

Report on	Gas to the West– Option Agreement and Easement request re Lands at Moneyhaw Road, Moneymore
Reporting Officer	Claire McNally, Council Solicitor
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Is this report restricted for confidential business?	Yes	
If 'Yes', confirm below the exempt information category relied upon	No	x

1.0	Purpose of Report
1.1	To seek Members' approval for the Council to enter into an Option Agreement for an Easement in relation to the laying of a natural gas pipeline at lands at Moneymore RC Playing Fields/Moneymore HWRC, Moneyhaw Road, Moneymore ("the Site").
2.0	Background
2.1	The Northern Ireland Utility Regulator has awarded a licence to Scotia Gas Networks Northern Ireland to convey gas within the West distribution licensed area.
2.2	SGN has identified the Site as being along an alternative route, adjacent to the preferred route of the bridge on the Moneyhaw Road, and require rights to lay the pipeline through the Site which is in the Council's ownership. The pipeline is for the transmission, storage and distribution of gas along the route and shall form an integral part of the gas main.
2.3	A request was received by the Council from SGN for the Council to enter into an Option Agreement for an easement in relation to a natural gas pipeline project in respect of a portion of land on the Site.
3.0	Main Report
3.1	In very broad terms, the Option Agreement permits SGN to enter onto Council land, carry out site investigations and install the pipeline within the Site. After the pipeline has been installed the Council will then grant SGN an easement which will indicate the route of the pipeline.
3.2	A draft Option Plan is attached at Appendix A identifying the approximate area of land within which the pipeline is proposed to be installed ("Option Area").
3.3	In consideration of the above, SGN will pay the following sums:- (i) Incentive Payment (the Option Sum) of £1320 (based on 110m of Works/pipeline x £12 pm). This payment is time sensitive and if the Option Agreement is not completed within twelve weeks of receipt of Letter of Offer, this part of the Payment reduces to £1. It is not clear when the Letter of Offer was received, but the Council may not be within time to avail of this payment;
3.4	(ii) Easement Payment of £2,530 (based on 110m of Works/pipeline x £23 pm), payable in two instalments.
3.5	LPS has confirmed that the proposed premium by SGN is reasonable.

4.0	Other Considerations
4.1	<u>Financial & Human Resources Implications</u> Financial: Human: N/A
4.2	<u>Equality and Good Relations Implications</u> N/A
4.3	<u>Risk Management Implications</u> N/A
5.0	Recommendation(s)
5.1	That Members approve that the Council enter into an Option Agreement and subsequent Easement with SGN in relation to lands at Moneyhaw Road, Moneymore.
6.0	Documents Attached & References
6.1	Appendix A – Draft Option Plan confirming the approximate area of the Option Area