



# Keuper Gas Storage Project

Statement of Funding

November 2015

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EN030002



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

**KEUPER GAS STORAGE PROJECT**

**STATEMENT OF FUNDING**

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## Contents

<b>1.</b>	<b>Introduction.....</b>	<b>1</b>
<b>2.</b>	<b>The Applicant .....</b>	<b>2</b>
	INEOS Enterprises Group Limited .....	2
	INOVYN Enterprises Limited .....	2
<b>3.</b>	<b>Funding.....</b>	<b>3</b>
	Capital Expenditure.....	3
	Land & Rights Acquisition .....	3
	Blight .....	3
<b>4.</b>	<b>Conclusion .....</b>	<b>4</b>
	<b>Schedule 1.....</b>	<b>5</b>



## 1. Introduction

- 1.1 This Statement of Funding (“the Statement”) forms part of an application (“the Application”) by Keuper Gas Storage Limited (“the Applicant” or “KGSL”) to the Secretary of State under the Planning Act 2008 (“the Act”) for an order granting development consent (“DCO”). The draft DCO includes powers to construct, operate and maintain an underground gas storage (“UGS”) facility with above ground processing plant under and on land in the Holford Brinefield, Cheshire (“the Project”).
- 1.2 For the purposes of carrying out the Project it will be necessary to acquire land and rights over land. Powers of compulsory acquisition have therefore been requested in the Application and are included in the draft DCO.
- 1.3 This Statement has been prepared as required by Regulation 5(2)(h) of the Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009, and in accordance with the Department for Communities and Local Government document *Planning Act 2008: Guidance related to procedures for the compulsory acquisition of land*.
- 1.4 This Statement describes how KGSL proposes to fund:
- the construction of the Project;
  - the compulsory acquisition of land and rights; and
  - any blight expenditure, should a claim be made.
- 1.5 This Statement should be read in conjunction with the Statement of Reasons (Doc ref. 4.1) and the Book of Reference (Doc ref. 4.3).
- 1.6 Where a word or phrase is capitalised in this document (other than a proper noun or at the beginning of a sentence) a definition of it can be found in the Project Glossary (Doc ref. 8.5).

## 2. The Applicant

- 2.1 KGSL (Company No. 08850140) is a special purpose vehicle incorporated to promote the construction, operation and eventual decommissioning of the proposed Project. KGSL is a wholly owned subsidiary of INEOS Enterprises Group Limited (Company No. 04687714) (“IEGL”).

### INEOS Enterprises Group Limited

- 2.2 IEGL is of sound financial standing with a good credit status. IEGL is part of the INEOS group of companies, which comprise a global manufacturer of petrochemicals, specialty chemicals and oil products. The production network of the INEOS businesses spans 65 manufacturing facilities in 16 countries throughout the world, employs approximately 17,000 personnel and has a turnover of approximately \$54 billion.

### INOVYN Enterprises Limited

- 2.3 INOVYN Enterprises Limited (Company No. 04651437) (“IEL”) is a partner company to KGSL. Schedule 1 provides an overview of the corporate relationship and shows ultimate ownership. IEL has an established track record for the successful solution mining of salt and, together with its gas undertaker business partners, the development of UGS facilities at the Holford Brinefield. The proposed Project will be the third such development in this general location undertaken by IEL.
- 2.4 IEL is also of sound financial standing with a good credit status. IEL is part of a recently formed joint venture between INEOS and Solvay. Solvay is an international chemical group headquartered in Brussels, Belgium, employs 26,000 people in 52 countries and had net sales of approximately €10 bn in 2014. INOVYN has 4,300 employees across 18 manufacturing sites in 8 countries and a turnover of approximately €3.5bn.

## **3. Funding**

### **Capital Expenditure**

- 3.1 The cost of implementing the works sought to be authorised by the proposed DCO will be financed from the INEOS group's resources and revenue streams and/or, where appropriate, from external sources, with any external funding being serviced from KGSL activities.

### **Land & Rights Acquisition**

- 3.2 The cost of land and rights acquisition will be financed from the INEOS group's resources and revenue streams and/or, where appropriate, from external sources, with any external funding being serviced from KGSL activities.

### **Blight**

- 3.3 Should claims for blight arise as a consequence of this application the expenditure will be met from the sources of funding described at paragraph 3.1, above.

## 4. Conclusion

- 4.1 KGSL has taken expert advice on the likely cost of implementing the Project, including the costs of construction, the funding of necessary land and rights acquisition and any potential blight claims. KGSL has assessed the commercial viability of the Project in the light of this expert advice and is confident that the Project will be commercially viable and will therefore be funded if development consent is granted. KGSL has already committed significant resources to date and thereby demonstrated its commitment to the Project.
- 4.2 The availability of funding is not an impediment to the implementation of the Project or to the acquisition of land and rights necessary.

# Schedule 1

## Overview of Corporate Relationship (showing ultimate parent company ownership)

