

**PLANNING ACT 2008**

**THE INFRASTRUCTURE PLANNING (APPLICATIONS: PRESCRIBED FORMS AND PROCEDURE) REGULATIONS 2009**

**The Morecambe Offshore Windfarm Generation Assets Development Consent Order Application**

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**Deadline 6 Submission of Spirit Energy Production UK Limited**

**Responses to the Examining Authority's Request for Further Information (Rule 17)**

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**EN010121**  
**Unique Reference: 20049981**

<b>Date</b>	15 April 2025
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### Responses to the Examining Authority's Request for Further Information (Rule 17)

The following table sets out the responses of Spirit Energy Production UK Limited (**Spirit Energy**) to the Examining Authority's requests for information on 10 April 2025 under Rule 17 of the Infrastructure Planning (Examination Procedure) Rules 2010 (as amended) [[PD-020](#)] directed to Spirit.

Question			Spirit's Response
R17.2.8	Harbour Energy Spirit Energy	At D5a both Spirit Energy [REP5a-076] and Harbour Energy [REP5a-078] provided draft protective provisions in their respective favours. Both Spirit and Harbour Energy are asked to provide them as Microsoft Word documents.	At Deadline 6, Spirit has submitted a Microsoft Word copy of its draft protective provisions.
R17.2.9	Spirit Energy	Spirit Energy was specifically requested (ExQ3DCO3) to provide tracked change versions of the protective provisions when compared with those provided by the applicant but have not done so at D5a. The question continued, in this case, if Spirit Energy "feel unable to comment on these provisions, they should set out their own full set of protective provisions explaining in commentary why these are to be preferred on a provision by provision basis". Spirit Energy is again requested to answer this question, and explain why it has failed to do so to date.	At Deadline 5A, Spirit provided a full set of protective provisions and provision-by-provision commentary on why they should be preferred to the Applicant's. At Deadline 6, Spirit has submitted an updated set of its protective provisions with minor amendments to its protective provisions with respect to the protective provisions plans that it has also provided at Deadline 6 (see Appendices C-E of Spirit's Deadline 6 submission). At Appendix 1 to this response to the Examining Authority's request for further information, Spirit has provided a comparison of its updated draft provisions against the Applicant's latest draft protective provisions with comments attached to each difference in provisions. Spirit notes for the Examining Authority's attention that the first row (with reference to Paragraph 3 (Buffer zones and protections)) of the table at Appendix 2 (Spirit Energy comments on the Applicant's proposed protective provisions) of Spirit's Deadline 5A response to ExQ3 3DCO3 referred to the 'well buffer zone' requirement proposed by Spirit of 500m. This should refer to 1nm for rig access. 500m is the safety exclusion zone required around legacy well heads; this is provided for within the 1nm required for rig access to the legacy well heads. This has been corrected in the comparison of Applicant and Spirit protective provisions provided in Appendix 1 to this response.

R17.2.11	Spirit Energy	<p>In the D5a submission 'The Applicant's Comments on Spirit Energy's Deadline 5 Submission Document Reference 9.65' [REP5a-061], the applicant submits that Spirit's calculations regarding the minimum take-off distances required for day VMC do not follow the required flight profile in the Rotorcraft Flight Manual (RFM). It is stated that this contrasts with previous submissions made to this examination [REP1-116, Figure 14A] and in connection with the Hornsea Three project examination library reference [REP7-093] (and could the applicant arrange for this latter document to be submitted into this examination). Spirit Energy is asked to respond and explain its position and why a different stance may have been taken to the RFM and the basis for this and to provide an updated calculation which follows the RFM so as to reflect that used by the applicant.</p>	<p>All North Sea helicopter operators use Above Mean Sea Level (AMSL) instead of above take-off surface (ATS) as the base reference datum, and this standard will remain unchanged. This method is chosen for safety reasons because the vertical distance (height) of obstructions, such as turbines, is also measured from AMSL. This is why AviateQ and Spirit's aviation operator NHV base their calculations on AMSL rather than using ATS as stated in the Rotor Flight Manual (RFM).</p> <p>With numerous installations and varying helideck heights, pilots operate to multiple locations within a single day or flight sequence. Standardising flight paths against mean sea level, rather than different take-off surface heights, enhances operational safety by eliminating the need to adjust the profile for each take-off during multi-stop operations. This approach reduces the risks of error and lessens pilot workload during critical phases of flight. AviateQ have aligned with the standard operating procedures of the helicopter operators as this is what happens in reality. Figure 14A of Spirit's Written Representation [REP1-116] applied heights Above Take Off Surface (ATS) in accordance with the RFM. However, AviateQ acknowledged and agreed with the comments in Appendix A to the Applicant's Response to Spirit's Deadline 1 Submission [REP2-031] (Comment ID 4.5iii) that Above Mean Sea Level (AMSL) should be used for consistency. Spirit consulted with its aviation operator, NHV, which confirmed that it applies AMSL in all calculations for its operations.</p> <p>If Spirit was to change its calculation to use ATS, then Flightpath 1 would change from 0.02 to 0.16, resulting in the total figure changing back from 3.76nm to 3.9nm for IMC take off and 1.7nm back to 1.84nm for VMC take off (see VMC Take Off and IMC Take Off tables in Appendix A (Tables of Anatec and AviateQ Aviation Buffers) of Spirit's Deadline 6 submission). Spirit Energy provided full calculations for VMC and IMC using the above take-off surface (ATS) as per Rotorcraft Flight Manual (RFM) in Appendix A to its Written Representation [REP1-116]. According to those calculations, VMC OEI take-off would require 1.84nm (calculated to 1.76nm plus 0.08nm legal obstacle clearance) and IMC OEI take-off would require 3.9nm (calculated to 2.9nm plus 1nm legal obstacle clearance).</p>
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**Appendix 1: Comparison of the Applicant's and Spirit's draft protective provisions with commentary**

## PART 3

### For the protection of Spirit Energy Production UK Limited

#### Application

~~1.1.~~ For the protection of the ~~owner~~licensee from time to time of ~~legal and beneficial interests in the~~ United Kingdom ~~Continental Shelf Blocks 110/2a, 110/3a and 110/8a, petroleum production licences with references P.251, P.1483 and P.153 (as the same may be assigned, amended or replaced from time to time)~~ which at the date stated in article 1 (citation and commencement) of this Order is Spirit Energy Production UK Limited, ~~unless otherwise agreed between the undertaker and the owner~~ the provisions of this Part of this Schedule shall have effect for so long as any of the licences said licences shall remain ~~in full force and effect~~extant unless otherwise agreed in writing between the undertaker and the licensee.

**Commented [A1]:** Licensee is the appropriate term as it correlates with the duties incumbent on the licence holder.

**Commented [A2]:** This is replaced at the end of paragraph 1.

**Commented [A3]:** The licence has various phases and requirements, all of which Spirit must be able to fulfil.

#### Interpretation

2. In this Part of this Schedule—

"additional costs" means any additional costs incurred by the ~~owner~~licensee in carrying out the ~~owner's~~ ~~works as a direct~~licensee's operations as a result of ~~any of the following: the construction, operation or decommissioning of the authorised development;~~

~~(a) impaired helicopter access to the AP-1 helideck and the DP-1 helideck to the extent such impaired helicopter access can be reasonably demonstrated to have been necessary as a direct result of the construction, operation and maintenance, and decommissioning of the authorised development;~~

~~(b) only to the extent not included in the calculation of costs under sub-paragraph (a), any use of vessels in substitution for impaired helicopter access to the AP-1 helideck and the DP-1 helideck subject to the use of vessels being approved in advance by the undertaker;~~

~~but in each case only to the extent that:~~

- ~~(i) — such costs have been reasonably and properly incurred by the owner;~~
- ~~(ii) — the owner provides evidence of costs incurred in a form and manner to the reasonable satisfaction of the undertaker;~~

(iii) ~~the owner and each relevant contractor, sub-contractor or agent have at all times used best endeavours to minimise and mitigate the costs; and~~

(iv) ~~such costs are not consequential loss.~~

"AP-1 helideck" means the helideck located on the accommodation platform at the CPC the coordinates of which is linked by bridge to CPPI are:

Location	Lat WGS84 (DD MM SS.sss)	Lon WGS84 (DD MM SS.sss)
AP-1 helideck	<u>53° 50' 44.348" N</u>	<u>003° 35' 00.579" W</u>

"authorised development" has the same meaning as in Schedule 1 of this Order and shall include any part of the said works including any preparatory works;

"cable" means the power and telecommunications cables connecting ~~CPPI~~CPC to the DP3 wells shown ~~purple~~pink and annotated as ~~Morecambe to CPPI~~CPC to DP3 on the Spirit ~~and Harbour~~Licence Protective Provisions Plan;

"Calder Platform" means the normally unattended, ~~minimum facilities wellhead~~ production platform located in the United Kingdom Continental Shelf Block 110/7a D;

~~"coexistence agreement" means an agreement entered on reasonable terms between the undertaker and the owner in respect of the authorised development and the owner's works to reconcile and protect the interests of the parties as are known at the time;~~

"consequential loss" means—

- (a) any consequential or indirect loss under English law; or
- (b) the following irrespective of whether direct, indirect or consequential loss—
  - (i) loss or damage arising out of any delay, postponement, interruption or loss of production of hydrocarbons, any inability to produce, process or deliver hydrocarbons or any loss of or anticipated loss of use, profit or revenue;
  - (ii) loss or damage incurred or liquidated or pre-estimated damages of any kind whatsoever borne or payable under any contract for sale, exchange, transportation, processing, storage or other disposal of hydrocarbons;

**Commented [A4]:** The Applicant's proposals for compensation are far too narrowly drafted and only envisage additional costs under a narrow heading of impaired helicopter access. Other than seeking to limit the Applicant's liability, Spirit sees no justification for limiting the scope of additional costs/compensation, other than identifying such costs as having resulted from the proposed development.

Nor should such scope be subject to a "best endeavours" requirement to mitigate loss, which is not reasonable or market standard and could require Spirit to prioritise this obligation above its own interests – both operationally and financially.

**Commented [A5]:** CPC is the correct term and Spirit has provided coordinates for the location of the helideck at CPC (AP-1) for accuracy.

**Commented [A6]:** This definition is included here with reference to Schedule 1 of the Order for clarity.

**Commented [A7]:** See amendments to paragraph 4.

(iii) losses associated with business interruption including the costs of overheads incurred during business interruption;

(iv) loss of bargain, contract, expectation or opportunity; or

(v) any other loss or anticipated loss or damage whatsoever in the nature of or consequential upon the foregoing,

in either case (a) or (b) above howsoever caused or arising whether under contract, by virtue of any fiduciary duty, in tort or delict (including negligence), as a consequence of breach of any duty (statutory or otherwise) or under any other legal doctrine or principle whatsoever whether or not recoverable at common law or in equity and whether or not foreseeable at the date stated in article 1 (citation and commencement) of this Order;

~~"CPP1CPC"~~ means the ~~manned~~ [hydrocarbon production and processing facilities complex known generally as such or the Central Processing Platform hub complex](#) ~~Complex~~ located in the United Kingdom Continental Shelf Block 110/2a, 110/3a and 110/8a;

"DP-1 helideck" means the helideck located on ~~the~~ drilling [production](#) platform 1 located ~~in~~[at](#) the ~~United Kingdom Continental Shelf Block 110/2a, 110/3a and 110/8a;~~ [CPC the coordinates of which are:](#)

<a href="#">Location</a>	<a href="#">Lat WGS84 (DD MM SS.sss)</a>	<a href="#">Lon WGS84 (DD MM SS.sss)</a>
<a href="#">DP-1 helideck</a>	<a href="#">53° 50' 45.272" N</a>	<a href="#">003° 34' 50.140" W</a>

["DP-6 helideck" means the helideck located on drilling production platform 6 the coordinates of which are:](#)

<a href="#">Location</a>	<a href="#">Lat WGS84 (DD MM SS.sss)</a>	<a href="#">Lon WGS84 (DD MM SS.sss)</a>
<a href="#">DP-6 helideck</a>	<a href="#">53° 51' 50.155" N</a>	<a href="#">003° 37' 04.993" W</a>

["DP-8 helideck" means the helideck located on drilling production platform 8 the coordinates of which are:](#)

<a href="#">Location</a>	<a href="#">Lat WGS84 (DD MM SS.sss)</a>	<a href="#">Lon WGS84 (DD MM SS.sss)</a>
<a href="#">DP-8 helideck</a>	<a href="#">53° 53' 26.724" N</a>	<a href="#">003° 37' 27.233" W</a>

~~"emergency works" means works whose execution at the time when they are executed is required in order to put an end to, or to prevent the occurrence of, circumstances then existing or imminent (or which the person~~

**Commented [A8]:** Definition amended for accuracy.

**Commented [A9]:** The precise location of the helidecks are provided for accuracy in relation to the aviation buffers.

responsible for the works believes on reasonable grounds to be existing or imminent) which are likely to cause danger to persons, property or the environment;

"helidecks" means the AP-1 helideck, the DP-1 helideck, the DP-6 helideck and the DP-8 helideck and "helideck" shall mean any one of them (as the context so requires);

"DP3 legacy wells" means the legacy wells located at the site of the decommissioned drilling platform 3 located in the United Kingdom Continental Shelf Block 110/2a, 110/3a and 110/8a; known as DP3 (C1-5), 110/3-3, 110/8-2, 110/8A-7, 110/8-2 Relief and 110/8a-C5 Relief, the coordinates for which are:

Wells	Latitude	Longitude
DP3 (C1-5)	53°49'0.6155"N	3°33'36.1013"W
110/3-3	53°50'15.4200"N	3°34'50.9700"W
110/8-2	53°49'40.9985"N	3°33'22.7997"W
110/8A-7	53°46'4.3984"N	3°34'24.5556"W
110/8-2 Relief	53°49'57.1774"N	3°33'23.0190"W
110/8a-C5 Relief	53°49'40.4140"N	3°34'2.7666"W

and "legacy well" shall mean any of them (as the context so requires);

"licence" means United Kingdom Petroleum Production Licence ~~P153~~P.153, United Kingdom Petroleum Production Licence P.1483 and United Kingdom Petroleum Production Licence ~~P251~~P.251 (as any or all of the same may be assigned, amended or replaced from time to time);

"ministerial statement" means the written statement given by the Secretary of State for Energy and Climate Change to the UK Parliament regarding Crown Estate Leases for Offshore Renewables Projects on 12 July 2011, or any similar supplementary or replacement policy;

"owner licensee" means the ~~owners~~holder from time to time of ~~legal and beneficial interests in United Kingdom Continental Shelf Blocks 110/2a, 110/3a and 110/8a~~any of the licences, which at the date stated in article 1 (citation and commencement) of this Order is Spirit Energy Production UK Limited;

"owner's ~~works~~licensee's operations" means exploration, appraisal, development, production, ~~transportation, maintenance, repair, replacement,~~ interventions or decommissioning activity in accordance with and pursuant to the licence;

"offshore substation platform" or "OSP" means Work No. 2(a) ~~from forming~~ Part 1 of Schedule 1 to the this Order ~~but excluding foundations~~including foundations;

**Commented [A10]:** See comments below on the Applicant's paragraph 10.

**Commented [A11]:** DP3 is one of a number of legacy wells impacted by the Project. Coordinates provided for each for accuracy.

**Commented [A12]:** Spirit's duties under the production licence for Rhyl (P.1483) are impacted as Rhyl is serviced via CPC.

**Commented [A13]:** This definition has been deleted, since the ministerial statement has nothing to do with the DCO application and relates to an entirely separate matter associated with the Applicant's Crown Estate Lease.

**Commented [A14]:** Transportation, repair and replacement activities by Spirit under its licences would be impacted by the Project.

**Commented [A15]:** Foundations works are part of Work No.2(a) and Spirit is not able to undertake IMC aviation operations over the infrastructure required for foundations works.



"O&G decommissioning date" means the date on which Offshore Petroleum Regulator for Environment and Decommissioning (or any successor body) confirms acceptance of the close-out reports for the decommissioning of Spirit Energy's East Irish Sea assets under the licence.

"pipeline" means—

(a) the decommissioned 24" gas Morecambe DP3 to ~~CPP1~~CPC pipeline with pipeline reference number PL195; and

(b) the decommissioned 2" Morecambe ~~CPP1~~CPC to DP3 pipeline with pipeline reference number PL205; shown light green and annotated as ~~Morecambe-CPP1~~CPC to DP3 on the Spirit ~~and Harbour~~Licence Protective Provisions Plan, together with any associated umbilicals, plant and equipment serving ~~that pipeline~~those pipelines;

"pipeline and cable proximity area" means the area five hundred meters (500m) either side and directly above the pipeline and cable ~~shown shaded yellow and annotated as the Pipeline and Cable Proximity Area on the Spirit Licence Protective Provisions Plan~~;

~~"relevant activities" means all development activity relating to the carrying on of the undertaker's and owner's businesses within, or adjacent to the pipeline and cable proximity area or the WTG and OSP buffer zone, including (but not limited to) the preparation of development proposals, the submission of applications for statutory consents associated with those proposals and consultation in respect thereof, the acquisition of or application for new licence oil or gas blocks;~~

"Spirit ~~and Harbour~~Licence Protective Provisions Plan" means the plan certified as the Spirit ~~and Harbour~~Licence Protective Provisions Plan by the Secretary of State under article 12 (certification of documents and plans, etc.) of the Order;

"temporary surface infrastructure" means ~~any~~ fixed temporary infrastructure to be used in the construction, operation and maintenance, and decommissioning of the authorised development including, but not limited to, jack-up barges and buoys, but does not include temporary surface infrastructure in transit;

"well buffer zone" means a one ~~hundred metre (100m)~~nautical mile (1 nm) radius buffer zone around ~~the following three legacy and relief well tophole locations listed in Table 3—~~each legacy well shown edged with

**Commented [A16]:** Definition of O&G decommissioning date as per Spirit's response to ExQ2 2DC02

**Commented [A17]:** This buffer zone is agreed.

**Commented [A18]:** See below comment on the Applicant's paragraph 8.

**Commented [A19]:** 1nm is the minimum distance required to allow rig access to these well locations to carry out works, taking account of anchor/tug vessels and the need to manoeuvre a rig into position. There are no dynamic positioning rigs available in the East Irish Sea. Similar protections are sought by Spirit Energy in the MNZ PPs, since these locations may also need to be accessed in the future as part of any CCS monitoring and corrective measures plan for that well (see the minutes of a shared understanding meeting between Spirit Energy and the Applicant dated 26<sup>th</sup> March 2025 provided with the Spirit Energy Deadline 5A submission).

a dashed black line and annotated as the well buffer zone on the Spirit Licence Protective Provisions Plan;

Table 1

Well	UTM-X (m)	UTM-Y (m)	Latitude	Longitude
DP3 (C1)	463127.8	5963416.1	53°49'0.6155"N	3°33'36.1013"W
H10/8-2	463380.9	5964662.3	53°49'40.9985"N	3°33'22.7997"W
H10/8a-C5 (Relief)	462650	5964650	53°49'40.4140"N	3°34'2.7666"W

"wind turbine generator" or "WTG" means Work No. 1(a) from Part 1 of Schedule 1 to the this Order but excluding including foundations;

"WTG and OSP aviation buffer zone" means an area of one three point five seven six nautical miles (1.53.76 nm) of clear unobstructed airspace measured from the outer extremity edge of CPPI to any tip from any wind turbine generator located within the Licence each of the helidecks in all directions and extending vertically from mean sea level shown to its southern extent edged shaded blue and edged grey and annotated and shown as the WTG and OSP aviation buffer zones on the Spirit and Harbour Licence Protective Provisions Plan;

"WTG and OSP marine buffer zone" means an area of one point five nautical mile miles (1.5 nm) of unobstructed sea space measured from the outer extremity edge of CPPI within the Licence and extending vertically from mean sea level each of the AP-1 helideck and DP-1 helideck in all directions shown to its southern extent edged in light green blue and annotated and shown as the WTG and OSP marine buffer zone zones on the Spirit and Harbour Licence Protective Provisions Plan;

"WTG aviation corridor" means a two nautical mile (2 nm) wide corridor of clear airspace angled at 220 degrees from CPPI shown edged in orange and annotated and shown as the WTG aviation corridor on the Spirit and Harbour Protective Provisions Plan; and

"WTG marine corridor" means a one nautical mile (1 nm) wide corridor of clear unobstructed sea space between the Calder Platform and CPPI the AP-1 helideck shown edged in dark green and annotated and shown as the WTG marine corridor on the Spirit and Harbour Licence Protective Provisions Plan.

Restriction on authorised development

Commented [A20]: See above coordinates provided for each legacy well.

Commented [A21]: See above comment on inclusion of foundations.

Commented [A22]: Spirit Energy's representations comment extensively on the appropriate buffer for aviation purposes and its proposed draft of PPs identifies each of the helidecks that requires this protection.

Commented [A23]: The unobstructed buffer zone is required to extend in a 3.76nm radius from each of the helidecks, regardless of the location of WTGs.

Commented [A24]: This buffer is agreed, but Spirit requires that this buffer is around both the AP-1 and DP-1 helidecks.

Commented [A25]: Spirit Energy's representations explain why this corridor is not considered acceptable mitigation.

Commented [A26]: This buffer is agreed albeit Spirit's protective provisions identify the location as the AP-1 helideck.

3.—(1) No wind turbine generator, inter-array cables, offshore substation platform or temporary surface infrastructure shall be erected in the pipeline and cable proximity area, ~~the~~any WTG and OSP marine buffer zone or the WTG marine corridor unless otherwise agreed in writing between the ~~owner~~licensee and the undertaker.

(2) No vessel or surface infrastructure in transit by or attributable to the undertaker or its agents or contractors in exercising the power of this Order shall pass within one nautical mile (1 nm) of any of the helidecks at any time nor within five hundred metres (500 m) of any of the legacy wells (whilst any rig or other vessel owned, controlled or instructed by the licensee, is present at this location) unless otherwise agreed in writing between the licensee and the undertaker.

~~(2) In the case of temporary surface infrastructure the owner may not withhold consent where the undertaker has been reasonably requested to place temporary infrastructure in the pipeline and cable proximity area, the WTG and OSP marine buffer zone or the WTG marine corridor by a statutory consultee.~~

~~4.—(3)~~ No wind turbine generator ~~or~~, offshore substation platform or temporary surface infrastructure shall be erected in any of the WTG and OSP aviation buffer zones unless otherwise agreed in writing between the ~~owner~~licensee and the undertaker until after the O&G Decommissioning Date.

~~5. No wind turbine generator shall be erected in the WTG aviation corridor unless otherwise agreed between the owner and the undertaker.~~

~~6.—(4)~~ No wind turbine generator ~~or~~, inter-array cables, offshore substation platform or temporary surface infrastructure shall be erected in ~~the~~any well buffer zone unless otherwise agreed in writing between the ~~owner~~licensee and the undertaker.

#### Coexistence agreement

#### Simultaneous operations

~~7.—4.~~ Prior to commencement of construction of the authorised development, the undertaker and the ~~owner~~licensee shall use reasonable endeavours to ~~enter into a coexistence agreement (which includes provision for proximity agreements on standard UK oil and gas industry terms)~~ agree arrangements for the coordination of simultaneous operations to include (but not be limited to) the provision of: schedules of

**Commented [A27]:** Cables must not be laid through the marine buffer zone.

**Commented [A28]:** Agreement must be in writing. This has only recently changed in the Applicant's protective provisions without explanation.

**Commented [A29]:** Spirit Energy does not consider the placement of temporary surface infrastructure within buffer zones to be acceptable simply because a statutory consultee has requested this. Such infrastructure could cause damage to Spirit Energy's assets or operations and any such proposal would need to be exceptional and specifically justified. In such circumstances, and to avoid damage to infrastructure/assets and/or impacts on operations, there should be no generic fetter on Spirit Energy's reasonable discretion in this regard.

**Commented [A30]:** See above comment.

**Commented [A31]:** The aviation buffer zones apply to each helideck.

**Commented [A32]:** Spirit has explained in its submission to the ExA and to the Applicant in shared understanding meetings that the date of decommissioning of Spirit's operations in the East Irish Sea is not fixed. It is subject to the requirement to maximise economic recovery within the OGA Strategy. As such it is not appropriate for the protective provisions to include the fixed decommissioning date proposed by the Applicant in its alternative, without prejudice draft protective provisions. This will be determined between Spirit and the NSTA.

Accordingly, the longstop date of 1<sup>st</sup> January 2029 proposed by the Applicant for decommissioning is not acceptable; nor does it reflect the OGA strategy.

Furthermore, the definition of decommissioning used in this version of the protective provisions does not account for the need for continued helicopter access during decommissioning. As such, Spirit Energy's proposed protective provisions provide for a definition of decommissioning which encapsulates the process of decommissioning itself and the appropriate final approval to such by the regulator – OPRED.

**Commented [A33]:** Spirit Energy's representations explain why this corridor is not considered acceptable mitigation.

**Commented [A34]:** See comments on 3(1) and (2) of Spirit's protective provisions above.

and scope of works; design specifications; proposed timing of the execution of works; methods of working; navigation routes; and a notifications procedure.

### **Provision of information**

~~8. Without prejudice to any other rights or obligations under this Part of this Schedule the owner and the undertaker shall from time to time keep each other informed of relevant activities such that the owner and the undertaker may seek to agree solutions to allow those activities to successfully co-exist as far as reasonably practicable or if later until completion of activities required under any statutory decommissioning plan required under the Petroleum Act 1998(a) in relation to the licence and taking place within the areas subject to the licence.~~

### **Cooperation**

~~9.~~ 5. The undertaker and the ~~owner~~ licensee must each act in good faith and use reasonable endeavours to cooperate with, and provide assistance to, each other as may be required to give effect to the provisions of this Part of this Schedule.

### **Financial security arrangements**

6. Prior to commencing construction of the authorised development the undertaker must provide evidence to the licensee that it has first put in place suitably robust arrangements to ensure that it can meet any liabilities and obligations under this Part of this Schedule. Such arrangements shall be maintained during the construction, operation, maintenance, repair, replacement and decommissioning of the authorised development unless otherwise agreed in writing by the licensee (such agreement not to be unreasonably withheld).

### **Compensation Costs**

~~10. — (1) The owner must before incurring any additional costs for which it intends to claim compensation under this Part 3 of Schedule 3 notify the undertaker of its intention to incur additional costs and to make a claim for compensation.~~

**Commented [A35]:** The Applicant has previously provided Spirit with a proposed coexistence agreement which was not considered to contain reasonable or acceptable terms. Spirit prefers for its interests to be protected in protective provisions contained within the proposed Order and has drafted its proposed protective provisions accordingly.

Spirit does however recognise that there will be a requirement for both parties to agree arrangements in relation to simultaneous operations in addition to the protections in the proposed Order and has included appropriate wording to this effect in its draft protective provisions.

Such arrangements encompass the provision of information and notifications.

**Commented [A36]:** Spirit Energy has explained in its submissions to the ExA that it is likely that consequential loss would result from certain impacts arising from the proposed development on its operations and that such costs could be substantial – for instance if Spirit Energy had to suspend operations. Security is required to ensure that the Applicant is able to fulfil its liabilities and obligations under the protective provisions in favour of Spirit.

~~(2) The requirement for advance notice in sub-paragraph (1) above shall not apply to any additional costs required in connection with emergency works, in which case the owner must provide notice as soon as reasonably practicable after incurring the additional costs in connection with the emergency works.~~

~~(3) The owner must not incur any additional costs notified to the undertaker pursuant to sub-paragraph (1) above, unless the undertaker has approved in writing that such additional costs will be incurred, such approval not to be unreasonably withheld.~~

7.-(1) The undertaker must reimburse the licensee in respect of all reasonable costs incurred by the licensee in engaging and retaining such experts, consultants and contractors as may be reasonably necessary to allow the licensee to carry out its functions under these protective provisions.

(2) The undertaker must reimburse the licensee for any additional costs.

~~(4)-(3)~~ The owner/licensee must, as soon as reasonably practicable after incurring any additional costs notified pursuant to sub-paragraph ~~(2) above or approved pursuant to sub-paragraph (3)~~ above, serve the undertaker with an itemised invoice or claim.

~~(5)-(4)~~ Within ~~28~~14 days of receipt of an itemised invoice or claim, the undertaker must—

(a) approve the amount of additional costs specified in the itemised invoice or claim; or

(b) dispute the amount of additional costs specified in the itemised invoice or claim (or that the owner/licensee has not used reasonable endeavours to mitigate or minimise any such additional costs) and refer the matter to arbitration pursuant to paragraph 9 of this Part of this Schedule.

~~(5)-(5)~~ Save where otherwise agreed in writing between the undertaker and the owner/licensee, the undertaker must thereafter pay to the owner/licensee the additional costs within ~~60~~28 days of approving the amount of additional costs pursuant to sub-paragraph ~~(5)~~(4)(a) above or final decision and award ~~on~~of additional costs pursuant to arbitration.

~~(6)-(6)~~ The owner/licensee must use reasonable endeavours to mitigate in whole or in part and to minimise any additional costs. ~~If requested to do so by the undertaker, the owner must provide an explanation of how the additional costs have been minimised.~~

~~(7) The aggregate cap of the undertaker's gross liability to pay compensation under the terms of this Part of this Schedule is limited to £8,000,000 (eight million pounds) for all claims of compensation.~~

**Commented [A37]:** Spirit Energy only seeks for the Applicant to be liable for costs which arise as a result of the proposed development and is content to be required to mitigate its loss and to provide details of such costs. There are also dispute resolution provisions within the Order, should any dispute about additional costs arise. As such the proposed costs cap is not considered to be evidence based and is an arbitrary figure simply designed to manage the Applicant's exposure.

**Commented [A38]:** The Applicant's draft protective provisions provide for a pre-approval and dispute resolution process before additional costs may be claimed, other than in the case of emergency. This process is commercially impractical for Spirit Energy, which is a dynamic business requiring to make rapid decisions particularly when seeking to mitigate impacts on its operations. On many occasions decisions on expenditure need to be made quickly and whilst not necessarily meeting the definition of an emergency, would create significant operational issues and additional costs if not addressed swiftly. As such, in practice, this pre-approval approach would not be workable. Instead, Spirit Energy suggests that costs are itemised and reclaimed from the Applicant after they have been incurred. Spirit Energy will of course be incentivised to pre-approve where it can, to avoid the scope for disputes later. It may also only incur costs that meet the definition of additional costs and it must mitigate its loss, such that the legitimacy of any claim can be assured.

**Commented [A39]:** See above comment on commercial practicality.

**Commented [A40]:** Removed as this would further delay the costs process and Spirit is already under a duty to mitigate such additional costs with disputes being resolved by arbitration.

**Commented [A41]:** Compensation under the Applicant's protective provisions relates to additional costs. There is a significant disagreement between Spirit Energy and the Applicant concerning the likely impact of the proposed development on its operations and the extent of additional costs which Spirit Energy may incur as a result. Spirit Energy considers that the Applicant has grossly underestimated these costs and that the £8 million cap proposed would not be close to adequate to meet the additional costs. Spirit Energy notes that no cap was present in the initial draft of the PPs and that it is only because the Applicant has finally realised the extent of its impact on Spirit

~~11. Nothing in this Part of this Schedule shall affect any rights or obligations or assessment of compensation in accordance with the ministerial statement and any associated guidance.~~

### **Indemnity**

8. The undertaker shall be solely responsible for and shall defend, indemnify and hold harmless the licensee against all losses, damages, costs, claims, liabilities, liens, debts, charges expenses (including but not limited to legal expenses), causes of action of whatever nature and any payment made pursuant to an extra judicial settlement arising from, out of, or relating to the construction, operation, maintenance, repair, replacement and decommissioning of the authorised development (or any part thereof) or the failure of it (or any part thereof) in connection with:

(a) personal injury to or sickness, disease or death of personnel (including its officers, directors, employees, contractors, consultants or agency personnel) of the licensee;

(b) loss of, recovery of, or damage to any property of the licensee (including any of licensee's asset infrastructure or any marine and aeronautical vehicles, equipment, machinery, tools, materials, supplies and other objects or items owned, rented, leased, chartered or otherwise belonging to the licensee);

(c) pollution (including any spillage, release, emission to atmosphere or seepage of hydrocarbons) emanating from any property of the licensee; and

(d) consequential loss suffered by the licensee.

### **Arbitration**

~~12.~~ 9. Any difference arising between the undertaker and the ~~owner~~ licensee under this Part shall be referred to and settled by arbitration under article 15 (arbitration) of this Order.

**Commented [A42]:** See comment above on the definition of ministerial statement - this provision is not relevant to the DCO Application.

**Commented [A43]:** The Applicant has proposed to only address additional costs and has not provided for an indemnity in respect of matters such as loss and damage to property, personal injury and pollution. Such an indemnity is essential when the Applicant proposes to work in close proximity to Spirit Energy's operations and concerns about such losses have already been thoroughly outlined by Spirit Energy in its representations to the ExA. Spirit Energy has been clear with safety concerns throughout its representations and views its safety exposure as a matter distinct from additional costs.

**Commented [A44]:** Spirit Energy has explained in its submissions to the ExA that it is likely that consequential loss would result from certain impacts arising from the proposed development on its operations and that such costs could be substantial – for instance if Spirit Energy had to suspend operations. This is the nature of complex operations which require significant advanced planning. As such, it is entirely appropriate for consequential losses to form part of the protective provisions.

### **Without Prejudice Protective Provisions**

The following section compares the Protective provisions provided by Spirit at Deadline 5A against the without prejudice provisions provided by the Applicant [[REP5-071](#)] to prevent development taking place in the relevant area until decommissioning of Spirit Energy's assets, as requested by the ExA in ExQ2 2DCO2. For purposes of this exercise, only the tracked changes sections of the Applicant's protective provisions in favour of Spirit Energy submitted in response to ExQ2 2DCO2 [[REP5-071](#)] have been included. Spirit Energy [[REP5-090](#)] provided at without prejudice draft condition in response to ExQ2 2DCO2 but has updated it in the protective provisions included at Deadline 5A and therefore uses that for this comparison exercise.

It will be obvious that there is little alignment between the two sets of provisions. Spirit Energy has explained in its submissions to the ExA and to the Applicant in shared understanding meetings that the date of decommissioning of Spirit Energy's operations in the East Irish Sea is not fixed. It is subject to the requirement to maximise economic recovery within the OGA Strategy. As such it is not appropriate for the PPs to include the longstop decommissioning date. This will be determined between Spirit Energy and the NSTA.

Furthermore, the definition of decommissioning used in the Applicant's without prejudice provisions does not account for the need for continued helicopter access during decommissioning. As such, Spirit Energy's proposed protective provisions provide for a definition of decommissioning which encapsulates the process of decommissioning itself and the appropriate final approval to such by the regulator – OPRED.

Accordingly, the longstop date of 1st January 2029 proposed by the Applicant for decommissioning is not acceptable; nor does it reflect the OGA strategy.

Finally, the Applicant's provision only refers to CPP1. There are of course other platforms that would require to be decommissioned, during which continued helicopter access would be required to the area.

**Comparison of Applicant's and Spirit Energy's Without Prejudice Decommissioning Date Protective Provisions**

"cessation of production" or "COP" means the date on which hydrocarbon production from a well, asset or platform permanently stops;

"decommissioning date for CPP1" means the earlier of the date of cessation of production or 1 January 2029;

"duty holder's safety case" means the safety case relating to CPP1 which is periodically submitted by the owner to the UK HSE for acceptance under The Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations 2015;

"reasonable and prudent operator" means a party seeking in good faith to perform its contractual obligations, and in so doing and in the general conduct of its undertaking, exercising that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances and complying with applicable law;

"O&G decommissioning date" means the date on which Offshore Petroleum Regulator for Environment and Decommissioning (or any successor body) confirms acceptance of the close-out reports for the decommissioning of Spirit Energy's East Irish Sea assets under the licence.

"WTG and OSP aviation ~~pre-COP~~ buffer zone" means an area of ~~{•}~~three point seven six nautical miles (~~{•}~~3.76 nm) of ~~clear~~unobstructed airspace measured from ~~the outer extremity edge of CPP1 to any tip from any wind turbine generator located within the licence~~each of the helidecks in all directions and extending vertically from mean sea level shown ~~edged~~shaded ~~{colour}~~blue and annotated ~~and shown~~ as the WTG and OSP aviation ~~pre-COP~~ buffer zones on the Spirit ~~and Harbour~~Licence Protective Provisions Plan;

~~4.—(13)~~ No wind turbine generator, offshore substation platform or temporary surface infrastructure shall be erected in any of the WTG and OSP aviation ~~pre-COP~~ buffer zone ~~prior to the decommissioning date for CPP1~~zones unless otherwise agreed in writing between the ~~owner~~licensee and the undertaker; ~~and~~ until after the O&G Decommissioning Date.

~~(2) No wind turbine generator or offshore substation platform shall be erected in the WTG and OSP aviation post-COP buffer zone at any time unless otherwise agreed in writing between~~



~~the owner and the undertaker.~~

~~5. No wind turbine generator shall be erected in the WTG aviation corridor unless otherwise agreed in writing between the owner and the undertaker.~~

~~6. (1) The restriction in sub-paragraph 4(1) shall cease to apply if the Secretary of State, having consulted with the owner and if necessary the Health and Safety Executive, and has confirmed in writing that he is satisfied that either:~~

~~(i) no changes (material or non-material) are reasonably necessary to the duty holder's safety case as a direct result of the authorised development authorised by this Order, or that any such reasonably necessary changes have been accepted by the Health and Safety Executive; or~~  
~~(ii) the owner has not used all reasonable endeavours to identify and submit with the care and diligence expected of a reasonable and prudent operator to the Health and Safety Executive for acceptance any reasonably necessary material or non-material changes to the duty holder's safety case as a direct result of the authorised development authorised by this Order within [•] of the date of this Order.~~

~~7. No wind turbine generator or offshore substation platform shall be erected in the well buffer zone unless otherwise agreed in writing between the owner and the undertaker.~~

~~8. The restrictions in paragraphs 3, 4 and 5 in the WTG aviation pre-COP buffer zone, WTG and OSP aviation post-COP buffer zone, WTG and OSP marine buffer zone, WTG aviation corridor, and WTG marine corridor shall cease to have effect if the Secretary of State, having consulted with the owner, has confirmed in writing that CPP1 has been decommissioned.~~

## PART 4

### For the protection of the Calder duty holder

#### Application

1. For the protection of Spirit Energy Production UK Limited as the duty holder of the Calder Platform, the provisions of this Part of this Schedule shall have effect for so long as the licence shall remain extant and Spirit Energy Production UK Limited remains duty holder of the Calder Platform unless otherwise agreed in writing between the undertaker and the duty holder.

#### Interpretation

2. In this Part of this Schedule—

“additional costs” means any additional costs incurred by the duty holder in carrying out the duty holder’s operations as a result of the construction, operation or decommissioning of the authorised development;

“AP-1 helideck” means the helideck located on the accommodation platform at the CPC the coordinates of which are:

Location	Lat WGS84 (DD MM SS.sss)	Lon WGS84 (DD MM SS.sss)
AP-1 helideck	53° 50' 44.348" N	003° 35' 00.579" W

“authorised development” has the same meaning as in Schedule 1 of this Order and shall include any part of the said works including any preparatory works;

“cable” means the power and telecommunications cables connecting the Calder Platform to CPC located in the South Morecambe Field (Block 110/3a) shown pink and annotated as Calder to CPC on the Calder Duty Holder Protective Provisions Plan;

“Calder helideck” means the helideck located on the Calder Platform the coordinates of which are:

Location	Lat WGS84 (DD MM SS.sss)	Lon WGS84 (DD MM SS.sss)
Calder Helideck	53° 48' 26.462" N	003° 39' 48.682" W

“Calder Platform” means the normally unattended minimum facilities wellhead production platform located in the United Kingdom Continental Shelf Block 110/7a D;

“consequential loss” means—

(a) any consequential or indirect loss under English law; or

**Commented [A45]:** Spirit Energy operates the Calder Platform under a services agreement with Harbour Energy. As Spirit Energy operates this platform and is responsible for safe operations, including both marine and air transport, it requires protective provisions similar to those sought for its own East Irish Sea assets. Spirit Energy defers to Harbour in respect of the protective provisions Harbour requires in respect of its decommissioning activities.

No protective provisions for Spirit Energy as the Calder duty holder were prepared by the Applicant. Therefore, all content is new.

However, to assist the ExA, Spirit Energy has provided a comparison of the protective provisions provided by Spirit at Deadline 6 for the protection of Spirit Energy Production UK Limited and those for the protection of the Calder duty holder at Annex 1 to this submission to highlight the minor differences.

Spirit Energy’s comments on the Applicant’s protective provisions as described above in relation to the protective provisions drafted by Spirit Energy for the protection of Spirit Energy Production UK Limited equally apply to the protective provisions Spirit Energy has drafted for the protection of the Calder duty holder.

(b) the following irrespective of whether direct, indirect or consequential loss—

(i) loss or damage arising out of any delay, postponement, interruption or loss of production of hydrocarbons, any inability to produce, process or deliver hydrocarbons or any loss of or anticipated loss of use, profit or revenue;

(ii) loss or damage incurred or liquidated or pre-estimated damages of any kind whatsoever borne or payable under any contract for sale, exchange, transportation, processing, storage or other disposal of hydrocarbons;

(iii) losses associated with business interruption including the costs of overheads incurred during business interruption;

(iv) loss of bargain, contract, expectation or opportunity; or

(v) any other loss or anticipated loss or damage whatsoever in the nature of or consequential upon the foregoing, in either case (a) or (b) above howsoever caused or arising whether under contract, by virtue of any fiduciary duty, in tort or delict (including negligence), as a consequence of breach of any duty (statutory or otherwise) or under any other legal doctrine or principle whatsoever whether or not recoverable at common law or in equity and whether or not foreseeable at the date stated in article 1 (citation and commencement) of this Order;

"CPC" means the hydrocarbon production and processing facilities complex known generally as such or the Central Processing Platform Complex located in the United Kingdom Continental Shelf Block 110/2a, 110/3a and 110/8a;

"duty holder" means Spirit Energy Production UK Limited as duty holder of the Calder Platform;

"duty holder's operations" means the operations and services provided by the duty holder to the licensee in accordance with and pursuant to an operating agreement between the duty holder and the licensee;

"Harbour Energy" means Chrysaor Resources (Irish Sea) Limited, a subsidiary of Harbour Energy PLC

"licence" means United Kingdom Petroleum Production Licence P.099 (as the same may be assigned, amended or replaced from time to time);

"licensee" means the holder from time to time of the licence, which at the date stated in article 1 (citation and commencement) of this Order is Harbour Energy;

"North East corner of the Calder Platform" means the north east corner of the Calder Platform the coordinates of which are:

Location	Lat WGS84 (DD MM SS.sss)	Lon WGS84 (DD MM SS.sss)
North East corner of the Calder Platform	53° 48' 27.021" N	003° 39' 47.105" W

"offshore substation platform" or "OSP" means Work No. 2(a) forming Part 1 of Schedule 1 to this Order including foundations;

"pipeline" means—

(a) the 3" Rivers onshore terminal to Calder chemical pipeline with pipeline reference number PL1965; and

(b) the 24" Calder to Rivers onshore terminal gas pipeline with pipeline reference number PL1966; shown light green and annotated as the Calder to Rivers Onshore Terminal (PL1966) and Rivers Onshore Terminal to Calder (PL1965) on the Calder Duty Holder Protective Provisions Plan, together with any associated umbilicals, plant and equipment serving those pipelines;

"pipeline and cable proximity area" means the area five hundred meters (500m) either side and directly above the pipeline and cable shown shaded yellow and annotated as the Pipeline and Cable Proximity Area on the Calder Duty Holder Protective Provisions Plan;

"Calder Duty Holder Protective Provisions Plan" means the plan certified as the Calder Duty Holder Protective Provisions Plan by the Secretary of State under article 12 (certification of documents and plans, etc.) of the Order;

"temporary surface infrastructure" means any fixed temporary infrastructure to be used in the construction, operation and maintenance, and decommissioning of the authorised development including, but not limited to, jack-up barges and buoys, but does not include temporary surface infrastructure in transit;

"wind turbine generator" or "WTG" means Work No. 1(a) from Part 1 of Schedule 1 to this Order including foundations;

"WTG and OSP aviation buffer zone" means an area of three point seven six nautical miles (3.76 nm) of unobstructed airspace measured from the Calder helideck in all directions and extending vertically from mean sea level shown shaded blue and edged grey and annotated as the WTG and OSP aviation buffer zone on the Calder Duty Holder Protective Provisions Plan;

"WTG and OSP marine buffer zone" means an area of one point five nautical mile (1.5 nm) of unobstructed sea space measured from the North East corner of the Calder Platform in all directions

shown edged in light blue and annotated as the WTG and OSP marine buffer zone on the Calder Duty Holder Protective Provisions Plan;

"WTG marine corridor" means a one nautical mile (1 nm) wide corridor of unobstructed sea space between the Calder Platform and the AP-1 helideck shown edged in dark green and annotated as the WTG marine corridor on the Calder Duty Holder Protective Provisions Plan.

#### **Restriction on authorised development**

3.—(1) No wind turbine generator, inter-array cables, offshore substation platform or temporary surface infrastructure shall be erected in the pipeline and cable proximity area, the WTG and OSP marine buffer zone or the WTG marine corridor unless otherwise agreed in writing between the duty holder and the undertaker.

(2) No vessel or surface infrastructure in transit by or attributable to the undertaker or its agents or contractors in exercising the power of this Order shall pass within one nautical mile (1 nm) of the Calder Platform unless otherwise agreed in writing between the duty holder and the undertaker.

(3) No wind turbine generator, offshore substation platform or temporary surface infrastructure shall be erected in the WTG and OSP aviation buffer zone unless otherwise agreed in writing between the duty holder and the undertaker.

#### **Simultaneous operations**

4. Prior to commencement of construction of the authorised development, the undertaker and the duty holder shall use reasonable endeavours to agree arrangements for the coordination of simultaneous operations to include (but not be limited to) the provision of: schedules of and scope of works; design specifications; proposed timing of the execution of works; methods of working; navigation routes; and a notifications procedure.

#### **Cooperation**

5. The undertaker and the duty holder must each act in good faith and use reasonable endeavours to cooperate with, and provide assistance to, each other as may be required to give effect to the provisions of this Part of this Schedule.

#### **Financial security arrangements**

6. Prior to commencing construction of the authorised development the undertaker must provide evidence to the duty holder that it has first put in place suitably robust arrangements to ensure that it can meet any liabilities and obligations under this Part of this Schedule. Such arrangements shall be maintained during the construction, operation, maintenance, repair, replacement and decommissioning of the authorised development unless otherwise agreed in writing by the duty holder (such agreement not to be unreasonably withheld).

### **Costs**

7.-(1) The undertaker must reimburse the duty holder in respect of all reasonable costs incurred by the duty holder in engaging and retaining such experts, consultants and contractors as may be reasonably necessary to allow the duty holder to carry out its functions under these protective provisions.

(2) The undertaker must reimburse the duty holder for any additional costs.

(3) The duty holder must, as soon as reasonably practicable after incurring any additional costs pursuant to sub-paragraph (2) above, serve the undertaker with an itemised invoice or claim.

(4) Within 14 days of receipt of an itemised invoice or claim, the undertaker must— (a) approve the amount of additional costs specified in the itemised invoice or claim; or (b) dispute the amount of additional costs specified in the itemised invoice or claim (or that the duty holder has not used reasonable endeavours to mitigate or minimise any such additional costs) and refer the matter to arbitration pursuant to paragraph 9 of this Part of this Schedule.

(5) Save where otherwise agreed in writing between the undertaker and the duty holder, the undertaker must thereafter pay to the duty holder the additional costs within 28 days of approving the amount of additional costs pursuant to sub-paragraph (4)(a) above or final decision and award of additional costs pursuant to arbitration.

(6) The duty holder must use reasonable endeavours to mitigate in whole or in part and to minimise any additional costs.

### **Indemnity**

8. The undertaker shall be solely responsible for and shall defend, indemnify and hold harmless the duty holder against all losses, damages, costs, claims, liabilities, liens, debts, charges expenses (including but not limited to legal expenses), causes of action of whatever nature and any payment made pursuant to an extra judicial settlement arising from, out of, or relating to the construction,

operation, maintenance, repair, replacement and decommissioning of the authorised development (or any part thereof) or the failure of it (or any part thereof) in connection with:

(a) personal injury to or sickness, disease or death of personnel (including its officers, directors, employees, contractors, consultants or agency personnel) of the duty holder;

(b) loss of, recovery of, or damage to any property of the duty holder (including any of duty holder's asset infrastructure or any marine and aeronautical vehicles, equipment, machinery, tools, materials, supplies and other objects or items owned, rented, leased, chartered or otherwise belonging to the duty holder);

(c) pollution (including any spillage, release, emission to atmosphere or seepage of hydrocarbons) emanating from any property of the duty holder; and

(d) consequential loss suffered by the duty holder.

#### **Arbitration**

9. Any difference arising between the undertaker and the duty holder under this Part shall be referred to and settled by arbitration under article 15 (arbitration) of this Order.

## **PART 5**

### **For the protection of the MNZ licence holder**

#### **Application**

1. For the protection of the licensee from time to time of Carbon Capture Appraisal and Storage licence CS010 which at the date stated in article 1 (citation and commencement) of this Order is Spirit Energy Production UK Limited, the provisions of this Part of this Schedule shall have effect for so long as the licence remains extant unless otherwise agreed in writing between the undertaker and the licensee.

#### **Interpretation**

2. In this Part of this Schedule—

“additional costs” means any additional costs incurred by the duty holder in carrying out the duty holder’s operations as a result of the construction, operation or decommissioning of the authorised development;

“authorised development” has the same meaning as in Schedule 1 of this Order and shall include any part of the said works including any preparatory works;

“cable” means the power and telecommunications cables connecting CPC to the DP3 wells shown pink and annotated as CPC to DP3 on the MNZ Protective Provisions Plan;

“consequential loss” means—

(a) any consequential or indirect loss under English law; or

(b) the following irrespective of whether direct, indirect or consequential loss—

(i) loss or damage arising out of any delay, postponement, interruption or loss of containment of carbon dioxide, any inability to store, process or accept delivery of carbon dioxide or any loss of or anticipated loss of use, profit or revenue;

(ii) loss or damage incurred or liquidated or pre-estimated damages of any kind whatsoever borne or payable under any contract for sale, exchange, transportation, processing, storage or other disposal of carbon dioxide;

(iii) losses associated with business interruption including the costs of overheads incurred during business interruption;

(iv) loss of bargain, contract, expectation or opportunity; or

**Commented [A46]:** Spirit Energy Production UK Limited holds Carbon Capture Appraisal and Storage licence CS010. Spirit Energy’s various representations have explained why protective provisions are required to ensure that the Morecambe Net Zero project (which has the capacity to store 1 giga tonne of CO<sub>2</sub> over its lifetime) is not seriously constrained or prevented by the proposed development.

No protective provisions for Spirit Energy as the in relation to Spirit as licence holder in relation to MNZ were prepared by the Applicant. Therefore, all content is new.

However, to assist the ExA, Spirit Energy has provided a comparison of the protective provisions provided by Spirit at Deadline 6 for the protection of Spirit Energy Production UK Limited and those for the protection of the MNZ licence holder at Annex 2 to this submission to highlight the minor differences.

Spirit Energy’s comments on the Applicant’s protective provisions as described above in relation to the protective provisions drafted by Spirit Energy for the protection of Spirit Energy Production UK Limited equally apply to the protective provisions Spirit Energy has drafted for the protection of the MNZ licence holder.



(v) any other loss or anticipated loss or damage whatsoever in the nature of or consequential upon the foregoing, in either case (a) or (b) above howsoever caused or arising whether under contract, by virtue of any fiduciary duty, in tort or delict (including negligence), as a consequence of breach of any duty (statutory or otherwise) or under any other legal doctrine or principle whatsoever whether or not recoverable at common law or in equity and whether or not foreseeable at the date stated in article 1 (citation and commencement) of this Order;

“CPC” means the hydrocarbon production and processing facilities complex known generally as such or the Central Processing Complex located in the United Kingdom Continental Shelf Block 110/2a, 110/3a and 110/8a;

“legacy wells” means the legacy wells known as DP3 (C1-5), 110/3-3, 110/8-2, 110/8A-7, 110/8-2 Relief and 110/8a-C5 Relief, the coordinates for which are:

Wells	Latitude	Longitude
DP3 (C1-5)	53°49'0.6155"N	3°33'36.1013"W
110/3-3	53°50'15.4200"N	3°34'50.9700"W
110/8-2	53°49'40.9985"N	3°33'22.7997"W
110/8A-7	53°46'4.3984"N	3°34'24.5556"W
110/8-2 Relief	53°49'57.1774"N	3°33'23.0190"W
110/8a-C5 Relief	53°49'40.4140"N	3°34'2.7666"W

“licence” means Carbon Capture Appraisal and Storage licence CS010;

“licensee” means the holder from time to time of the licence, which at the date stated in article 1 (citation and commencement) of this Order is Spirit Energy Production UK Limited;

“MNZ Protective Provisions Plan” means the plan certified as the MNZ Protective Provisions Plan by the Secretary of State under article 12 (certification of documents and plans, etc.) of the Order;

“offshore substation platform” or “OSP” means Work No. 2(a) forming Part 1 of Schedule to the Order including foundations;

“pipeline” means—

- (a) the decommissioned 24 inch gas DP3 to CPC pipeline with pipeline reference number PL195; and
- (b) the decommissioned 2 inch CPC to DP3 pipeline with pipeline reference number PL205;

shown light green and annotated as CPC on the MNZ Protective Provisions Plan, together with any associated umbilicals, plant and equipment serving those pipelines;

“pipeline and cable proximity area” means the area five hundred meters (500m) either side and directly above the pipeline and cable shown shaded yellow and annotated as the Pipeline and Cable Proximity Area on the MNZ Protective Provisions Plan;

"proposed CCS injection platform" means the licensee's proposed injection platform, to be located in the position marked "SM W 2" shown with a red circle edged black and annotated as SM W 2 on the MNZ Protective Provisions Plan;

"temporary surface infrastructure" means any fixed temporary infrastructure to be used in the construction, operation and maintenance, and decommissioning of the authorised development including, but not limited to, jack-up barges and buoys, but does not include temporary surface infrastructure in transit;

"well buffer zone" means a one nautical mile (1 nm) radius buffer zone around each of the legacy wells shown edged with a dashed black line and annotated as the well buffer zones on the MNZ Protective Provisions Plan;

"well cable buffer zone" means a two hundred metre (200 m) radius buffer zone around the legacy wells shown edged with a dashed red line and annotated as the well cable buffer zones on the MNZ Protective Provisions Plan.

"wind turbine generator" or "WTG" means Work No. 1(a) from Part 1 of Schedule 1 to this Order including foundations;

"WTG and OSP aviation buffer zone" means an area of three point seven six nautical miles (3.76 nm) of unobstructed airspace measured from the proposed CCS injection platform in all directions and extending vertically from mean sea level shown to its southern extent shaded blue and edged grey and annotated as the WTG and OSP aviation buffer zone on the MNZ Protective Provisions Plan;

"WTG and OSP marine buffer zone" means an area of one point five nautical miles (1.5 nm) of unobstructed sea space measured from the proposed CCS injection platform in all directions and extending vertically from mean sea level shown edged in light blue and annotated as the WTG and OSP marine buffer zone on the MNZ Protective Provisions Plan;

"WTG and OSP marine corridor" means a one nautical mile (1 nm) wide corridor of unobstructed sea space for separate access and egress for rigs and construction vessels to the legacy wells and the proposed CCS injection platform.

### **Restriction on authorised development**

3.—(1) No wind turbine generator, inter-array cables, offshore substation platform or temporary surface infrastructure shall be erected in the pipeline and cable proximity area or the WTG and OSP marine buffer zone unless otherwise agreed in writing between the licensee and the undertaker.

(2) No vessel or surface infrastructure in transit by or attributable to the undertaker or its agents or contractors in exercising the power of this Order shall pass within one nautical mile (1 nm) of the Proposed MNZ injection platform at any time nor within five hundred metres (500 m) of the legacy wells (whilst any rig or other vessel owned, controlled or instructed by the licensee, is present at this location) unless otherwise agreed in writing with the licensee.

(4) No wind turbine generator, offshore substation platform or temporary surface infrastructure shall be erected in the WTG and OSP aviation buffer zone unless otherwise agreed in writing between the licensee and the undertaker.

(5) No wind turbine generator, inter-array cables, offshore substation platform or temporary surface infrastructure shall be erected in the well buffer zone or the WTG and OSP marine corridor unless otherwise agreed in writing between the licensee and the undertaker.

(6) No new cable associated with the authorised development shall be laid within the well cable buffer zone.

#### **Simultaneous operations**

4. Prior to commencement of construction of the authorised development, the undertaker and the licensee shall use reasonable endeavours to agree arrangements for the coordination of simultaneous operations to include (but not be limited to) the provision of; schedules of and scope of works; design specifications; proposed timing of the execution of works; methods of working; navigation routes; and a notifications procedure.

#### **Cooperation**

5. The undertaker and the licensee must each act in good faith and use reasonable endeavours to cooperate with, and provide assistance to, each other as may be required to give effect to the provisions of this Part of this Schedule.

#### **Financial security arrangements**

6. Prior to commencing construction of the authorised development the undertaker must provide evidence to the licensee that it has first put in place suitably robust arrangements to ensure that it can meet any liabilities and obligations under this Part of this Schedule. Such arrangements shall be maintained during the construction, operation, maintenance, repair, replacement and

decommissioning of the authorised development unless otherwise agreed in writing by the licensee (such agreement not to be unreasonably withheld).

### **Costs**

7.-(1) The undertaker must reimburse the licensee in respect of all reasonable costs incurred by the licensee in engaging and retaining such experts, consultants and contractors as may be reasonably necessary to allow the licensee to carry out its functions under these protective provisions.

(2) The undertaker must reimburse the licensee for any additional costs.

(3) The licensee must, as soon as reasonably practicable after incurring any additional costs pursuant to sub-paragraph (2) above, serve the undertaker with an itemised invoice or claim.

(4) Within 14 days of receipt of an itemised invoice or claim, the undertaker must— (a) approve the amount of additional costs specified in the itemised invoice or claim; or (b) dispute the amount of additional costs specified in the itemised invoice or claim (or that the licensee has not used reasonable endeavours to mitigate or minimise any such additional costs) and refer the matter to arbitration pursuant to paragraph 9 of this Part of this Schedule.

(5) Save where otherwise agreed in writing between the undertaker and the licensee, the undertaker must thereafter pay to the licensee the additional costs within 28 days of approving the amount of additional costs pursuant to sub-paragraph (4)(a) above or final decision and award of additional costs pursuant to arbitration.

(6) The licensee must use reasonable endeavours to mitigate in whole or in part and to minimise any additional costs.

### **Indemnity**

8. The undertaker shall be solely responsible for and shall defend, indemnify and hold harmless the licensee against all losses, damages, costs, claims, liabilities, liens, debts, charges expenses (including but not limited to legal expenses), causes of action of whatever nature and any payment made pursuant to an extra judicial settlement arising from, out of, or relating to the construction, operation, maintenance, repair, replacement and decommissioning of the authorised development (or any part thereof) or the failure of it (or any part thereof) in connection with:

(a) personal injury to or sickness, disease or death of personnel (including its officers, directors, employees, contractors, consultants or agency personnel) of the licensee;

(b) loss of, recovery of, or damage to any property of the licensee (including any of licensee's asset infrastructure or any marine and aeronautical vehicles, equipment, machinery, tools, materials, supplies and other objects or items owned, rented, leased, chartered or otherwise belonging to the licensee);

(c) pollution (including any spillage, release, emission to atmosphere or seepage of hydrocarbons) emanating from any property of the licensee; and

(d) consequential loss suffered by the licensee.

#### **Arbitration**

9. Any difference arising between the undertaker and the licensee under this Part shall be referred to and settled by arbitration under article 15 (arbitration) of this Order.

## **Annex 1**

*Comparison of the protective provisions provided by Spirit at Deadline 6 for the protection of Spirit Energy Production UK Limited and for the protection of the Calder duty holder.*

**For the protection of ~~Spirit Energy Production UK Limited~~the Calder duty holder**

**Application**

1. For the protection of ~~the licensee from time to time of the United Kingdom petroleum production licences with references P.251, P.1483 and P.153 (as the same may be assigned, amended or replaced from time to time) which at the date stated in article 1 (citation and commencement) of this Order is~~ Spirit Energy Production UK Limited as the duty holder of the Calder Platform, the provisions of this Part of this Schedule shall have effect for so long as ~~any of the said licences~~licence shall remain extant and Spirit Energy Production UK Limited remains duty holder of the Calder Platform unless otherwise agreed in writing between the undertaker and the ~~licensee~~duty holder.

**Interpretation**

2. In this Part of this Schedule—

“additional costs” means any additional costs incurred by the ~~licensee~~duty holder in carrying out the ~~licensee’s~~duty holder’s operations as a result of the construction, operation or decommissioning of the authorised development;

“AP-1 helideck” means the helideck located on the accommodation platform at the CPC the coordinates of which are:

Location	Lat WGS84 (DD MM SS.sss)	Lon WGS84 (DD MM SS.sss)
AP-1 helideck	53° 50' 44.348" N	003° 35' 00.579" W

“authorised development” has the same meaning as in Schedule 1 of this Order and shall include any part of the said works including any preparatory works;

“cable” means the power and telecommunications cables connecting ~~CPC to the DP3 wells~~the Calder Platform to CPC located in the South Morecambe Field (Block 110/3a) shown pink and annotated as Calder to CPC to DP3 on the ~~Spirit Licence~~Calder Duty Holder Protective Provisions Plan;

“Calder helideck” means the helideck located on the Calder Platform the coordinates of which are:

<u>Location</u>	<u>Lat WGS84 (DD MM SS.sss)</u>	<u>Lon WGS84 (DD MM SS.sss)</u>
<u>Calder Helideck</u>	<u>53° 48' 26.462" N</u>	<u>003° 39' 48.682" W</u>

“Calder Platform” means the normally unattended minimum facilities wellhead production platform located in the United Kingdom Continental Shelf Block 110/7a D;

“consequential loss” means—

- (a) any consequential or indirect loss under English law; or
- (b) the following irrespective of whether direct, indirect or consequential loss—
- (i) loss or damage arising out of any delay, postponement, interruption or loss of production of hydrocarbons, any inability to produce, process or deliver hydrocarbons or any loss of or anticipated loss of use, profit or revenue;
- (ii) loss or damage incurred or liquidated or pre-estimated damages of any kind whatsoever borne or payable under any contract for sale, exchange, transportation, processing, storage or other disposal of hydrocarbons;
- (iii) losses associated with business interruption including the costs of overheads incurred during business interruption;
- (iv) loss of bargain, contract, expectation or opportunity; or
- (v) any other loss or anticipated loss or damage whatsoever in the nature of or consequential upon the foregoing, in either case (a) or (b) above howsoever caused or arising whether under contract, by virtue of any fiduciary duty, in tort or delict (including negligence), as a consequence of breach of any duty (statutory or otherwise) or under any other legal doctrine or principle whatsoever whether or not recoverable at common law or in equity and whether or not foreseeable at the date stated in article 1 (citation and commencement) of this Order;

"CPC" means the hydrocarbon production and processing facilities complex known generally as such or the Central Processing [Platform](#) Complex located in the United Kingdom Continental Shelf Block 110/2a, 110/3a and 110/8a;

~~"DP-1 helideck" means the helideck located on drilling production platform 1 located at the CPC the coordinates of which are:~~

<del>Location</del>	<del>Lat WGS84 (DD-MM-SS.sss)</del>	<del>Lon WGS84 (DD-MM-SS.sss)</del>
<del>DP-1 helideck</del>	<del>53° 50' 45.272" N</del>	<del>003° 34' 50.140" W</del>

~~"duty holder" means Spirit Energy Production UK Limited as duty holder of the Calder Platform;~~

~~"duty holder's operations" means the operations and services provided by the duty holder to the licensee in accordance with and pursuant to an operating agreement between the duty holder and the licensee;~~

~~"DP-6 helideck" means the helideck located on drilling production platform 6 the coordinates of which are:~~

<del>Location</del>	<del>Lat WGS84 (DD-MM-SS.sss)</del>	<del>Lon WGS84 (DD-MM-SS.sss)</del>



DP-6 helideck	53° 51' 50.155" N	003° 37' 04.993" W
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"Harbour Energy" means [Chrysaor Resources \(Irish Sea\) Limited](#), a subsidiary of [Harbour Energy PLC](#)

"DP-8 helideck" means the helideck located on drilling production platform 8 the coordinates of which are:

Location	Lat WGS84 (DD-MM-SS.sss)	Lon WGS84 (DD-MM-SS.sss)
DP-8 helideck	53° 53' 26.724" N	003° 37' 27.233" W

"helidecks" means the AP-1 helideck, the DP-1 helideck, the DP-6 helideck and the DP-8 helideck and "helideck" shall mean any one of them (as the context so requires);

"legacy wells" means the legacy wells known as DP3 (C1-5), 110/3-3, 110/8-2, 110/8A-7, 110/8-2 Relief and 110/8a-C5 Relief, the coordinates for which are:

Wells	Latitude	Longitude
DP3 (C1-5)	53°49'0.6155"N	3°33'36.1013"W
110/3-3	53°50'15.4200"N	3°34'50.9700"W
110/8-2	53°49'40.9985"N	3°33'22.7997"W
110/8A-7	53°46'4.3984"N	3°34'24.5556"W
110/8-2 Relief	53°49'57.1774"N	3°33'23.0190"W
110/8a-C5 Relief	53°49'40.4140"N	3°34'2.7666"W

and "legacy well" shall mean any of them (as the context so requires);

"licence" means United Kingdom Petroleum Production Licence P.153, ~~United Kingdom Petroleum Production Licence P.1483 and United Kingdom Petroleum Production Licence P.251~~ (as any or all ~~of~~ [099](#) [as](#) the same may be assigned, amended or replaced from time to time);

"licensee" means the holder from time to time of ~~any of the licences~~ [licence](#), which at the date stated in article 1 (citation and commencement) of this Order is ~~Spirit~~ [Harbour](#) Energy ~~Production UK Limited~~;

["North East corner of the Calder Platform" means the north east corner of the Calder Platform the coordinates of which are:](#)

~~"licensee's operations" means exploration, appraisal, development, production, transportation, maintenance, repair, replacement, interventions or decommissioning activity in accordance with and pursuant to the licence;~~

<a href="#">Location</a>	<a href="#">Lat WGS84 (DD MM SS.sss)</a>	<a href="#">Lon WGS84 (DD MM SS.sss)</a>
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<a href="#">North East corner of the Calder Platform</a>	<a href="#">53° 48' 27.021" N</a>	<a href="#">003° 39' 47.105" W</a>
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"offshore substation platform" or "OSP" means Work No. 2(a) forming Part 1 of Schedule 1 to this Order including foundations;

~~"O&G decommissioning date" means the date on which Offshore Petroleum Regulator for Environment and Decommissioning (or any successor body) confirms acceptance of the close out reports for the decommissioning of Spirit Energy's East Irish Sea assets under the licence.~~

"pipeline" means—

(a) the ~~decommissioned 24" gas Morecambe DP3 to CPC~~[3" Rivers onshore terminal to Calder chemical](#) pipeline with pipeline reference number ~~PL195~~[PL1965](#); and

(b) the ~~decommissioned 2" Morecambe CPC to DP3~~[24" Calder to Rivers onshore terminal gas](#) pipeline with pipeline reference number ~~PL205~~[PL1966](#);

shown light green and annotated as ~~CPC to DP3 on the Spirit Licence~~[the Calder to Rivers Onshore Terminal \(PL1966\) and Rivers Onshore Terminal to Calder \(PL1965\) on the Calder Duty Holder](#) Protective Provisions Plan, together with any associated umbilicals, plant and equipment serving those pipelines;

"pipeline and cable proximity area" means the area five hundred meters (500m) either side and directly above the pipeline and cable shown shaded yellow and annotated as the Pipeline and Cable Proximity Area on the ~~Spirit Licence~~[Calder Duty Holder](#) Protective Provisions Plan;

~~"Spirit Licence~~[Calder Duty Holder](#) Protective Provisions Plan" means the plan certified as the ~~Spirit Licence~~[Calder Duty Holder](#) Protective Provisions Plan by the Secretary of State under article 12 (certification of documents and plans, etc.) of the Order;

"temporary surface infrastructure" means any fixed temporary infrastructure to be used in the construction, operation and maintenance, and decommissioning of the authorised development including, but not limited to, jack-up barges and buoys, but does not include temporary surface infrastructure in transit;

~~"well buffer zone" means a one nautical mile (1 nm) radius buffer zone around each legacy well shown edged with a dashed black line and annotated as the well buffer zones on the Spirit Licence Protective Provisions Plan;~~

"wind turbine generator" or "WTG" means Work No. 1(a) from Part 1 of Schedule 1 to this Order including foundations;

"WTG and OSP aviation buffer zone" means an area of three point seven six nautical miles (3.76 nm) of unobstructed airspace measured from ~~each of the helidecks~~ Calder helideck in all directions and extending vertically from mean sea level shown ~~to its southern extent~~ shaded blue and edged grey and annotated as the WTG and OSP aviation buffer ~~zones on the Spirit Licence~~ zone on the Calder Duty Holder Protective Provisions Plan;

"WTG and OSP marine buffer zone" means an area of one point five nautical ~~miles~~ mile (1.5 nm) of unobstructed sea space measured from ~~each of the AP-1 helideck and DP-1 helideck~~ the North East corner of the Calder Platform in all directions shown ~~to its southern extent~~ edged in light blue and annotated as the WTG and OSP marine buffer ~~zones on the Spirit Licence~~ zone on the Calder Duty Holder Protective Provisions Plan;

"WTG marine corridor" means a one nautical mile (1 nm) wide corridor of unobstructed sea space between the Calder Platform and the AP-1 helideck shown edged in dark green and annotated as the WTG marine corridor on the ~~Spirit Licence~~ Calder Duty Holder Protective Provisions Plan.

### **Restriction on authorised development**

3.—(1) No wind turbine generator, inter-array cables, offshore substation platform or temporary surface infrastructure shall be erected in the pipeline and cable proximity area, ~~any~~ the WTG and OSP marine buffer zone or the WTG marine corridor unless otherwise agreed in writing between the ~~licensee~~ duty holder and the undertaker.

(2) No vessel or surface infrastructure in transit by or attributable to the undertaker or its agents or contractors in exercising the power of this Order shall pass within one nautical mile (1 nm) of ~~any of the helidecks at any time nor within five hundred metres (500 m) of any of the legacy wells (whilst any rig or other vessel owned, controlled or instructed by the licensee, is present at this location)~~ the Calder Platform unless otherwise agreed in writing between the ~~licensee~~ duty holder and the undertaker.

(3) No wind turbine generator, offshore substation platform or temporary surface infrastructure shall be erected in ~~any of the WTG and OSP aviation buffer zones unless otherwise agreed in writing between the licensee and the undertaker until after the O&G Decommissioning Date.~~

~~(4) No wind turbine generator, inter-array cables, offshore substation platform or temporary surface infrastructure shall be erected in any well buffer zone~~ unless otherwise agreed in writing between the [licensee duty holder](#) and the undertaker.

#### **Simultaneous operations**

4. Prior to commencement of construction of the authorised development, the undertaker and the [licensee duty holder](#) shall use reasonable endeavours to agree arrangements for the coordination of simultaneous operations to include (but not be limited to) the provision of: schedules of and scope of works; design specifications; proposed timing of the execution of works; methods of working; navigation routes; and a notifications procedure.

#### **Cooperation**

5. The undertaker and the [licensee duty holder](#) must each act in good faith and use reasonable endeavours to cooperate with, and provide assistance to, each other as may be required to give effect to the provisions of this Part of this Schedule.

#### **Financial security arrangements**

6. Prior to commencing construction of the authorised development the undertaker must provide evidence to the [licensee duty holder](#) that it has first put in place suitably robust arrangements to ensure that it can meet any liabilities and obligations under this Part of this Schedule. Such arrangements shall be maintained during the construction, operation, maintenance, repair, replacement and decommissioning of the authorised development unless otherwise agreed in writing by the [licensee duty holder](#) (such agreement not to be unreasonably withheld).

#### **Costs**

7.-(1) The undertaker must reimburse the [licensee duty holder](#) in respect of all reasonable costs incurred by the [licensee duty holder](#) in engaging and retaining such experts, consultants and contractors as may be reasonably necessary to allow the [licensee duty holder](#) to carry out its functions under these protective provisions.

(2) The undertaker must reimburse the [licensee duty holder](#) for any additional costs.

(3) The [licensee duty holder](#) must, as soon as reasonably practicable after incurring any additional costs pursuant to sub-paragraph (2) above, serve the undertaker with an itemised invoice or claim.

(4) Within 14 days of receipt of an itemised invoice or claim, the undertaker must— (a) approve the amount of additional costs specified in the itemised invoice or claim; or (b) dispute the amount of additional costs specified in the itemised invoice or claim (or that the [licensee duty holder](#) has not used reasonable endeavours to mitigate or minimise any such additional costs) and refer the matter to arbitration pursuant to paragraph 9 of this Part of this Schedule.

(5) Save where otherwise agreed in writing between the undertaker and the [licensee duty holder](#), the undertaker must thereafter pay to the [licensee duty holder](#) the additional costs within 28 days of approving the amount of additional costs pursuant to sub-paragraph (4)(a) above or final decision and award of additional costs pursuant to arbitration.

(6) The [licensee duty holder](#) must use reasonable endeavours to mitigate in whole or in part and to minimise any additional costs.

#### **Indemnity**

8. The undertaker shall be solely responsible for and shall defend, indemnify and hold harmless the [licensee duty holder](#) against all losses, damages, costs, claims, liabilities, liens, debts, charges expenses (including but not limited to legal expenses), causes of action of whatever nature and any payment made pursuant to an extra judicial settlement arising from, out of, or relating to the construction, operation, maintenance, repair, replacement and decommissioning of the authorised development (or any part thereof) or the failure of it (or any part thereof) in connection with:

(a) personal injury to or sickness, disease or death of personnel (including its officers, directors, employees, contractors, consultants or agency personnel) of the [licensee duty holder](#);

(b) loss of, recovery of, or damage to any property of the [licensee duty holder](#) (including any of [licensee's duty holder's](#) asset infrastructure or any marine and aeronautical vehicles, equipment, machinery, tools, materials, supplies and other objects or items owned, rented, leased, chartered or otherwise belonging to the [licensee duty holder](#));

(c) pollution (including any spillage, release, emission to atmosphere or seepage of hydrocarbons) emanating from any property of the [licensee duty holder](#); and

(d) consequential loss suffered by the [licensee duty holder](#).

#### **Arbitration**

9. Any difference arising between the undertaker and the [licensee duty holder](#) under this Part shall be referred to and settled by arbitration under article 15 (arbitration) of this Order.

## **Annex 2**

*Comparison of the protective provisions provided by Spirit at Deadline 6 for the protection of Spirit Energy Production UK Limited and for the protection of the MNZ licence holder.*

For the protection of ~~Spirit Energy Production UK Limited~~ the MNZ licence holder

#### Application

1. For the protection of the licensee from time to time of ~~the United Kingdom petroleum production licences with references P.251, P.1483 and P.153 (as the same may be assigned, amended or replaced from time to time)~~ Carbon Capture Appraisal and Storage licence CS010 which at the date stated in article 1 (citation and commencement) of this Order is Spirit Energy Production UK Limited, the provisions of this Part of this Schedule shall have effect for so long as ~~any of the said licences shall remain~~ the licence remains extant unless otherwise agreed in writing between the undertaker and the licensee.

#### Interpretation

2. In this Part of this Schedule—

“additional costs” means any additional costs incurred by the ~~licensee~~ duty holder in carrying out the ~~licensee’s~~ duty holder’s operations as a result of the construction, operation or decommissioning of the authorised development;

~~“AP-1 helideck” means the helideck located on the accommodation platform at the CPC the coordinates of which are:~~

Location	Lat WGS84 (DD-MM-SS.sss)	Lon WGS84 (DD-MM-SS.sss)
AP-1 helideck	53° 50' 44.348" N	003° 35' 00.579" W

“authorised development” has the same meaning as in Schedule 1 of this Order and shall include any part of the said works including any preparatory works;

“cable” means the power and telecommunications cables connecting CPC to the DP3 wells shown pink and annotated as CPC to DP3 on the ~~Spirit Licence~~ MNZ Protective Provisions Plan;

~~“Calder Platform” means the normally unattended minimum facilities wellhead production platform located in the United Kingdom Continental Shelf Block 110/7a-D;~~

“consequential loss” means—

(a) any consequential or indirect loss under English law; or

(b) the following irrespective of whether direct, indirect or consequential loss—

(i) loss or damage arising out of any delay, postponement, interruption or loss of ~~production of hydrocarbons~~ containment of carbon dioxide, any inability to ~~produce~~ store, process or ~~deliver~~

~~hydrocarbons~~accept delivery of carbon dioxide or any loss of or anticipated loss of use, profit or revenue;

(ii) loss or damage incurred or liquidated or pre-estimated damages of any kind whatsoever borne or payable under any contract for sale, exchange, transportation, processing, storage or other disposal of ~~hydrocarbons~~carbon dioxide;

(iii) losses associated with business interruption including the costs of overheads incurred during business interruption;

(iv) loss of bargain, contract, expectation or opportunity; or

(v) any other loss or anticipated loss or damage whatsoever in the nature of or consequential upon the foregoing, in either case (a) or (b) above howsoever caused or arising whether under contract, by virtue of any fiduciary duty, in tort or delict (including negligence), as a consequence of breach of any duty (statutory or otherwise) or under any other legal doctrine or principle whatsoever whether or not recoverable at common law or in equity and whether or not foreseeable at the date stated in article 1 (citation and commencement) of this Order;

"CPC" means the hydrocarbon production and processing facilities complex known generally as such or the Central Processing Complex located in the United Kingdom Continental Shelf Block 110/2a, 110/3a and 110/8a;

~~"DP-1 helideck" means the helideck located on drilling production platform 1 located at the CPC the coordinates of which are:~~

Location	Lat WGS84 (DD-MM-SS.sss)	Lon WGS84 (DD-MM-SS.sss)
DP-1 helideck	53° 50' 45.272" N	003° 34' 50.140" W

~~"DP-6 helideck" means the helideck located on drilling production platform 6 the coordinates of which are:~~

Location	Lat WGS84 (DD-MM-SS.sss)	Lon WGS84 (DD-MM-SS.sss)
DP-6 helideck	53° 51' 50.155" N	003° 37' 04.993" W

~~"DP-8 helideck" means the helideck located on drilling production platform 8 the coordinates of which are:~~

Location	Lat WGS84 (DD-MM-SS.sss)	Lon WGS84 (DD-MM-SS.sss)
DP-8 helideck	53° 53' 26.724" N	003° 37' 27.233" W



~~"helidecks" means the AP-1 helideck, the DP-1 helideck, the DP-6 helideck and the DP-8 helideck and "helideck" shall mean any one of them (as the context so requires);~~

"legacy wells" means the legacy wells known as DP3 (C1-5), 110/3-3, 110/8-2, 110/8A-7, 110/8-2 Relief and 110/8a-C5 Relief, the coordinates for which are:

Wells	Latitude	Longitude
DP3 (C1-5)	53°49'0.6155"N	3°33'36.1013"W
110/3-3	53°50'15.4200"N	3°34'50.9700"W
110/8-2	53°49'40.9985"N	3°33'22.7997"W
110/8A-7	53°46'4.3984"N	3°34'24.5556"W
110/8-2 Relief	53°49'57.1774"N	3°33'23.0190"W
110/8a-C5 Relief	53°49'40.4140"N	3°34'2.7666"W

~~and "legacy well" shall mean any of them (as the context so requires);~~

"licence" means ~~United Kingdom Petroleum Production Licence P.153, United Kingdom Petroleum Production Licence P.1483 and United Kingdom Petroleum Production Licence P.251 (as any or all of the same may be assigned, amended or replaced from time to time);~~[Carbon Capture Appraisal and Storage licence CS010](#);

"licensee" means the holder from time to time of ~~any of the licences~~[licence](#), which at the date stated in article 1 (citation and commencement) of this Order is Spirit Energy Production UK Limited;

~~"licensee's operations" means exploration, appraisal, development, production, transportation, maintenance, repair, replacement, interventions or decommissioning activity in accordance with and pursuant to the licence;~~

~~"MNZ Protective Provisions Plan" means the plan certified as the MNZ Protective Provisions Plan by the Secretary of State under article 12 (certification of documents and plans, etc.) of the Order;~~

"offshore substation platform" or "OSP" means Work No. 2(a) forming Part 1 of Schedule ~~1~~ to ~~this~~[the](#) Order including foundations;

~~"O&G decommissioning date" means the date on which Offshore Petroleum Regulator for Environment and Decommissioning (or any successor body) confirms acceptance of the close-out reports for the decommissioning of Spirit Energy's East Irish Sea assets under the licence.~~

"pipeline" means—

(a) the decommissioned 24" [inch](#) gas ~~Morecambe~~ DP3 to CPC pipeline with pipeline reference number PL195; and

(b) the decommissioned 2" ~~Morecambe~~ [inch](#) CPC to DP3 pipeline with pipeline reference number PL205;

shown light green and annotated as CPC to DP3 on the ~~Spirit Licence~~[MNZ](#) Protective Provisions Plan, together with any associated umbilicals, plant and equipment serving those pipelines;

"pipeline and cable proximity area" means the area five hundred meters (500m) either side and directly above the pipeline and cable shown shaded yellow and annotated as the Pipeline and Cable Proximity Area on the ~~Spirit Licence~~[MNZ](#) Protective Provisions Plan;

~~"Spirit Licence Protective Provisions Plan" means the plan certified as the Spirit Licence Protective Provisions Plan by the Secretary of State under article 12 (certification of documents and plans, etc.) of the Order;~~

"proposed CCS injection platform" means the licensee's proposed injection platform, to be located in the position marked "SM W 2" shown with a red circle edged black and annotated as SM W 2 on the MNZ Protective Provisions Plan;

"temporary surface infrastructure" means any fixed temporary infrastructure to be used in the construction, operation and maintenance, and decommissioning of the authorised development including, but not limited to, jack-up barges and buoys, but does not include temporary surface infrastructure in transit;

"well buffer zone" means a one nautical mile (1 nm) radius buffer zone around each ~~of the~~ legacy ~~well~~[wells](#) shown edged with a dashed black line and annotated as the well buffer zones on the ~~Spirit Licence~~[MNZ](#) Protective Provisions Plan;

"well cable buffer zone" means a two hundred metre (200 m) radius buffer zone around the legacy wells shown edged with a dashed red line and annotated as the well cable buffer zones on the MNZ Protective Provisions Plan.

"wind turbine generator" or "WTG" means Work No. 1(a) from Part 1 of Schedule 1 to this Order including foundations;

"WTG and OSP aviation buffer zone" means an area of three point seven six nautical miles (3.76 nm) of unobstructed airspace measured from ~~each of the helidecks~~[the proposed CCS injection platform](#) in all directions and extending vertically from mean sea level shown to its southern extent shaded blue and edged grey and annotated as the WTG and OSP aviation buffer ~~zones~~[zone](#) on the ~~Spirit Licence~~[MNZ](#) Protective Provisions Plan;

"WTG and OSP marine buffer zone" means an area of one point five nautical miles (1.5 nm) of unobstructed sea space measured from ~~each of the AP-1 helideck and DP-1 helideck~~[the proposed CCS injection platform](#) in all directions ~~shown to its southern extent~~[and extending vertically from](#)

[mean sea level shown](#) edged in light blue and annotated as the WTG and OSP marine buffer ~~zones~~[zone](#) on the ~~Spirit Licence~~[MNZ](#) Protective Provisions Plan;

"WTG [and OSP](#) marine corridor" means a one nautical mile (1 nm) wide corridor of unobstructed sea space ~~between the Calder Platform and the AP-1 helideck shown edged in dark green and annotated as the WTG marine corridor on the Spirit Licence Protective Provisions Plan~~[for separate access and egress for rigs and construction vessels to the legacy wells and the proposed CCS injection platform](#).

### **Restriction on authorised development**

3.—(1) No wind turbine generator, inter-array cables, offshore substation platform or temporary surface infrastructure shall be erected in the pipeline and cable proximity area, ~~any~~ [or the](#) WTG and OSP marine buffer zone ~~or the WTG marine corridor~~ unless otherwise agreed in writing between the licensee and the undertaker.

(2) No vessel or surface infrastructure in transit by or attributable to the undertaker or its agents or contractors in exercising the power of this Order shall pass within one nautical mile (1 nm) of ~~any of the helidecks~~[the Proposed MNZ injection platform](#) at any time nor within five hundred metres (500 m) of ~~any of~~ the legacy wells (whilst any rig or other vessel owned, controlled or instructed by the licensee, is present at this location) unless otherwise agreed in writing ~~between~~[with](#) the licensee ~~and the undertaker~~.

~~(3)~~[4](#) No wind turbine generator, offshore substation platform or temporary surface infrastructure shall be erected in ~~any of~~ the WTG and OSP aviation buffer ~~zones~~[zone](#) unless otherwise agreed in writing between the licensee and the undertaker ~~until after the O&G Decommissioning Date~~.

~~(4)~~[5](#) No wind turbine generator, inter-array cables, offshore substation platform or temporary surface infrastructure shall be erected in ~~any~~[the](#) well buffer zone ~~or the WTG and OSP marine corridor~~ unless otherwise agreed in writing between the licensee and the undertaker.

[\(6\) No new cable associated with the authorised development shall be laid within the well cable buffer zone.](#)

### **Simultaneous operations**

4. Prior to commencement of construction of the authorised development, the undertaker and the licensee shall use reasonable endeavours to agree arrangements for the coordination of simultaneous operations to include (but not be limited to) the provision of ~~the~~[the](#) schedules of and scope

of works; design specifications; proposed timing of the execution of works; methods of working; navigation routes; and a notifications procedure.

### **Cooperation**

5. The undertaker and the licensee must each act in good faith and use reasonable endeavours to cooperate with, and provide assistance to, each other as may be required to give effect to the provisions of this Part of this Schedule.

### **Financial security arrangements**

6. Prior to commencing construction of the authorised development the undertaker must provide evidence to the licensee that it has first put in place suitably robust arrangements to ensure that it can meet any liabilities and obligations under this Part of this Schedule. Such arrangements shall be maintained during the construction, operation, maintenance, repair, replacement and decommissioning of the authorised development unless otherwise agreed in writing by the licensee (such agreement not to be unreasonably withheld).

### **Costs**

7.-(1) The undertaker must reimburse the licensee in respect of all reasonable costs incurred by the licensee in engaging and retaining such experts, consultants and contractors as may be reasonably necessary to allow the licensee to carry out its functions under these protective provisions.

(2) The undertaker must reimburse the licensee for any additional costs.

(3) The licensee must, as soon as reasonably practicable after incurring any additional costs pursuant to sub-paragraph (2) above, serve the undertaker with an itemised invoice or claim.

(4) Within 14 days of receipt of an itemised invoice or claim, the undertaker must— (a) approve the amount of additional costs specified in the itemised invoice or claim; or (b) dispute the amount of additional costs specified in the itemised invoice or claim (or that the licensee has not used reasonable endeavours to mitigate or minimise any such additional costs) and refer the matter to arbitration pursuant to paragraph 9 of this Part of this Schedule.

(5) Save where otherwise agreed in writing between the undertaker and the licensee, the undertaker must thereafter pay to the licensee the additional costs within 28 days of approving the amount of additional costs pursuant to sub-paragraph (4)(a) above or final decision and award of additional costs pursuant to arbitration.

(6) The licensee must use reasonable endeavours to mitigate in whole or in part and to minimise any additional costs.

### **Indemnity**

8. The undertaker shall be solely responsible for and shall defend, indemnify and hold harmless the licensee against all losses, damages, costs, claims, liabilities, liens, debts, charges expenses (including but not limited to legal expenses), causes of action of whatever nature and any payment made pursuant to an extra judicial settlement arising from, out of, or relating to the construction, operation, maintenance, repair, replacement and decommissioning of the authorised development (or any part thereof) or the failure of it (or any part thereof) in connection with:

(a) personal injury to or sickness, disease or death of personnel (including its officers, directors, employees, contractors, consultants or agency personnel) of the licensee;

(b) loss of, recovery of, or damage to any property of the licensee (including any of licensee's asset infrastructure or any marine and aeronautical vehicles, equipment, machinery, tools, materials, supplies and other objects or items owned, rented, leased, chartered or otherwise belonging to the licensee);

(c) pollution (including any spillage, release, emission to atmosphere or seepage of hydrocarbons) emanating from any property of the licensee; and

(d) consequential loss suffered by the licensee.

### **Arbitration**

9. Any difference arising between the undertaker and the licensee under this Part shall be referred to and settled by arbitration under article 15 (arbitration) of this Order.