



Infrastructure Access Agreement Summary 1

This data is provided in accordance with the disclaimer conditions noted below:

Provided in relation to the voluntary Industry Infrastructure Code of Practice.	Ref:
To be used in summarising construction and tie-in and transportation and processing	
agreements by the owner/operator for inclusion in the publication of key commercial terms	
(refer to Paragraph 13 (1)).	

Agreement Title and Date: Individual Commercial Agreement for the transportation, processing and fractionation of Knarr gas and natural gas liquids in the Segal System and the purchase of ethane ("ICA"). There are ICAs with all Knarr shippers individually, each dated 31st October 2012.

Scope of Agreement/Responsibilities (refer to Note 1):

Transportation and processing services for Knarr are contracted under a common stream, separate tariff structure. All non-commercial terms are included in one agreement between all the Knarr shippers and Segal System owners (the "Transportation, Processing and Fractionation Agreement" or "TPFA"). The commercial terms relating to the service provided by each Segal System owner are included in the separate ICAs and cover each Segal System owner's 50% share of the service provided.

The Esso Exploration and Production UK Limited (Esso) ICA covers:

- Terms for Esso's tariff for its 50% share of the service provided
- Esso option to purchase ethane

Further details on the TPFA can be found at : http://www.shell.co.uk/gbr/products-services/solutions-for-businesses/upstream/key-terms.html

Key Provisions (refer to Note 2)	
Commencement Date	No later than 1st January 2014.
Entry Point	Point of delivery of Knarr wet gas into the Segal System.
Redelivery Point (s)	NTS at St. Fergus and Braefoot Bay.
Capacity/variation rights (Y/N) and timing (refer to Note 3)	Knarr shipper's equity share of Knarr wet gas export volumes commencing 2013. Fixed profile for the duration of the contract.
Send or Pay/carry forward provisions (Y/N)/Duration	100% Send or Pay; no carry forward.
Priority rights during periods when service provision is reduced	Equal priority with other users.
Technical Requirements (refer to Note 4)	Wet gas must meet Segal System entry specifications. Some dispensation may be made available subject to technical study conducted by Segal System Operator.
Payment Structure (refer to Note 5)	
Tariff range for service provided (refer to Note 6)	Tariff of 1.25 - 1.75 pence per scm of booked capacity. Indexation to PPI (from 2010). Monthly invoicing.
Range of any separate contribution to capex and opex	Required in the event of HSE legislative change, or in association with providing the dispensation mentioned in Technical Requirements section above, that results in additional costs being incurred by Segal System Owners in relation to provision of service under the TPFAs.
Any other payment(s) with range and timing (refer to Note 7)	Esso has right to purchase ethane fee in kind. CO2 dispensation tariff of 0.0007 - 0.009 pence per scm to cover incremental CO2 handling costs.
L&I/Risk Regime fundamentals	Mutual hold harmless save that each Knarr shipper indemnifies Esso for loss/damage arising from delivery of off-specification wet gas.

Important Additional Data (refer to Note 8)

The Agreement terminates no later than 1st October 2021.

Notes:

- (1) Include key provisions and services that have a material impact on risk-reward.
 - (2) Include any important and unusual elements that materially impact risk-reward.
 - (3) For each main stream eg oil, gas etc.

Pro-forma for Publication of Agreed Terms and Conditions - Infrastructure Access Agreement Summary 1





- (4) Should include relevant entry specifications and any important and unusual technical issues.
- (5) The ranges should reflect the type of service provided (price range should be within a 15% band).
- (6) Include summary of indexation principles with floors and ceilings.
- (7) Include any fee in kind type payments relating to single component streams, or production deferral in a CTA.
- (8) Include any key provisions that materially impact risk-reward not mentioned above (eg hydrocarbon accounting, risk, property, title, extension of terms, assignment (incl. limitations), security provisions, metering, termination, ownership and decommissioning in a CTA etc).

Disclaimer

The summary information provided above is provided by Esso Exploration and Production UK Limited as the service provider:

- (1) In good faith and without any liability.
- (2) Without warranty, implied or express as to its accuracy or relevance of use by any other party.
- (3) Without obligation to provide any further information in respect of the agreement/transaction to which the summary information relates.
- (4) Without any obligation to provide access to infrastructure or services on the same terms and conditions.