

Gas to the West

Bringing gas to Coalisland, Cookstown, Derrylin, Dungannon
Enniskillen, Magherafelt, Omagh and Strabane



A major energy infrastructure project to extend the benefits of natural gas to thousands more homes and businesses in the west of Northern Ireland



Gas to the West: The project



Following an open competitive process, Mutual Energy Limited and SGN were awarded licences by the Utility Regulator for Northern Ireland

to build and operate the high pressure and low pressure gas pipelines which will extend the natural gas network into the west of Northern Ireland. This significant gas network extension will bring the very considerable benefits of natural gas to the towns of Coalisland, Cookstown, Derrylin, Dungannon, Enniskillen, Magherafelt, Omagh and Strabane over the period 2016–2017.

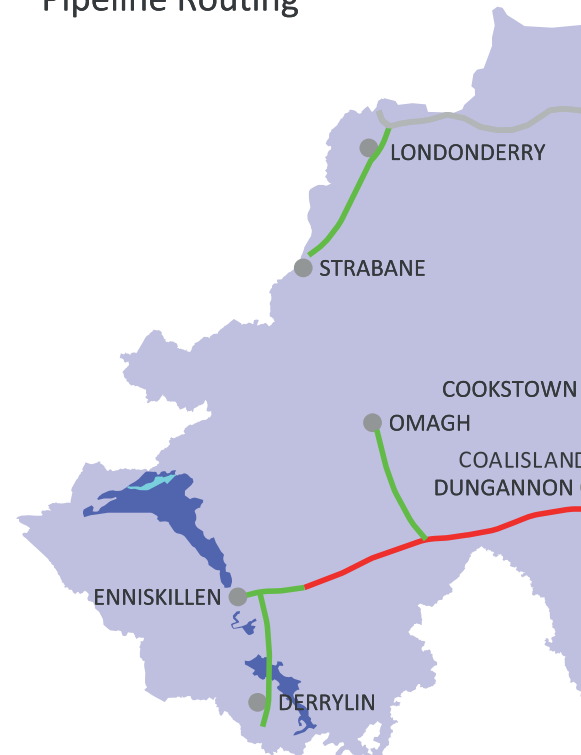
First gas will be available in Strabane in late 2016 with connections to the other towns following during 2017. Thereafter we will be focused on extending the low pressure network within each town and examining the economics of further extensions to smaller communities that lie close to suitable connection points.



About the project

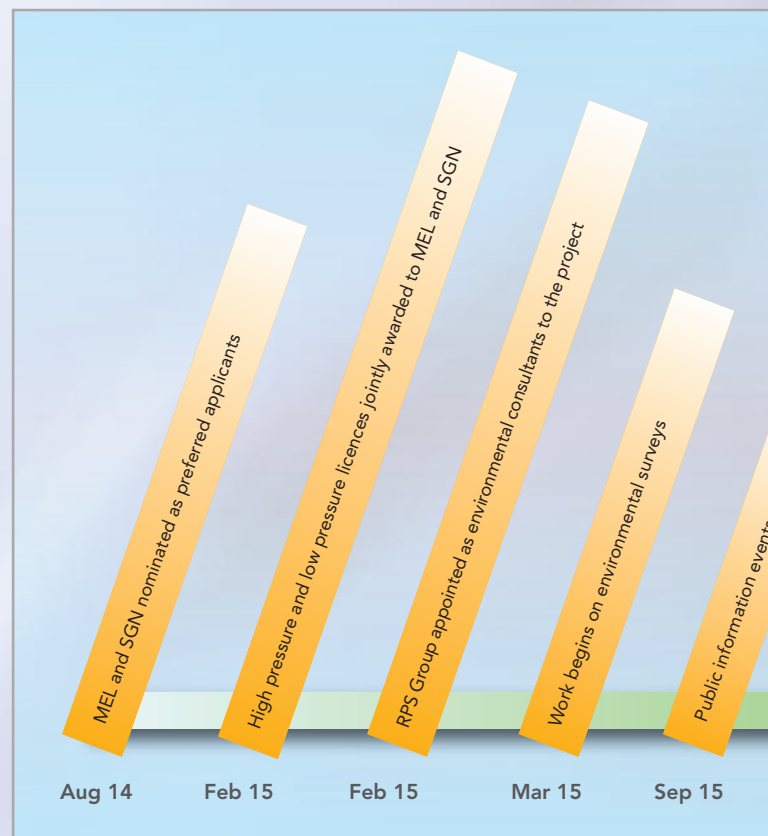
- An overall investment of around £250m with a contribution of up to £32m being provided by the Northern Ireland Executive.
- Construct approximately 200km of pipeline linking the towns to the existing network.
- Construct approximately 500km of gas mains and services within the towns.
- Up to 40,000 domestic and business customers to be connected to natural gas.

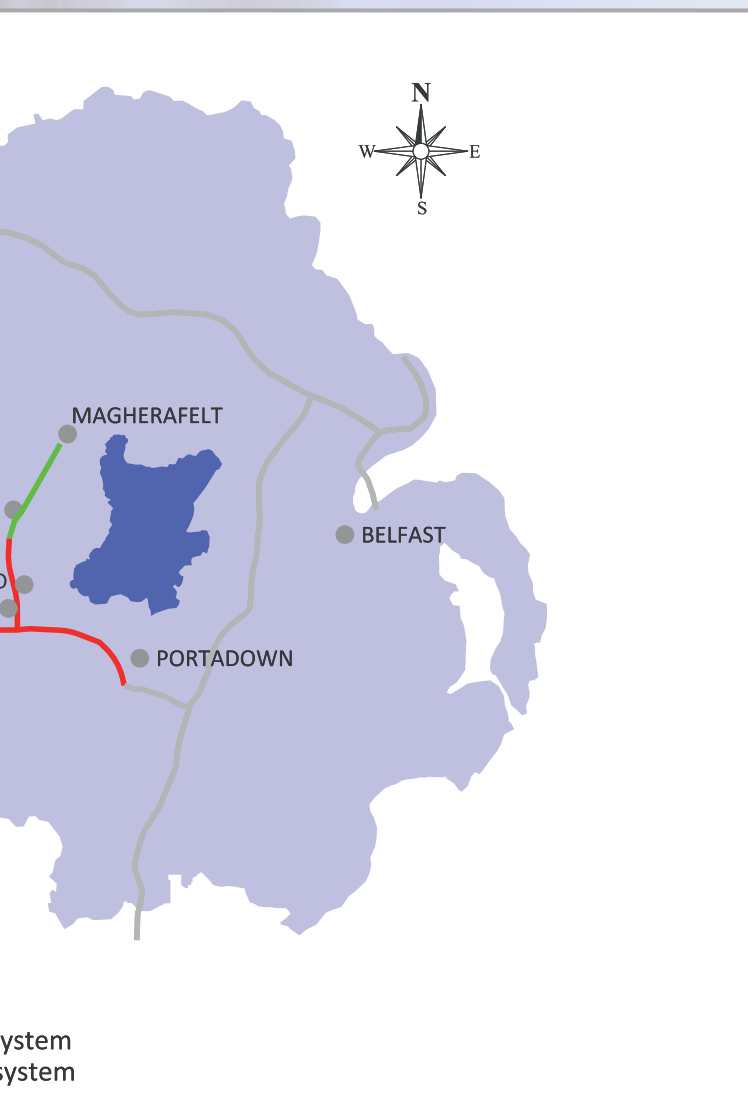
Gas to the West Natural Gas Pipeline Routing



LEGEND

- Existing Gas transmission system
- Potential Gas to the West transmission system
- Potential Gas to the West intermediate systems





- Mutual Energy will own and operate the high pressure pipeline, which will be constructed by SGN. SGN will thereafter provide maintenance and other services to Mutual Energy.
- SGN will own and operate the mains, services and meters delivering natural gas within the towns.

Benefits of natural gas

There are very significant benefits associated with the availability of gas in any particular area.



Natural gas is:

- ✓ The cleanest fossil fuel – best for the environment
- ✓ Competitive and quiet
- ✓ Reliable and a constant supply
- ✓ Easy to budget
- ✓ Versatile, convenient, controllable
- ✓ Energy efficient – save money with natural gas appliances and heating controls
- ✓ Often a pre-requisite for other industrial investment

Jobs

The £250m investment in Gas to the West will support around 200 jobs during the construction phase. Thereafter the new gas infrastructure will sustain a significant number of ongoing jobs for installation sub-contractors and other related functions.

Indicative project timeline



Gas to the West: The project partners

The two licence holders for the Gas to the West project are Mutual Energy which has been awarded the high-pressure licence and SGN which has been awarded the low-pressure licence. The two companies already have a successful track record of working together in Northern Ireland.

The Mutual Energy-SGN partnership

Working together for Northern Ireland – the MEL and SGN partnership brings a range of benefits to the people of Northern Ireland, drawing on the complementary skills and strengths of the two parties.

Mutual Energy Limited	SGN
✓ Brings low cost of capital	✓ Strong, large scale distribution network operator
✓ Established gas transmission operator	✓ Experience in delivering capital projects
✓ Local market knowledge and expertise with strong regulatory understanding	✓ Innovation leader in transmission and distribution engineering



'A Northern Ireland company working for consumers'

Mutual Energy Limited (MEL) is an established and substantial player in the Northern Ireland energy sector. As a mutual, the company has no shareholders – all profits and savings are for the long term benefit of Northern Ireland customers.

The group's key assets are:

- The Moyle electricity interconnector linking the electricity grids of Northern Ireland and Scotland through submarine cables.
- The Scotland-Northern Ireland Pipeline (SNIP) subsea pipeline which transports gas to Ballylumford power station, where it is used to generate up to half of Northern Ireland's electricity. All of the gas used in Northern Ireland is currently transported from Scotland through the SNIP.
- The Belfast Gas Transmission Pipeline which transports natural gas from Ballylumford to the Greater Belfast and Larne gas markets.

For further information on Mutual Energy:
www.mutual-energy.com



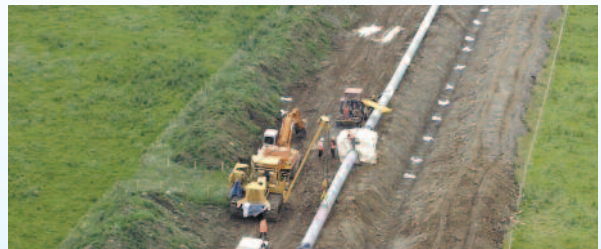
'Dedicated to keeping our customers safe and warm by leading the way in energy delivery'

SGN is a major player in the UK energy market and owns two of the eight gas distribution networks in Great Britain. The company operates some 74,000km of gas mains and infrastructure and delivers natural gas to approximately 5.8 million domestic and business customers across central southern and south-east England and throughout Scotland. In 2012/13 alone SGN installed mains equivalent to a third of the total Greater Belfast natural gas distribution network.

The company has been an active participant in the development of the gas market in Northern Ireland since 2005 and SGN teams were responsible for commissioning the existing major transmission pipelines. SGN has been providing technical expertise to Bord Gáis, Firmus Energy and Mutual Energy for many years, providing maintenance, emergency response and gas control services.

For further information on SGN: www.sgn.co.uk

How Gas to the West will be delivered



Construction work is scheduled to begin in the Strabane area in summer 2015 moving to the Portadown to Derrylin pipeline late 2016 followed by final reinstatement of the cross country pipeline in 2018. Prior to this there will be activity in the area as we talk to landowners and carry out ground and environmental surveys.

Our aim is to construct the pipeline with minimum inconvenience and to work with all those who may be affected. Care for the environment will be a prime concern – we will work closely with our environmental consultants and statutory bodies, where applicable throughout the process.

For further information on Gas to the West

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