

Gas to East Down





Introduction

This licence extension project to East Down will allow for 13 new towns to be connected to the natural gas network; Annahilt, Ballygowan, Ballynahinch, Castlewellan, Crossgar, Downpatrick, Dromore, Drumaness, Dundrum, Hillsborough, Newcastle, Saintfield and The Spa.

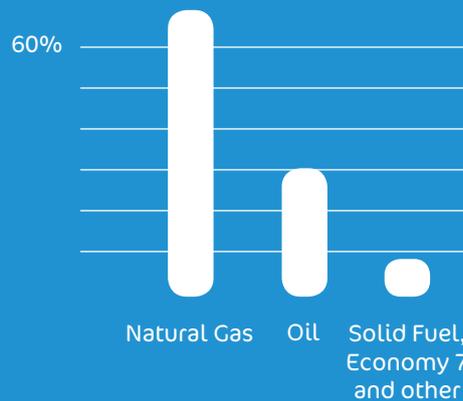
The capital investment of the overall project is upwards of £58 million and is estimated to make gas available to circa 28,000 domestic and commercial properties.



Background to Phoenix Natural Gas

Phoenix Natural Gas is the largest natural gas distribution company in Northern Ireland. Phoenix is responsible for the development of the pipeline network and additional services to suppliers, which facilitates the supply of natural gas to homes and businesses.

The Phoenix network currently extends to around 3500 km of intermediate, medium and low pressure mains, which distribute natural gas throughout the licence area. Phoenix's licence covers around 50% of the population of Northern Ireland, where Phoenix has operated for 20 years. Natural gas is the dominant fuel with around 60% of the licence area already benefitting from the economic and environmental benefits of natural gas.



KEY FACTS

- Network** - Approx. 3500km
- Gas Available to** - 300,000+ properties
- Gas Coverage** - Over 90%
- Connections** - Approx. 200,000
- Established** - 1996



KEY FACTS

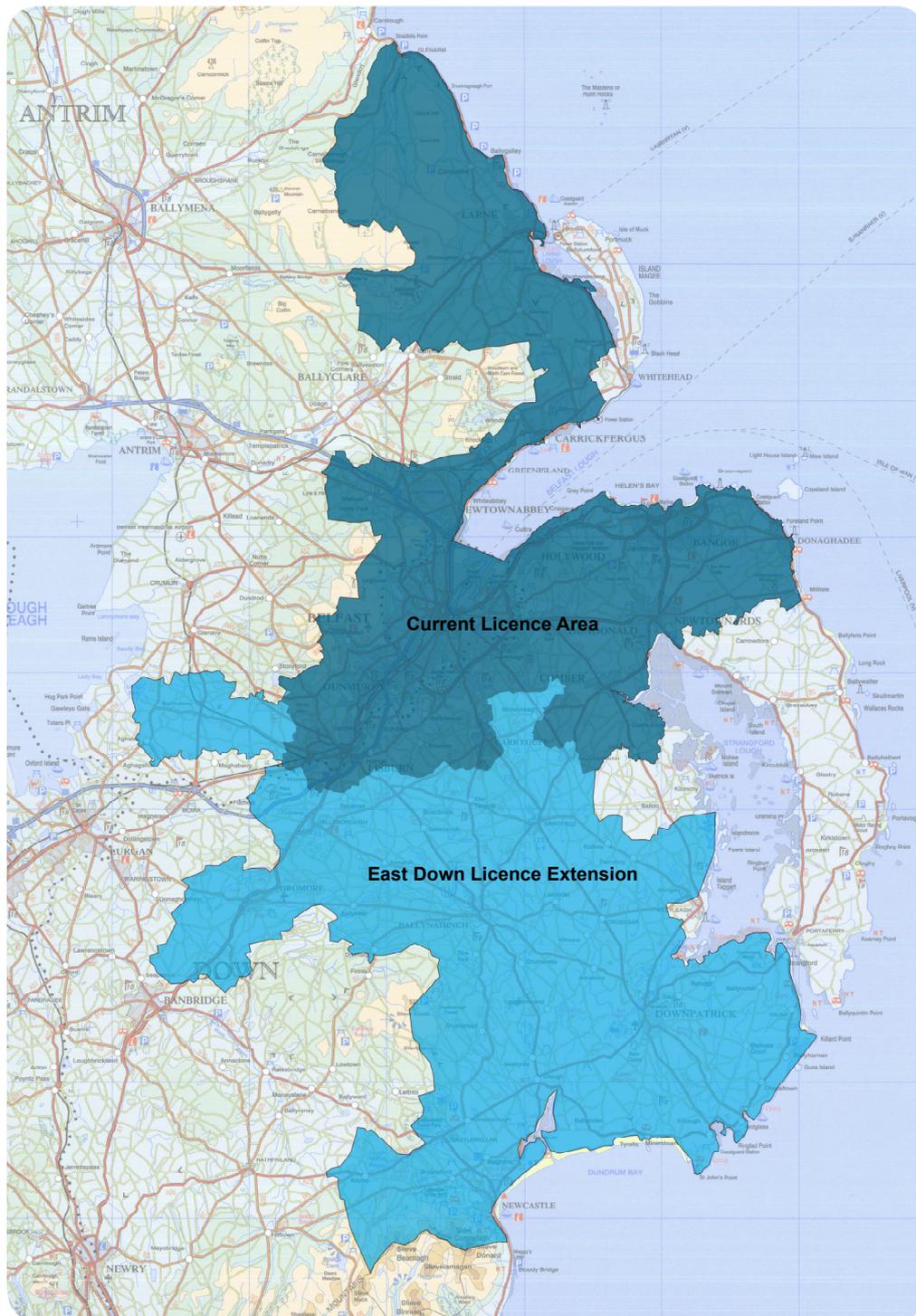
Network Build – 350km

Gas Availability – 28,000 properties

Investment – circa £58 million

East Down Towns Coverage – Over 90%

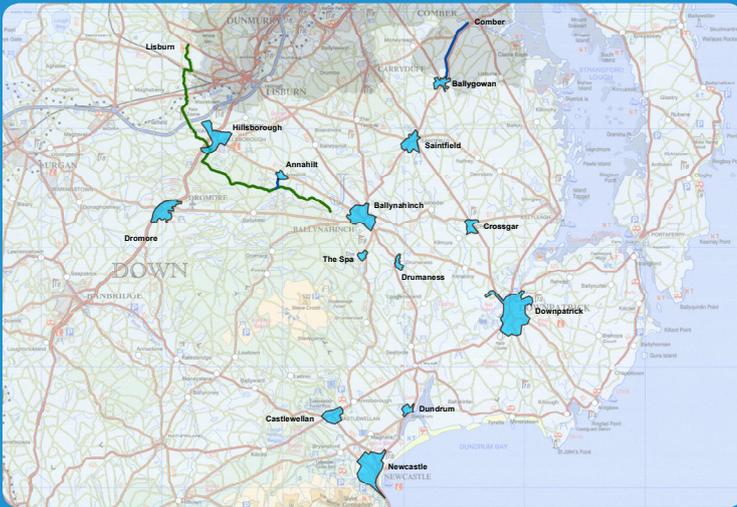
Project Overview



Mains Build Programme

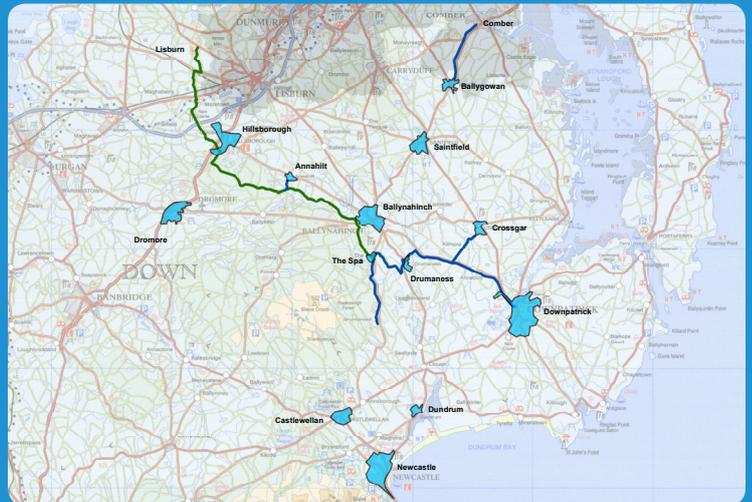
Year 1 – 2016

- Section 1 Comber to Ballygowan
- Section 2 Glenavy Road, Lisburn to outskirts of Ballynahinch via Hillsborough and Annahilt



Year 2 – 2017

- Section 1 Outskirts of Ballynahinch to Downpatrick via The Spa, Drumaness and Crossgar
- Section 2 The Spa to Edendariff Road



Year 3 – 2018

- Section 1 Edendariff Road to Newcastle via Castlewellan and Dundrum
- Section 2 Ballynahinch to Saintfield
- Section 3 Hillsborough to Dromore





Connecting Towns

13 New Towns over 4 Councils –

Lisburn and Castlereagh (2)

- Annahilt
- Hillsborough

Armagh, Banbridge and Craigavon (1)

- Dromore

North Down and Ards (1)

- Ballygowan

Newry, Mourne and Down (9)

- Ballynahinch
- Castlewellan
- Crossgar
- Downpatrick
- Drumaness
- Dundrum
- Newcastle
- Saintfield
- The Spa



Construction Methods

The vast majority of the gas main will be laid in existing carriageways. The most cost efficient and environmentally friendly method is directional drilling and we try to use this where possible.



Mains Laying Techniques

Open Cut

Open cut is the standard technique for laying underground pipelines via trench excavation.

Directional Drilling

This method is used in favourable soil conditions and minimises disruption and maximises productivity. This form of trenchless technology means metal rods are driven underground to lay the gas main.



Programme of Works

| Town | Start Year | Km | Properties Passed | Completion Year |
|--------------|------------|------------|-------------------|-----------------|
| Ballygowan | 2016 | 13.2 | 1400 | 2019 |
| Hillsborough | 2017 | 21.3 | 2200 | 2020 |
| Ballynahinch | 2017 | 27.6 | 3500 | 2021 |
| Annahilt | 2017 | 5.7 | 470 | 2019 |
| Spa | 2017 | 3.4 | 230 | 2018 |
| Downpatrick | 2018 | 58.4 | 6035 | 2022 |
| Saintfield | 2018 | 18.4 | 1845 | 2021 |
| Dromore | 2018 | 27.6 | 3320 | 2022 |
| Crossgar | 2018 | 15.2 | 1019 | 2020 |
| Drumaness | 2018 | 5.3 | 632 | 2021 |
| Newcastle | 2019 | 39.4 | 4805 | 2022 |
| Castlewellan | 2019 | 16.6 | 1490 | 2022 |
| Dundrum | 2019 | 7.7 | 1054 | 2021 |
| Total | | 260 | 28000 | |

This is in addition to **90km of mains network** that will be constructed to make gas available to East Down.





Gas Industry

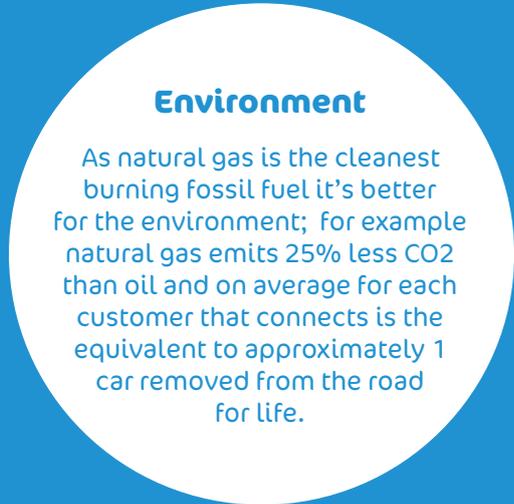
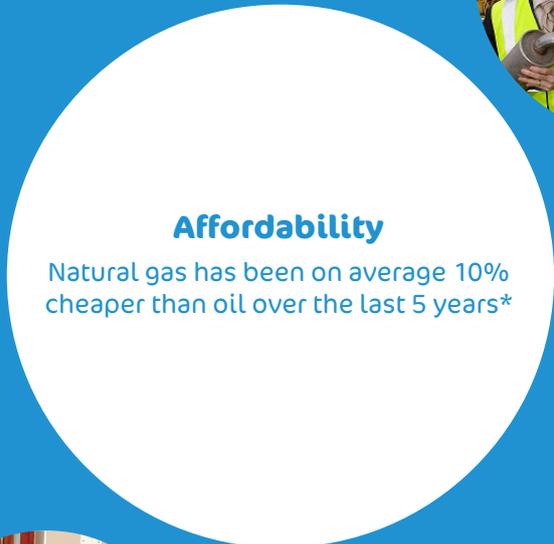
- 3,000 employed in wider natural gas industry
- Circa £58m initial investment
- Approx. a further £60m to be invested in energy efficiency and gas upgrades
- Skills development potential in East Down



Benefits of Natural Gas

There are significant benefits of natural gas for both homes and business:

- Convenient, flexible payments, instant and constant hot water.
- Most up to date energy source for specialised factory apparatus.
- Highly energy efficient
- Versatile and controllable.
- Grant assistance for upgrade costs.
- Enabler for economic growth – attractive investment proposition.



*Price comparison based on the retail oil prices published by the Consumer Council for Northern Ireland every Tuesday, providing an average price for 900 litres of retail oil for Northern Ireland and natural gas price is the average of all available PAYG tariffs only, within the Greater Belfast licensed area.



Our Commitment

We are committed to completing this extension project in the most efficient way so as to minimise disruption.

All Phoenix roadwork's operations will be carried out in compliance with The Street Works (Northern Ireland) Order 1995 and will adhere to planned working hours where possible, however, clearly for traffic sensitive roads and specific site requirements we will need to complete our construction works outside normal hours and during weekends.

An Environmental Management Plan has also been completed, which all construction works shall adhere to.

We work with the local community before and during construction on a number of programmes such as Dial Before You Dig, schools education programmes, emergency number and gas safety promotion.





PR

At Phoenix we have an overarching Corporate Responsibility programme call LIFE, which stands for:

- Leadership in the marketplace
- Investing in our people
- Fostering our community
- Environmental awareness



The range of programmes that we currently run will also reach into East Down, such as;

Time to Read and Time to Count, Sports and Arts Bursaries, apprenticeships and work placements as well as our own gas industry charity Energy for Children, which provides funding for local disadvantaged children.



Communication

- Public information evening
- Advance warning to all affected properties
- Local press notices
- Website updates
- Gas Availability Checker



