

[News story: Decision announced on the Hydraulic Fracturing Consent application by Cuadrilla Bowland Ltd](#)

Energy and Clean Growth Minister Claire Perry has today (Tuesday 24 July 2018) granted Hydraulic Fracturing Consent for shale gas operator Cuadrilla Bowland Ltd for the horizontal well, number 'PNR-1z' at its Preston New Road site in Lancashire, subject to certain conditions being met.

Hydraulic Fracturing Consent was introduced in the [Infrastructure Act 2015](#) as an additional step to the existing regulatory and permitting regime. It ensures a final check that all the necessary environmental and health and safety permits have been obtained and the Department of Business, Energy and Industrial Strategy (BEIS) is otherwise satisfied it is appropriate to grant Hydraulic Fracturing Consent.

Cuadrilla Bowland Ltd submitted an [application for Hydraulic Fracturing Consent](#) to BEIS on 18 May 2018 in line with the regulatory regime.

The government has been clear it is committed to ensuring a meticulous approach, rooted in rigorous evidence, is taken when reviewing applications to explore for shale gas.

Having given careful consideration to the evidence submitted and after scrutiny from the department, minister Claire Perry is satisfied the [13 technical requirements set out in section 4A of the Petroleum Act 1998](#) have been met.

In a [written ministerial statement](#) in January 2018, the Secretary of State set out that the financial resilience of shale gas operators would be looked at as a matter of policy. The Infrastructure and Projects Authority was asked to carry out an independent assessment and has confirmed its view Cuadrilla has satisfactory financial resilience to operate. The Infrastructure and Projects Authority concluded:

Cuadrilla Bowland Limited, as operator of the PEDL 165 Licence and equity investor in the Licence alongside AJ Lucas and Spirit Energy on a joint and several basis, combined with continuing financial support from its ultimate shareholders has an adequate level of financial resilience to undertake the project.

After reviewing all of the information, Energy and Clean Growth Minister Claire Perry confirmed she is otherwise satisfied to issue the consent, subject to certain conditions being met, which include the department receiving a copy of the unqualified audited report and accounts relating to the latest full financial year of Spirit Energy Limited, or a deposit in a suitable Escrow account in support of any potential Decommissioning Cost

liability.

It is the government's view there are potentially substantial benefits from the safe and sustainable exploration and development of our onshore shale gas resources.

Energy and Clean Growth Minister Claire Perry said:

Shale gas has the potential to be a new domestic energy source, further enhancing our energy security and helping us with our continued transition to a lower-carbon economy. It also has the capacity to deliver substantial economic benefits, both nationally and locally, as well as through the creation of well paid, high-quality jobs.

We already have an excellent, long-standing reputation for safe oil and gas exploration. Our world class regulations will ensure that shale exploration will maintain robust environmental standards and meet the expectations of local communities.

I have carefully considered Cuadrilla's application and I am content that Hydraulic Fracturing Consent should be granted in this instance.