

SHELL ST FERGUS GAS PROCESSING FACILITIES TARIFF FOR ACCESS AND GAS PROCESSING SERVICES

1. OVERVIEW

This document, which outlines an indicative tariff range for third party access to the St Fergus gas processing facility ("St Fergus"), is published by Shell U.K. Limited as an owner of St Fergus in compliance with the Gas Act 1995.

St Fergus is located on the northeastern coast of Scotland approximately 40 miles north of Aberdeen and is the gas terminal within the Shell/Esso Gas and Liquids processing system ("SEGAL") which processes wet (rich) gas ("Gas") arriving by the FLAGS pipeline (Northern North Sea), Goldeneye pipeline and Fulmar Gas Line (Central North Sea). Natural Gas Liquids ("NGLs") extracted at St Fergus are transported by pipeline to the Natural Gas Liquids plant in Mossmorran, Fife for fractionation and re-delivery to shippers as finished products.

St Fergus' main features include:

- Separation of gas and NGLs/condensate.
- Dewpoint control of hydrocarbon and water to National Transmission System ("NTS") conditions.
- Sweetening of gas to NTS requirements.
- Export of gas to the NTS terminal of National Grid Plc ("National Grid").
- Entry to pipeline export of NGLs/condensate for further separation at the Mossmorran fractionation plant.
- Fiscal metering of gas and NGLs/condensate.

St Fergus is capable of extracting significant quantities of NGLs from Gas allowing customers to maximize value from the resource.

Detail on the general terms and conditions for access and gas processing services is contained in a separate document which can be found at: http://www.shell.co.uk/home/content/gbr/aboutshell/shell_businesses/e_and_p/infrastructure/infrastructure_code_of_practice.html

2. TARIFF

Tariffs are set by Shell and Esso separately in relation to their respective share of capacity. The details below represent the range of tariffs set for 3rd party access in recent years for a complete service, from delivery of wet gas into one of the pipelines identified above, processing through the St Fergus Plant to redelivery of sales gas and fractionation of NGLs where appropriate:

0.5 p/m³ to 3.5 p/m³

The tariffs are subject to the hydrocarbon composition of Gas and specific commercial and technical terms of the service. The indicative tariffs referred to above assume the composition and terms described as part of the general terms and conditions for access, and are escalated annually.

3. STATUS OF THIS DOCUMENT

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Where enquiries are in accordance with the UK Oil and Gas Infrastructure Code of Practice, the response will also conform with the Code of Practice.