Government ends support for fracking

- Oil and Gas Authority report published today concludes that it is not possible with current technology to accurately predict the probability of tremors associated with fracking
- Separate proposals to change the planning process for fracking sites will no longer be taken forward at this time

Fracking will not be allowed to proceed in England, the government has announced today, following the publication of new scientific analysis.

Ministers took the decision on the basis of a <u>report by the Oil and Gas</u>
<u>Authority (OGA)</u>, which found that it is not currently possible to accurately predict the probability or magnitude of earthquakes linked to fracking operations.

Fracking already takes place across the world including in the US, Canada and Argentina. However, exploratory work to determine whether shale could be a new domestic energy source, delivering benefits for our economy and energy security, has now been paused — unless and until further evidence is provided that it can be carried out safely here.

Ministers have always been clear that the exploration of England's shale gas reserves could only proceed if the science shows that it is safe, sustainable and of minimal disturbance to those living and working nearby. For that reason, government introduced tight planning controls through the Infrastructure Act 2015 and set strict limits on seismicity, in consultation with industry.

On the basis of the disturbance caused to residents living near Cuadrilla's Preston New Road site in Lancashire and this latest scientific analysis, the government has announced a moratorium on fracking until compelling new evidence is provided.

The government also confirmed today that it will not be taking forward proposed planning reforms for shale gas developments at this time. These proposals were consulted on in 2018 but will not be implemented now.

Business and Energy Secretary Andrea Leadsom said:

Whilst acknowledging the huge potential of UK shale gas to provide a bridge to a zero carbon future, I've also always been clear that shale gas exploration must be carried out safely. In the UK, we have been led by the best available scientific evidence, and closely regulated by the Oil and Gas Authority, one of the best regulators in the world.

After reviewing the OGA's report into recent seismic activity at Preston New Road, it is clear that we cannot rule out future unacceptable impacts on the local community.

For this reason, I have concluded that we should put a moratorium on fracking in England with immediate effect.

Other sources of natural gas will continue to contribute to the UK's diverse energy mix. The Committee on Climate Change has previously said that there will still be a requirement for natural gas in a 2050 net zero economy.

Maintaining diverse gas supplies, for use during the transition as the UK renewable sector grows — or for the production of hydrogen — remains a priority for this government.

Business, Energy and Clean Growth Minister Kwasi Kwarteng said:

The Committee on Climate Change's advice is clear that natural gas will continue to have a key role to play as we eliminate our contribution to climate change by 2050, including for the production of hydrogen. However, following our action today, that gas will need to come from sources other than domestic fracking.

Today's decision will not in any way impact our energy supply. The UK benefits from one of the most active gas markets in the world, with security ensured through diverse sources — including domestic offshore production, pipelines from Europe and liquid natural gas terminals.

The Traffic Light System was introduced in 2012 as an evidence-based method of regulating seismicity caused by shale gas exploration. It has operated at Preston New Road, allowing the OGA to swiftly put a halt to activity when required — including after several significant events this summer.

Oil and Gas Authority Director of Regulation Tom Wheeler said:

Since the OGA suspended hydraulic fracturing at Preston New Road we have been considering whether the operator's plans are still appropriate to manage the risk of induced seismicity. The OGA's considerations have been informed both by the seismic events and by independent scientific analysis of data from the first Preston New Road well.

Based on these, the OGA believes that further detailed geomechanical analysis would be needed before we could evaluate with confidence whether hydraulic fracturing could resume in the Fylde, or elsewhere, consistent with the government's policy aims.

- 1. Operations at Preston New Road, Lancashire, have been suspended since a magnitude 2.9 event was recorded on 26th August 2019.
- 2. On the basis of the current scientific evidence, government is confirming today that it will take a presumption against issuing any

further Hydraulic Fracturing Consents. This position will be maintained unless compelling new evidence is provided. While future applications for Hydraulic Fracturing Consent will be considered on their own merits by the Secretary of State, in accordance with the law, the shale gas industry should take the government's position into account when considering new developments.

- 3. The OGA has advised the government that until further studies can provide clarity, they will not be able to say with confidence that further hydraulic fracturing would meet the government's policy aims of ensuring it is safe, sustainable and of minimal disturbance to those living and working nearby.
- 4. The Infrastructure Act 2015 included the requirement for operators to obtain Hydraulic Fracturing Consent which ensures that all the necessary environmental and health and safety permits have been obtained before activities can commence. The Consent process also includes the requirement for an independent financial analysis of the operator to be carried out to ensure they can meet their licence obligations, including decommissioning.