

Task Force on Shale Gas

Final Conclusions and Recommendations



For more than a year, the Task Force on Shale Gas has explored the potential impacts, positive and negative, of creating a shale gas industry in the United Kingdom.

The Task Force on Shale Gas concludes that:

- Shale gas can be produced safely and usefully in the UK provided that the Government insists on industry-leading standards.
- Exploration drilling to ascertain how much gas may be recoverable in the UK should begin.
- The risk from shale gas to the local environment or to public health is no greater than that associated with comparable industries provided, as with all industrial works, that operators follow best-practice. Much of the negativity surrounding shale gas production originates from communities, largely in the US, where operators' standards were lax. There is now strong evidence compiled by the Department of Energy in the US that shows that standards have improved dramatically in the last few years. There has been understandable concern – and even fear – as a result of the lax standards. However, the Task Force is convinced that this highlights issues with regulation and enforcement from which lessons must be learned, not issues with the process of hydraulic fracturing itself and subsequent gas production.
- Baseline monitoring is essential to reassure local populations. Monitoring of air, land and water should begin as soon as a site has been identified. In our second report we concluded that the existing planning stipulation that the drilling of boreholes for groundwater monitoring can only begin once planning permission is granted does not benefit anyone. The Task Force welcomes the Government's recent announcement of a change to planning procedures to amend this.
- Operators must be held to the very highest standards for well integrity. Failures of well integrity have been responsible for many of the problems associated with shale gas operations in other locations, particularly the US. To ensure this cannot happen in the UK, operators must commit to using only the very best materials and techniques, and to allow independent monitoring of the site, with the community involved in an oversight role, to ensure that any indication of a failure of well integrity can be identified quickly and remedied.
- The process of "green completions", recently made compulsory in the US, should also be mandated in the UK for production wells. In the exploratory phases, the Task Force would wish to see no venting of gases, and for the exploratory phases small time-limited flaring permissions granted only when necessary.



- A successful shale gas industry in the UK has the potential to create thousands of jobs directly and support a wider supply chain indirectly. If it proceeds, the Government must commit to appropriate skills training in areas in which shale gas production will occur.
- The Task Force does believe that shale gas operations will have an impact, in terms of noise, disruption and traffic, on those communities directly affected by production sites. Operators must do everything possible, and be transparent, in seeking to minimise the effects that their works will have on nearby residents.
- More than this, operators and Government must quickly give specific details on how the creation of successful production sites will benefit residents living nearby. There has been much talk about the potential and proposed economic benefits of a successful shale site – notably in terms of revenue percentage. Operators must give details if they expect public support.
- Transparency must be placed at the heart of any nascent shale gas industry. Operators must agree to full disclosure of the chemical content of materials used in shale gas exploration and production and agree that the specific composition will not exceed levels mandated by the Environment Agency.
- Local residents should have a direct role in monitoring any operations in their area. Monitoring of sites is essential. The Task Force believes that, in order to foster trust between operators and the communities in which they wish to work, inspections must be carried out by an appropriate regulatory body with community representatives able to attend to ensure complete transparency.
- The Government must commit to ensuring that the regulatory system for the shale gas industry is robust and fully resourced. The existing regulatory system is currently fit for purpose, as it will inevitably take time for a new industry to grow. If a shale gas industry does develop, however, the Government should explore the possibility of creating a bespoke regulator specifically to oversee this industry, to assume the current responsibilities of the Environment Agency, Health and Safety Executive and the regulatory responsibilities of the Department of Energy & Climate Change.
- The Task Force is convinced that gas is required as part of the UK's energy mix for the short and medium term. It is simply not feasible to create a renewables industry that can meet all our energy needs in the short term. Gas represents an environmentally cleaner alternative to coal. The adverse climate impact of shale gas is similar to conventional gas and less than LNG.
- Further to the above, the Task Force is convinced that the development of a domestic shale gas industry provides a clear means of strengthening the UK's energy security and mitigating against potential risks to energy supply.
- The Task Force believes that community payments should involve residents, local authorities and operators working together. Operators should outline exactly how they intend to provide £100,000 of community benefits for exploratory well pads. For all wider community payments, the industry and Government should define exactly what is meant by "communities".
- However the Task Force believes that the emergence of a shale gas industry must not be allowed to restrict or prohibit the ongoing development of a renewables and low-carbon energy industry to meet the United Kingdom's long-term energy needs. Government should commit to applying its energy specific revenue derived from a developed shale gas industry to investment in R&D and innovation in CCS and low carbon energy generation, storage and distribution. A serious development of CCS is in our opinion essential for the medium term viability of any significant shale gas industry. The Task Force is therefore disappointed to note that the government have at this time withdrawn their £1billion support for CCS demonstration projects.