Industry news : April 2007

- UK oil association is replaced
- Worker killed in UK mine
- Fraud at Welsh slate quarries
- Road construction turns "green"
- Northern Irish gold mine nears full production
- Planning refusal for Isle of Man Quarry
- Re-opening of South Yorkshire coal mine
- Inquiry for gas storage plans
- New UK alternative power plants

UK oil association is replaced

The UK Offshore Operators Association (UKOOA) has been dissolved and has reformed under the title “Oil and Gas UK”. This new body is similar to the old one in the respect that it will continue to lobby the government on offshore oil issues and campaign for a sustainable UK oil industry. It will incorporate all offshore operators, contractors, explorers and producers whereas previously only large operators, such as BP and Shell, were represented.

The new organisation will deal with a wide range of issues from all across the offshore industry and supply chain. They also hope to be in a better position to influence government policy and to coordinate polices across the UK industry.
Worker killed in UK mine

A rock fall in the Boulby potash mine in Teesside has resulted in the death of a 24 year old man. The man named as Darren Compton was killed as part of a roadway sidewall collapsed as he was operating equipment inspecting the sidewall supports. As a mark of respect a day-long halt to underground mining was announced on the 20th at the site which employs 850 people and is the UK’s deepest working mine. An official from the Health and Safety Executive has begun an investigation into the incident which is expected to last several days.

Source: http://news.bbc.co.uk/1/hi/england/tees/6574673.stm

Fraud at Welsh slate quarries

A rock fall in the Boulby potash mine in Teesside has resulted in the death of a 24 year old man. The man named as Darren Compton was killed as part of a roadway sidewall collapsed as he was operating equipment inspecting the sidewall supports. As a mark of respect a day-long halt to underground mining was announced on the 20th at the site which employs 850 people and is the UK’s deepest working mine. An official from the Health and Safety Executive has begun an investigation into the incident which is expected to last several days.

Source: http://news.bbc.co.uk/1/hi/england/tees/6574673.stm

An external investigation has recently been completed looking into allegations of fraud in Alfred McAlpine's Gwynedd slate quarries. The investigation has found that managers defrauded the firm by £23 million by overstating production volumes and sales for several years.

The fraud, which cost the firm an estimated £40 million, contributed towards Alfred McAlpine’s decision to temporarily close the Penrhyn Quarry at the centre of the incident and to cut 160 jobs in their Welsh slate quarrying sector. The managing director of the quarrying firm has been dismissed and five other senior managers have left the company. Alfred McAlpine have stated that they don't believe the managers involved were motivated by personal gain. They will not be seeking civil proceedings as it is very unlikely they will recover the lost money.

Source: http://news.bbc.co.uk/1/hi/business/6583173.stm
Road construction turns “green”

The Highways Agency has announced that the new A30 Bodmin to Indian Queens dual carriageway will be “the largest green road project in the country”.

This is being achieved by using 800,000 tonnes of waste material sourced locally from the St Austell china clay workings. The use of this material brings economic benefits as it is exempt from the Aggregates Levy and can be sourced locally reducing transport costs and emissions. Further green measures include routing the road around a National Nature Reserve and building a local asphalt plant.

The government state that this scheme is proof that the Aggregates Levy is working and discouraging the use of primary material. However the aggregates sector claims that this use of local china clay waste is nothing new and continue to oppose the Levy.


Northern Irish gold mine nears full production

Galantas Gold Corporation, the owners of the Omagh Gold Mine, have announced further developments that bring the operation a step closer to full production. The processing plant has been operating since the beginning of 2007 but on a slow and irregular basis. However, after recent plant improvements, the operation has produced 60 wet tonnes of concentrate that has been shipped overseas to Falconbridge Ltd. as well as a further container of concentrate which the company will use to supply gold for jewellery within the UK.
Exploration of the deposit is continuing and further drilling is being undertaken on the Kearney vein - the main zone of mineralisation.

The only thing that mars the success of this operation was an accidental discharge of water from a settling tank in late January. The water contained only inert solids and no processing water, but the company have reviewed their internal controls.


**Planning refusal for Isle of Man Quarry**

![Aggregate quarrying in the UK](Photo Copyright: BGS©NERC)

Cemex Island Aggregates had plans to extend its Dreemskerry Quarry on the Isle of Man refused by local planners this month. Cemex wanted to extend the quarry from a 2 acre site to a 13 acre site in the next 40 years. However planners claimed it would adversely affect local residents and road access was inadequate. Cemex plan to appeal against the decision and are “determined to pursue the matter further”.


**Re-opening of South Yorkshire coal mine**

![Colliery headgear](Photo Copyright: BGS©NERC)

A disused coal mine in South Yorkshire is to be brought back into production after a closure of 13 years. The Hatfield Colliery near Doncaster originally closed in the coal industry privatisation of 1994. The re-opening has been prompted by rising energy prices and depleted UK gas supplies. This colliery will now become the 9th deep coal mine in the UK, joining several other recently reopened mines.
The development is to be carried out by the company Powerfuel, who plan to drive a new 70m shaft and hope to reach an operational capacity of between 2 and 2.5 million tonnes of coal a year. The company is also seeking planning permission to develop a site containing a potential 75 million tonnes of coal next to the original mine. As well as selling the coal to nearby Drax Power Station, the company also plan to develop their own power station, costing around £1.2 billion, which could be operational by 2012.

Source: http://news.bbc.co.uk/1/hi/england/south_yorkshire/6517143.stm

Inquiry for gas storage plans

A public inquiry has been started to decide whether an onshore gas field at Caythorpe, west of Bridlington, should be turned into a gas storage site. The gas field which is operated by Warwick Energy is rapidly depleting and all resources are expected to be used by 2010. However the operators want to continue to use the site by pumping gas back into the reservoir and using it as a gas storage facility to supply nearby households and industry.

The initial proposal was dismissed last year by East Riding Council but Warwick Energy has appealed prompting a public inquiry. The council want to see the site returned to farmland. Local objectors say the planned facility ruin the environment and cause serious health risks. However, the operators say that “the gas would pose no threat to local people”.

Source: http://news.bbc.co.uk/1/hi/england/humber/6586799.stm
New UK alternative power plants

This month has seen the announcement of several new alternative power plant developments: a wood-fuelled power plant in Invergordon, Cromarty has been given planning permission and plans have been made to construct a power plant in Milford Haven fuelled by bio-diesel and used cooking oil.

The wood-fuelled plant will cost £24 million and will be operated by Irish company Balcas with £5 million of government investment. The plant will provide power to heat 20,000 homes a year. The owners claim it will help the UK cut its carbon emissions and give value to low-grade timber as well as supplying jobs to the local workforce.

In Milford Haven the company Agri-Energy has submitted plans to build a plant to convert animal by-products and agricultural crops into bio-diesel and power. Much of the fuel will be in the form of cooking oil from fast food outlets which Agri-Energy has contracts with. Local people are opposing the plans on fears of unpleasant odours and traffic increases. The plant, if built, would have a capacity of 35 MW and produce 200 000 tonnes of bio-diesel a year.

Sources: [http://news.bbc.co.uk/1/hi/wales/south_west/6582995.stm](http://news.bbc.co.uk/1/hi/wales/south_west/6582995.stm) and [http://news.bbc.co.uk/1/hi/scotland/highlands_and_islands/6560673.stm](http://news.bbc.co.uk/1/hi/scotland/highlands_and_islands/6560673.stm)