below: Shannon LNG Information Booklet, Issue 5, November 2008

Parliament (M.E.P.) Ms. Kathy Sinnott<sup>7</sup>, the EU Commission responded on this issue as follows on November 7<sup>th</sup>, 2008:

*“Directive 85/337/EEC<sup>8</sup> does not exclude the possibility that more than one authority may make a decision in respect of a proposed project. However, it must be ensured that the procedural requirements of the Directive are respected. It should be noted that the Directive makes provision for assessing the interactions between different factors. If different factors are the subject of decisions by different decision-making bodies, arrangements must be adequate to ensure that these interactions are assessed.*

*The Commission is aware that, in Ireland, approval of certain kinds of projects requires both a planning consent and separate pollution-control consent. It has some concerns that the current Irish legislation does not fully ensure the assessment of interactions (Infringement procedure 1997/4703).”*

In response to a question (reference E-4066/08EN) raised by Member of the European Parliament (M.E.P.) Mr. Proinsias De Rossa<sup>9</sup>, the EU Commission responded on September 2<sup>nd</sup> 2008:

*“Infringement 1997/4703 is now chiefly about the conformity of Irish legislation used to implement Directive 85/337/EEC on the assessment of the effects of certain public and private projects on the environment<sup>(1)</sup>. The directive lays down a set of requirements to be met by national authorities when submitting, or determining whether to submit, certain projects to environmental impact assessment. As of 31 July 2008, the status of the procedure was that the Commission had decided to refer Ireland to the European Court of Justice but had not yet executed this decision.”*

4. The extension of the LNG project represents a broadening of the public affected by this project and therefore renders, among others, conditions 37 and 38 of the original planning permission unenforceable because the local communities between Kilcolgan and Foynes have been disenfranchised and excluded from any benefits or protections.
5. The original planning application permission PA0002 references condition 45 in condition 40 but only 40 conditions are listed. Conditions 41 to 45 are therefore missing and this planning permission is therefore invalid as unenforceable.
6. The original planning application was for an LNG terminal. The Irish Health and Safety Authority (HSA) advice to An Bord Pleanála on that project only covered the risks on the land. The HSA remit for this application stopped at the water's edge. An Bord Pleanála

<sup>7</sup> Question to the EU Commission raised by MEP Ms. Kathy Sinnott on 8 September 2008: reference E-4740/08EN

<http://www.europarl.europa.eu/sides/getDoc.do?jsessionid=ADB262D6911C8729563B6D432D65463B.no&del?type=WQ&language=BG&reference=E-2008-4740&secondRef=0>

<sup>8</sup> Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment.

<sup>9</sup> Question to the EU Commission raised by MEP Proinsias De Rossa on 18 July 2008 reference E 4066/08 EN <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+WQ+E-2008-4066+0+DOC+XML+V0//EN>

made its planning decision without obtaining any HSA expertise on any risk assessment of an LNG spill on water from LNG tankers travelling in the estuary. Our understanding is that the EPA did not attend the original oral hearing into the LNG terminal. Since a planning application has now been submitted for a pipeline, gas will be able to leave the site so the transport of LNG to the site on the estuary will now be able to realistically take place. This represents a material change to the original project and an assessment of the risks and consequences of an LNG spill on water from a moving vessel on the estuary needs to be analysed. This means that this is not a separate project but a whole new project that is work that constitutes development which is not exempted development. We now request that Kerry County Council rules on this assertion.

In conclusion, we want a determination on whether planning permission for part of a dangerous LNG project split into its constituent parts, each of which is an integral part of the one project, is invalidated and therefore represents development which is not exempt when permission for the next constituent part (in this case the LNG pipeline) is applied for. We are therefore requesting a declaration on whether or not “project splitting” is development which is not exempt.

We have forwarded you the required fee of 80 Euro and await your feedback.

Yours faithfully,  
Johnny McElligott



Section 5 Appendix 1. Signed Submission by MEP Ms. Kathy Sinnott.  
Attached in a separate file

Section 5 Appendix 2. Signed Submission by 'Friends of the Irish Environment'.

From: admin@friendsoftheirishenvironment.net  
To: safetybeforelng@hotmail.com  
Subject: RE: Section 5 referral on Shanonn LNG project  
Date: Wed, 26 Nov 2008 15:03:28 +0000

Hi Johnny –

This is good and we'd be delighted to sign!

Tony

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**From:** Safety Before LNG [mailto:safetybeforelng@hotmail.com]  
**Sent:** 26 November 2008 11:52  
**To:** Tony Lowes Friends of the Irish Environment  
**Subject:** Section 5 referral on Shanonn LNG project

Hi Tony,

Could you please confirm by email that would like the 'Friends of the Irish Environment' to be added to the attached section 5 referral to Kerry County Council on the Shannon LNG project.?

Kind Regards,

Johnny McElligott

Safety Before LNG  
<http://www.safetybeforelng.com>  
e-mail: [safetybeforelng@hotmail.com](mailto:safetybeforelng@hotmail.com)  
Tel.: +353-87-2804474  
Address: Island View, Convent Street, Listowel, County Kerry, Ireland

## Section 5 Appendix 3. Shannon LNG Information booklet, Issue 5 November 2008.

### Shannon Pipeline Application.

An Bord Pleanála has announced that it will conduct an Oral Hearing on the Shannon Pipeline Application in the Listowel Arms Hotel, commencing Monday, 1<sup>st</sup> December 2008.

The proposed Shannon Pipeline will connect the national gas grid near Foynes to the LNG Terminal, thereby extending the gas grid to Kerry for the first time.

The Shannon Pipeline planning application was submitted to An Bord Pleanála on the 14<sup>th</sup> August 2008. The proposed pipeline comes within the Strategic Infrastructure provisions of the Planning and Development Act.

On the 5<sup>th</sup> September 2008, an application under the Gas Acts was made to the Commission for Energy Regulation for Consent to construct the Pipeline.

Over a year prior to lodging the Planning Application, Shannon LNG met with the Farming Organisations to agree Wayleave Arrangements for Landowners along the pipeline route.

Subsequently, Shannon LNG met with individual Landowners to discuss the proposed Pipeline route.

Shannon LNG also entered into consultation with interested parties and in May 2008 held information evenings for the wider community in Foynes and Tarbert.

### Terminal Planning Permission secured

In January of this year, An Bord Pleanála conducted an eight day Oral Hearing in Tralee on the planning application for the LNG Terminal. The Board subsequently granted permission for the Terminal on 28<sup>th</sup> March 2008.

In June 2008, two High Court applications were made to have An Bord Pleanála's decision judicially reviewed. The case involved An Bord Pleanála, the Health & Safety Authority and the Attorney General with Shannon LNG as a Notice Party.

The case commenced in the Commercial High Court on 14<sup>th</sup> October 2008 and was later withdrawn by the parties who had sought the judicial review.

Thus Shannon LNG has secured full planning permission for the Terminal.

### WORK ONGOING

#### Initial Archeological Work

Archaeological test trenching was undertaken on the site in recent months. The work also included a wade and metal detection survey in the stream running through the site. The work was undertaken in accordance with the terms of the Terminal planning permission and under licence from the Department of the Environment, Heritage and Local Government.

The work was in preparation for the detailed archaeological work, which will entail excavation and recording of the identified areas, and will be carried out a later date.

## Power Supply to Site

Shannon LNG has accepted an offer from Eirgrid for a power supply to the site. The supply will be from Tarbert.

## Electricity Generation

Shannon LNG has registered an electricity generation company with the Companies Registration Office. Ballylongford Electricity Company Ltd. has been registered in order to provide a vehicle, should it be required, to manage the operation of a separate electricity generation business associated with the proposed LNG Terminal.

## New Appointment

Shannon LNG is pleased to announce the appointment of Martin Regan as Commercial Manager. Martin has 15 years experience in the gas & electricity sectors. Previously Martin operated a consultancy practice specialising in gas and electricity regulation, capacity planning and economic analysis. Prior to that Martin worked for BG Group plc in Ireland, UK and Asia in engineering and commercial roles in the gas and electricity sectors.

## Contact Details

Shannon LNG Limited,  
Clieveragh Business Park,  
Listowel, County Kerry  
Tel: 068 53 310



**Submissions to An Bord Pleanala and Irish and European Statutory Bodies and representatives in Respect of LNG gas and petroleum Storage facilities at Kilcolgan, County Kerry and on the Southern Shores of the Shannon Estuary.**

**Case reference:** Liquefied Natural Gas re-gasification terminal proposed for Ralappane and Kilcolgan Lower, Co. Kerry; associated pipeline and works and compulsory purchase of lands (Bord Pleanala references PC0002, PA0002, GC0003, GA0003, DA0003); the proposed SemEuro Petroleum Storage facility adjacent to the proposed LNG site (Bord Pleanala reference PC0008); Section 5 referral under the Planning and Development Act 2000 questioning exempted status of works on proposed LNG project; submissions to all the Irish and European statutory bodies from whom permits are required for the proposed LNG terminal and to whom submissions may be made concerning the aforementioned projects

**Name of Person (or agent) making submission/observation:** Johnny McElligott (Group submission for the 'Safety Before LNG' group representing people from the wider community which is advocating responsible strategic siting of LNG terminals in areas which do not put people's health and safety in danger)

**Address to which Correspondence should be sent:** Island View, 5 Convent Street, Listowel, Co. Kerry, Ireland.

**Subject matter of submission or observation:** Proposed LNG Terminal: Recommending complete Rejection of the Planning application – to include the LNG terminal, the associated Naural Gas pipeline, the compulsory purchase of lands, the proposed Gas powered electricity-generating plant and all associated works on and near the site sold by Shannon Development to Shannon LNG as well as an objection to gas and oil storage facilities by SemEuro adjacent to the Site (Bord Pleanala Reference PC0008) and on the southern shores of the Shannon Estuary.

**Reasons/Considerations/Arguments:**

We are objecting to the entire proposed LNG terminal and associated pipeline and projects due to, among other things, the health, safety, environmental, economic and residential amenity grounds supported in detail in the attached documentation as well as due to the lack of a strategic environmental assessment of the development of the site specifically or of oil and gas storage facilities on the southern shores of the Shannon Estuary in general.

DATE

NAME

ADDRESS

SIGNATURE

1/10/08

Kathy Sinnott

Kathy Sinnott MEP  
St. Joseph, Ballinabearna,  
Ballinacorney, Co. Cork



Safety Before LNG  
Island View  
Convent Street  
Listowel  
County Kerry

Telephone: +353-87-2804474  
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Web: [www.safetybeforelng.com](http://www.safetybeforelng.com)

*Safety before LNG*

*Protecting the Shannon Estuary and  
its people*

9 December 2008

Planning Department  
Kerry County Council  
Council Buildings  
Rathass  
Tralee  
Co. Kerry  
By email to: [kcc@kerrycoco.ie](mailto:kcc@kerrycoco.ie) and [plan@kerrycoco.ie](mailto:plan@kerrycoco.ie)

RE: Section 5 declaration on whether changes to the Shannon LNG project at Kilcolgan, Tarbert, County Kerry granted permission under PA0002 constitute work on the original project which is or is not development and is or is not exempted development.

Dear Sir/Madam,

Please find attached supporting our section 5 referral to Kerry County Council, submissions from Susan Jordan (Director of California Coastal Protection Network), actor Pierce Brosnan and his wife Keely, and Steve Goldthorpe (New Zealand based energy analyst).

You will note that Steve Goldthorpe points out in section 2.5 that "the entire supply of natural gas for power generation in Ireland in 2007 would correspond to 38 shiploads of LNG per year". Considering that Shannon LNG is planning 125 tankers a year, it would seem logical to assume that the LNG is for export and the siting decision is motivated by lower corporation taxes in Ireland. Why should a multinational obtain a monopoly position of this strategic infrastructure?

We await your feedback.  
Yours faithfully,

Johnny McElligott

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November 28<sup>th</sup>, 2008

Planning Department  
Kerry County Council  
Council Buildings  
Rathass  
Tralee  
County Kerry

**RE: Support for Section 5 Declaration filed by Safety Before LNG  
Challenging Permissions for Shannon LNG Project**

Dear Sir/Madam,

It has recently come to our attention that Ireland is considering the construction of an LNG import terminal on the Shannon Estuary between Tarbert and Ballylongford in County Kerry. However, it is clear from a review of the approval process so far that this proposal has been fast-tracked and piecemealed by separating the terminal itself from its associated pipeline and that no coherent assessment of the serious and significant risks to public health and safety has been undertaken.

The decision to approve and construct an LNG terminal is a gravely serious matter that demands the utmost scrutiny and review. We learned this first hand by participating in the review an LNG terminal proposal for offshore California put forth by the largest mining company in the world, BHP Billiton. What we found was a massive, industrial facility that would have polluted our community in violation of existing air quality laws and that posed serious long term risks to public safety and security. After four years of hearings and testimony in opposition to this terminal, our elected officials resoundingly rejected the proposal and Governor Arnold Schwarzenegger vetoed it as an unacceptable choice for California.

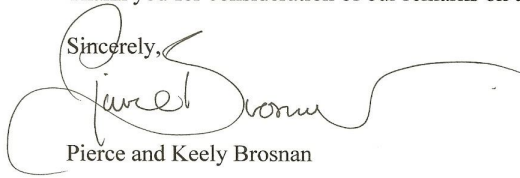
We strongly support Safety Before LNG's request that the Planning Department find that this project and its associated pipeline must be thoroughly reviewed for the serious cumulative risks it poses for the local population and the environment. In today's day and age when the world is focused on reducing green house gas emissions and ensuring an environment



that will support and sustain future generations, it is imperative that we concentrate on renewable sources of energy and avoid continued dependence on imported and polluting fossil fuels.

Thank you for consideration of our remarks on this important subject.

Sincerely,

A handwritten signature in black ink, appearing to read "Pierce and Keely Brosnan", with a large, stylized initial "P" and a long, sweeping horizontal line extending to the right.

Pierce and Keely Brosnan





**CALIFORNIA COASTAL PROTECTION NETWORK**  
906 Garden Street, Santa Barbara, CA 93101 • 805-637-3037  
[WWW.COASTALADVOCATES.COM](http://WWW.COASTALADVOCATES.COM)

November 28<sup>th</sup>, 2008

Planning Department  
Kerry County Council  
Council Buildings  
Rathass  
Tralee  
County Kerry

**RE: Support for Section 5 Declaration filed by Safety Before LNG  
Challenging Permissions for Shannon LNG Project**

Dear Sir/Madam,

The California Coastal Protection Network is a non-profit environmental advocacy organization based in the United States. Our organization is one of the top experts on Liquefied Natural Gas (LNG) in the United States and undertook the successful campaign to stop the largest mining company in the world, BHP Billiton, from building a massive offshore LNG import terminal off the California Coast.

It has come to our attention that Ireland is considering the construction of an LNG import terminal on the Shannon Estuary between Tarbert and Ballylongford in County Kerry. However, it is clear from a review of the approval process so far that this proposal has been fast-tracked and piecemealed by bifurcating the terminal itself from its associated pipeline and that no coherent assessment of the serious and significant risks to public health and safety has been undertaken. This is both contrary to Irish law and basic commonsense.

LNG Terminals have been touted by resource extraction industry as the cheap, safe, reliable and clean way to increase energy supply. Unfortunately, this industry mantra is contrary to the hard facts:

**LNG is not safe:** Despite industry protestations to the contrary, it has been effectively proven and acknowledged by the US Government that LNG terminals and tankers are both terrorist targets and significant safety risks. In the case of the BHP Billiton proposal that was to be located roughly 12 miles offshore, a top independent LNG safety expert hired by CCPN determined that the resulting vapor cloud flash fire from a release of LNG would extend up to 7.3 miles from the terminal and would engulf the nearby shipping lanes and anything else in its path. In the case of Shannon LNG, D. Jerry Havens one of the most conservative and foremost experts on LNG safety in the world has determined that residents and property within 3 miles of the terminal would be at serious risk for death and injury. These are not risks that should be borne by local residents without a serious consideration of other alternative LNG sites if, indeed, the country is committed to constructing an LNG terminal on or off its shores.

**LNG will not be cheap or reliable:** LNG companies make many promises but the fine print protects the companies who stand to profit – in this case Hess LNG and Poten and Partners. These two companies are in the LNG business and have met stiff opposition for their attempts to build another LNG import terminal at Weaver's Cove, Massachusetts. Further, recent price fluctuations in the international market for LNG mirror those for oil and already LNG shipments have already being diverted to those countries willing to pay the highest price for the cargo. When one considers that over sixty percent (60%) of global natural gas reserves lie within three countries, Russian, Iran and Qatar, it is clear that increased reliance on LNG is a risky economic proposition. Talks of an LNG cartel have been revived and it is likely that LNG purchasing nations will have little if any control over the future cost of LNG imports. Creating a dependency on imported LNG for over 40% of Ireland's natural gas supply creates a serious economic vulnerability for a country when other potential alternatives exist.

**LNG is not clean:** One of the most specious claims made by the industry is that LNG is clean and should be part of our global 'clean



energy future.’ What the LNG industry does not tell you is that the green house gas (GHG) emissions generated by the extraction, liquefaction, transportation, regassification and combustion of LNG far exceeds the emissions generated by the extraction and combustion of domestic natural gas. The bottom line is that like oil, LNG is an imported fossil fuel. When all of its emissions of its life cycle are accounted for, it is much closer to coal than clean, renewable energy sources. Further, depending on terminal design, LNG pollutes the marine environment by consuming and discharging massive amounts of seawater for storage and regassification damaging the marine environment.

CCPN urges the Planning Department to find that Shannon LNG’s proposal to build an LNG terminal and its associated pipeline be reviewed in its entirety for its cumulative impacts on the Shannon Estuary and on the people who will reside in proximity to the proposed terminal. If the project can withstand the scrutiny of appropriate environmental and security review, it will be approved. If, however, it is found that the proposed LNG terminal carries unacceptable risks to both human health and safety as we believe it does, it will be denied and alternatives will be found.

In the United States as coastal states like California, Oregon, Massachusetts, Connecticut, New York and others have become better educated about LNG terminals and tankers and the long-term significant impacts they pose, they have objected to top down approvals by the federal government. Given the risks associated with these proposals, it is imperative that local, state and federal government abide by the law and require that these terminals undergo the serious scrutiny they deserve. Further, understanding the financial consequences that a renewed reliance on an imported fossil fuel will bring to all countries should be given serious weight in any decision to allow an outside, profit-oriented entity to control LNG imports.

CCPN would be happy to provide the extensive documentation compiled during its 4 year review of the proposed BHP Billiton LNG terminal and to convey the many documents and reports that have been compiled by the U.S. Government on the subject of LNG terminals and tankers.

Thank you for consideration of our remarks on this important subject.

Sincerely,

A handwritten signature in black ink, reading "Susan Jordan" followed by a long, horizontal, wavy flourish.

Susan Jordan, Director

Glengad  
Pollathomas  
Ballina  
County Mayo  
086 3123439

18<sup>th</sup> December 2008

Planning Department  
Kerry County Council  
Council Buildings  
Rathass, Tralee  
County Kerry

**RE: The “Safety Before LNG” group’s request for a declaration under Section 5 of the Planning and Development Act 2000 - on proposed changes to the Shannon LNG project at Kilcolgan, Tarbert, County Kerry - dated 28<sup>th</sup> November 2008.**

Dear Sir/Madam

I am writing to you on behalf of Pobal Chill Chomaín (a local community group in Kilcommon Parish in North Mayo) to express our support for the “Safety Before LNG” group - representing the vested interests of the people of Kilcolgan and the wider community - in their efforts to secure a sustainable development that ensures the health and safety of their people and their environment.

The potential impacts associated with major gas projects are well known to our community, with the development of the Corrib offshore gas field currently being proposed to be situated in the heart of our parish. As a community we have faced the difficulties of participating in the planning process in a fair and equitable manner, and we recognise and share many of the concerns expressed by the residents of Kilcolgan in recent times in relation to the planned LNG installation on the Shannon estuary.

Our own experiences have shown that there are serious deficiencies in the planning, licensing and regulatory systems in this jurisdiction - and particularly with reference to the practice of project-splitting - which gives rise to inadequate protection for people and the environment when faced with large-scale industrial projects.

What is of great concern is that the authorities are just not capable of handling projects of this type and scale, and this is even more serious when the consequences of such developments are potentially catastrophic. This is clearly the case with hazardous pipelines, refineries, and the transportation and storage of Liquefied Natural Gas.

Pobal Chill Chomaín wishes to urge Kerry County Council to give serious consideration to the proposed changes to the Shannon LNG project and its associated impacts, and to act in the best interests of those people who would be directly affected by this development.

Yours sincerely

---

John Monaghan  
Spokesperson, Pobal Chill Chomaín

# Steve Goldthorpe Energy Analyst Ltd.

P.O. Box 96, Waipu 0545, New Zealand.

Phone/Fax:- +64 9 432 0532

Mobile:- +64 0274 849 764

Email: [Steve.Goldthorpe@xtra.co.nz](mailto:Steve.Goldthorpe@xtra.co.nz)



## **BEFORE AN BORD PLEANÁLA**

### **IN THE MATTER**

of Case [GA0003](#)

**Gas pipeline to connect Shannon LNG Terminal at Ralappane, Co. Kerry to existing natural gas network at Leahys, Co. Limerick;**

### **AND**

of Case [DA0003](#)

**Application for an acquisition order for the Shannon LNG Terminal at Tarbert, Co. Kerry to the Bord Gáis Eireann Network at Foynes, County Limerick;**

### **AND**

**Proposal to locate the Shannon LNG terminal at Tarbert, Co, Kerry.**

### **APPLICANT**

**Shannon LNG**

### **RESPONDENT**

**Safety Before LNG**

## **STATEMENT OF EVIDENCE OF STEPHEN HENRY GOLDTHORPE**

### **1. Introduction**

- 1.1 My name is Stephen Henry Goldthorpe. I am a graduate chemical engineer with 30 years experience in technical and economic assessment of energy conversion processes. From 1979 to 1995 I worked for the British Coal Corporation in the Project Assessment and Development Branch in Cheltenham, UK.





- 1.2 From 1995 to 2002 I worked in New Zealand for URS Corporation as an environmental engineering consultant. For the last 6 years I have been managing director of Steve Goldthorpe Energy Analyst Ltd, which is an independent New Zealand consultancy. I am an active member of the Sustainable Energy Forum of Aotearoa Incorporated.
- 1.3 Since May 2008 I have been providing technical and strategic assistance to the BurningBridges Group, which is based in New Plymouth, New Zealand. That group is coordinating opposition to the creation of an LNG importing facility in the Port of New Plymouth. Through that work I have become familiar with many aspects of the LNG industry and the strategic issues surrounding the global expansion of trade in LNG. Through that work I have become acquainted with the proposal by Shannon LNG to build an LNG terminal in Ireland. Through that work I have become acquainted with the campaign by Safety Before LNG to oppose the Shannon LNG proposal.
- 1.4 I have observed several similarities between the situation in New Zealand and the situation in Ireland. I therefore offer An Bord Pleanála an international perspective on the matter of the proposed Shannon LNG terminal and its consequences. I propose an alternative energy strategy for Ireland. I am willing address any questions from An Bord Pleanála on this submission.<sup>1</sup>
- 1.5 I am aware that safety is the overwhelming concern of the people living near to sites that are proposed for LNG terminals; in Ireland, in New Zealand and elsewhere. Based on my research of the safety issues, I have good reason to be sympathetic with their concerns about the inherent danger associated with LNG terminals generally, and the proposed New Plymouth plant in particular. However, I will make no further comment on the safety issue in this submission.

## **2. Rationale for importing LNG**

- 2.1 In both New Zealand and Ireland the creation of an LNG importing terminal would result in the introduction of a major new source of energy into the mix of energy resources available to meet the energy needs of

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<sup>1</sup> I am unable to attend in person the An Bord Pleanála hearings at the Listowel Arms Hotel, which start on December 1<sup>st</sup> 2008, because I live in New Zealand. I would be pleased to present this submission personally to the hearing and answer questions on it via an audio or video link. Alternatively, I authorise Mr Johnny McElligott or his nominee to read this submission to the hearing on my behalf.



each country. A comparative summary of the national energy balances of Ireland and New Zealand in 2007 is shown in Exhibit 1.

- 2.2 In New Zealand the known domestic natural gas resources are inadequate to meet on-going essential needs in the long term, so new discoveries are needed because there are no near neighbours who could provide future gas supplies by pipeline. Modest new gas discoveries are needed to provide essential gas supplies to meet domestic, commercial and industrial needs. Major new gas discoveries would be needed to provide sufficient gas to meet and expand the discretionary use of natural gas for power generation. The rationale for the creation of an LNG importing terminal in New Zealand is that it is a back-up plan in case the search for new gas fields is unsuccessful.
- 2.3 In the case of Ireland, indigenous energy resources fall far short of energy demand, so coal, oil and gas are imported. Natural Gas is imported via two sub-sea pipelines from the UK. Exhibit 2 shows natural gas supply and use in Ireland. Power generation accounts for over half of the natural gas use in Ireland. Additional natural gas imports will be required to meet and expand the discretionary use of natural gas for power generation.
- 2.4 Exhibit 2 shows a 58% increase in the quantity of natural gas imported into Ireland through the gas pipelines from the UK over seven years since the turn of the century. That rate of growth is not sustainable.
- 2.5 To provide context to the data in Exhibit 1, I note that the capacity of a large LNG tanker is about 3 PJ of energy. Therefore the entire supply of natural gas for power generation in Ireland in 2007 would correspond to 38 shiploads of LNG per year.
- 2.6 These matters provide a rationale for the creation of a natural gas importing terminal in Ireland.

### **3. Energy supply strategy**

- 3.1 Although Exhibit 1 shows significant differences in the scale of indigenous energy resources, there are a number of similarities between Ireland and New Zealand, which reflect global energy supply trends.
- Natural gas is established as a significant component of the mix of energy resources used for power generation;



- The development of natural gas fired power generation has historically been based on the availability of low cost natural gas supplies;
- The indigenous supply of natural gas is declining;
- There is uncertainty about the scope for new indigenous natural gas resources to significantly change the energy supply scene;
- Future natural; gas cost will be higher than historical prices, particularly if natural gas is imported as LNG;
- The use of renewable energy resources for economically competitive power generation is limited in its scope; at least in the short term;
- The use of oil for power generation is minor and is increasingly uneconomic;
- The use of coal for power generation is an established component of the mix of resources used for power generation;
- There is no inherent shortage of coal in the foreseeable future that might result in escalation of coal price.

3.2 In the light of these observations, I conclude that it is economically and strategically advisable for both Ireland and New Zealand to move away from gas-fired electricity generation.

3.3 Whilst sustainable electricity supplies preferably need to be made from renewable resources, the scale of renewable energy resources in Ireland shown in Exhibit 1 indicates that large scale replacement of gas by renewables in the short term is unrealistic.

3.4 Accordingly, I conclude that it is economically and strategically advisable for Ireland to transition from gas to coal as its principal controllable primary energy source for power generation.

#### **4. Cost comparison of Electricity Generation from LNG and Coal**

4.1 If a state-of-the-art natural gas combined cycle power station at 52% thermal efficiency has a specific investment of €750/kWe and an equivalent state-of-the art supercritical coal-fired power station at 42% thermal efficiency has a specific investment of €1500/kWe, then, at 70 % load factor and at 15% of capex per year for capital charge and non-fuel

operating costs, the non-fuel costs of power generation would be 18 €/MWh and 37 €/MWh respectively.

- 4.2 If the long term imported coal price is 2 €/GJ then coal-fired power generation would be the economically preferable option if the imported LNG price is more than 5 €/GJ.
- 4.3 The future price of LNG is uncertain and is rising, because demand for this commodity is high and production is constrained by capacity limitations. The price of LNG is expected to track the price of crude oil.
- 4.4 If the long term oil price were to stabilize at about US\$100/bbl (i.e. the likely cost of producing oil from coal, oil shale, tar sands etc.) and the cost of landed LNG were to stabilize at about 90% of the cost of crude oil on an energy equivalent basis, then, at an exchange rate of 1.3 US\$/€ the long term price of landed LNG would be about 11 €/GJ.
- 4.5 A report<sup>2</sup> recently prepared by independent economic analysts on future energy prices indicates a likely mid-range oil price in the region of US\$120/bbl from 2010-2020, subsequently rising progressively to US\$200/bbl by about 2030 and US\$400/bbl by 2060. This report also suggests parity between LNG and oil prices on an energy equivalent basis. These figures correspond to a likely mid-range landed LNG price rising from around €15/GJ to €25/GJ or more over a 20 year period.
- 4.6 These estimates of long term LNG prices are two to five times higher than the price required to be economically competitive with 2 €/GJ imported coal for power generation.

## **5. Greenhouse gas consequences**

- 5.1 Coal fired power generation is more greenhouse intensive than gas-fired generation. The CO<sub>2</sub> emissions from the natural gas and coal power station stacks would be 360 and 780 kg CO<sub>2</sub>/MWh respectively, based on the above comparison.
- 5.2 However, a more realistic assessment of greenhouse gas emission consequences is obtained using Full Fuel Cycle (FFC) methodology in which emissions from fuel production and processing is also taken into

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<sup>2</sup> Transport fuels and other energy forms – Price forecasts to 2060; Auckland Regional Council 26<sup>th</sup> November 2008; prepared by McCormickRankinCaney; [www.mrcagney.com](http://www.mrcagney.com)





account. The FFC methodology typically adds about 10% to imported coal and 20% to pipeline gas CO<sub>2</sub> emission factors.

- 5.3 Using these factors the greenhouse gas emissions from gas-fired and coal-fired generation would be about 858 and 432 kg CO<sub>2</sub>/MWh respectively. Hence power generation from local pipeline gas typically has 50% of the greenhouse gas footprint of coal-fired generation.
- 5.4 However, in the case of LNG a substantial amount of additional energy is used in the liquefaction process, cryogenic transportation and the regasification process.
- 5.5 I carried out a study in support of an environmental impact assessment for an LNG liquefaction facility in West Australia supplying LNG to gas consumers in California. In that case, I assessed the Full Fuel Cycle emission factor to be 40% greater than the combustion emission factor.
- 5.6 On that basis the FFC emission factor for the gas option would be 504 kg.CO<sub>2</sub>/MWh. In other words LNG-supplied gas-fired power generation would have 59% of the greenhouse gas footprint of coal-fired generation.

## **6. Uncertainty of long term availability of LNG**

- 6.1 Prudent investment in an LNG receiving terminal and commitment of the associated dedicated infrastructure has to be based on confidence that LNG will be available on demand from the global LNG market for the life of that infrastructure into the long term future.
- 6.2 I observe that: -
- Liquefaction of natural gas is only carried out where more lucrative local markets for natural gas resources do not exist;
  - LNG production for export is in direct resource competition with the production of methanol for export, which is a potential transport fuel;
  - In some cases LNG production is only carried out a means of disposing of a by-product of associated gas to facilitate access to oil resources;
  - There are reports of constraints on construction capacity and specialist expertise for the construction of LNG production facilities. These constraints are reportedly unlikely to resolved for a decade;

- The shipping of LNG on the high seas in tankers is a fragile energy transport method that is susceptible to disruption by terrorism or piracy;
  - There are reports from the USA of some LNG importing terminals lying idle due to the inability to source LNG at an economic price;
  - There is a high demand for LNG from the USA, Japan and other major trading nations. This may cause LNG traders to be unwilling to make supplies available to small independent market players, such as Ireland and New Zealand, except at a premium price.
  - The global production capability for conventional oil is showing signs of falling short of global oil demand. This phenomenon, known as Peak Oil, will exacerbate the above pressures on the global LNG market.
- 6.3 In view of these observations, I conclude that it would be imprudent to invest in major LNG infrastructure that relies upon a plentiful supply of LNG from the global market.

## **7. An alternative energy option**

- 7.1 Instead of importing expensive and unreliable LNG to meet Ireland's energy needs in the short term, I recommend that a more sustainable energy future should be based around the construction of an additional 1800 MW of new base-load coal fired power generation capacity as I have described earlier. This approximates to two more power stations of the size of the Moneypoint power station.
- 7.2 That scale of coal-fired generation would reduce the importing of natural gas from the UK into Ireland to 90% of the level that it was in year 2000. It would increase annual coal imports into Ireland to 2.3 times the amount of coal imported in 2007.
- 7.3 I recommend this as an economic and reliable interim energy strategy for Ireland to meet short term energy needs, whilst a longer term strategy is further developed, based on energy efficiency and conservation and renewable energy resources, to provide a sustainable energy future for Ireland in the long term.

Steve Goldthorpe

30<sup>th</sup> November 2008



## Exhibit 1 Comparison of Energy Use in New Zealand and Ireland

<b>New Zealand - Energy Balance 2007</b> (NZ Ministry of Economic Development)				
<b>Petajoules (Gross)</b>	<b>Fossil Fuels</b>			<b>Non-fossil</b>
	<b>Solid</b>	<b>Liquid</b>	<b>Gas</b>	<b>Renewables</b>
<b>Indigenous</b>	<b>125</b>	<b>93</b>	<b>170</b>	<b>229</b>
<b>Imported</b>	<b>-56</b>	<b>190</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>69</b>	<b>283</b>	<b>170</b>	<b>229</b>
<b>Power generation</b>	<b>26</b>	<b>0</b>	<b>75</b>	<b>166</b>
<b>All other uses</b>	<b>43</b>	<b>283</b>	<b>95</b>	<b>45</b>
<b>Ireland - Energy Balance 2007</b> (Sustainable Energy Ireland)				
<b>Petajoules (Gross)</b>	<b>Fossil Fuels</b>			<b>Non-fossil</b>
	<b>Solid</b>	<b>Liquid</b>	<b>Gas</b>	<b>Renewables</b>
<b>Indigenous</b>	<b>27</b>	<b>0</b>	<b>17</b>	<b>20</b>
<b>Imported</b>	<b>73</b>	<b>411</b>	<b>178</b>	<b>1</b>
<b>Total</b>	<b>100</b>	<b>411</b>	<b>195</b>	<b>21</b>
<b>Power generation</b>	<b>71</b>	<b>17</b>	<b>114</b>	<b>11</b>
<b>All other uses</b>	<b>29</b>	<b>394</b>	<b>81</b>	<b>10</b>

(In 2007 the populations in both Ireland and New Zealand were about the same  
at just over 4 million people)



## Exhibit 2

Natural gas supply and use in Ireland (SEI data)

