

DRAFT - Preston New Road Community Liaison Group

Meeting: Sixth meeting Wednesday 8th October 2014

Venue: Wrea Green Institute, Station Road, Wrea Green, PR4 2PH

Time: 7.00 – 8.00 pm

Attendees:

James Adam [JA] Cuadrilla, Bowland Project Delivery Manager
Andrew Pemberton [AP]
Tim Laycock [TL]
Stuart Hall [SHa]
Susan Holliday [SHo]
Jan Gregson [JG]
Julie Brickles [JB]

Mar Kerr [MK] Secretariat, PPS Group

In attendance:

Steve Molyneux [SM] Environment Agency
Angela Laycock [AL]

Item	Action
<p>1.0 Apologies</p> <p>Apologies were received from Liz Cheadle, Patricia Davies and Sam Schofield.</p> <p>In SS's absence it was agreed that JA would chair the meeting.</p> <p>2.0 Presentation: Steve Molyneux (Environment Agency)</p> <p>SM introduced himself and explained he had 19 years' experience working for the EA, the last 3 years in the North West. During his presentation the following points were raised:</p> <p>[A copy of SM's presentation is appended to these minutes.]</p> <p><u>Samples:</u> SHo asked if samples (e.g. water) would be taken by the EA before operations started. SM confirmed that there would be a mix of samples some would be taken by the operator and checked by the EA and the EA would also do its own sampling. He emphasized that the operator must comply with any and all legal requirements.</p> <p><u>Permissive licence:</u> TL asked if EA had a permissive licence. SM explained that the EA had two distinct roles; as a flood and coastal risk manager for flood defenses and waterways and; as a legally bound regulator and inspector to ensure legal compliance. He added that in relation to compliance and enforcement this could take the form of warnings, court prosecutions and ultimately site closure and that all risks were assessed on a site specific risk assessment.</p>	

EA resources: JB asked how the EA's funding cuts had impacted on resources and specifically on-site inspections. SM explained that the EA's flood defences role was funded directly by HMG so activity was directly dependent on funding. But its role as a regulator was funded by industry, not the tax payer, with fees paid for activity undertaken. He added that an industrial sector that was growing would generate more EA funding whereas one that was declining would generate less. He emphasised that there was no risk of budget cuts by HMG affecting the EA's role as a regulator.

Long-term liabilities: SHa asked who monitored wells in the longer-term (10, 20, 30 years in to the future) when an operator may have moved on. SM explained that all activity was subject to licences with the appropriate conditions, and that an operator could only hand back a licence if the EA assessed there were no outstanding risks. He added that this could mean that licences were held for an extended period, in the case of land fill it could be 50-60 years before an operator could provide evidence of no risk.

Site restoration: SHo asked how sites could be restored if operators did not give licences back. SM explained that a site could be capped, restored and abandoned and the licences given back only if there were no outstanding environmental risks.

EA's interests: JG suggested that it was in the EA's interests to keep licences going in order to generate revenue from the operator and TL commented that this was also a commercial decision for the operators. SM countered by saying that the EA and its staff were proud of what they did nationally and particularly in Lancashire and were careful to ensure that operators left their sites in a fit state. He added that the EA was a transparent organisation with all its records open to public scrutiny.

New technology: AP questioned the EA's ability to deal with what was a new technology. SM explained that the EA had a wide range of long-term experience in dealing a number of different technologies including nuclear (including radio activity), chemicals, food, waste, hydro geothermal etc. The EA's team included experts in all the required fields (e.g. water protection, flaring, emissions etc.)

SHa suggested that shale gas exploration was an unknown quantity with unknown risks. SM countered that there 2000+ wells drilled in the UK and c. 200 productive sites; he added that geothermal sites included very deep drilling. He opined that the EA had been dealing with the industry and assessing the risks over an extended period of time.

AP asked if the EA had drilling experts but SM explained drilling was regulated by the HSE.

AP questioned the EA's local knowledge and the fact that it (and the HSE) could not be aware of everything the operators did. He focused specifically on the risks of contamination which could decimate the commercial interests of food producers in the area, and suggested that the regulators needed "poachers" to become "gamekeepers". SM commented that the EA (and HSE) had a professional team of experts which included 30+ years of drilling experience in Saudi Arabia.

AP asked if the EA could close down a drilling operation, citing foot and mouth as an example of too little, too late. SM explained that if an immediate risk to life or the environment was identified a site could and would be closed down. But that closure was a last resort based on a thorough risk based assessment and that proportionate action would be taken when appropriate, e.g. in relation to failures in record keeping.

Compensation: AP asked if compensation was paid if the EA got it wrong, opining that the EA should have paid compensation in recognition of its failure to maintain the water courses which led to flooding issues. SM stated that as the regulator the EA was responsible for legal compliance and adherence to licensing conditions.

TL added that the shale gas industry needed to be underwritten by HMG and that it was fear of the unknown that caused concern among local people. SM commented that risk management and enforcement of licence conditions was key.

Food production risks: TL asked if, in the event of an on-site leak or emission, there was a UK law or EU Directive that would ban the use of food produced near to the site. He thought that in Australia a 1 kilometre zone applied around each drill site. SM stated he was not aware of such a limitation but that as the Food Standards Agency had responsibility for food safety it should be asked the question. He confirmed there were no such zones around nuclear or other power stations.

JB added that she thought there were discussions on this at an EU level. SM explained that the EU Commission's Shale Gas Working Group was looking at future regulatory environment and concluded that it was happy at the moment with the UK's regulatory regime but that this would be further reviewed if operations moved from exploration to production.

Flaring: SHo asked if operators were required to use best available techniques in relation to flaring. SM explained that during production operators were required to use the gas rather than flare in order to minimize methane production through Green Completions, but that some flaring would take place during exploration.

JB was concerned about the cumulative impact of flaring of a large number of exploration wells that may need to be required in the area. JA explained that the drilling exploration phase was a short-term, temporary operation for c. 3 months per well in order to assess the viability of the well and that no more than 2 flares would be in operation at one time. He added that any move from exploration to production would require new, site specific planning and permitting permissions.

Well plugging: SHa asked where the wells were plugged on abandonment. Ja explained that wells were plugged at a number of levels.

EA site visits: SHa asked about the regularity of the EA's announced and non-announced visits. SM explained that at Preese Hall there had been 16 visits by the EA over a 4-5 month period, 7 of which had been unannounced. He added that the EA needed to ensure that the appropriate company personnel needed to be on site for the EA to review specific activity.

SHa asked if weather conditions played a role in determining visits. SM confirmed this could be the case and added that the EA also ran a 24/7 hot line for residents to raise any concerns they may have.

Regulation of the EA: In response to a question from SHa, SM explained that the EA was accountable to the public, to DEFRA, Parliament, the National Audit Office and a number of Parliamentary Select Committees. He stated that nothing was hidden and that transparency was key and that all the EA's records were open the public.

The CLG thanked SM for his contribution.

3.0 Minutes of previous meeting

The minutes of the 4th September meeting were agreed.

4.0 Matters Arising

Page 3 - OUGO

MK explained that notice from WPPC of the date for its meeting on 24th September with the OUGO had only been received on 22nd September leaving too little time to involve the CLG.

Page 3 - Site security/trespass

JA explained that the issues raised by the CLG had been noted and raised with the appropriate staff at Cuadrilla.

Page 3 - EA presentation and Date of next meeting:

MK confirmed Steve Molyneux's attendance and that his presentation had been circulated to CLG members with the agenda for the meeting.

5.0 Programme update

LCC determination period: JA reminded the CLG that LCC determination period of 16 weeks plus a 6 week extension ended on 5th November 2014. To date LCC had not asked Cuadrilla for a further extension.

JA explained that Cuadrilla was reviewing responses from statutory consultees and responding as appropriate to LCC. He added that in most cases the points raised were covered by the EIA/EA.

In addition, Cuadrilla was looking at the key concerns raised to representations, from individuals and template letters, received by LCC.

In responding to a question from JB, JA thought that Cuadrilla would respond constructively to any request from LCC for a further extension to the determination period, particularly given the quantity of representations submitted.

SHa asked whether the applications would be determined at an LCC committee meeting on 5th November. JA explained that the LCC Planning Committee met on a monthly basis but also held special meetings when required and confirmed that the applications should be determined before or on 5th November to comply with the required timescales.

6.0 Community update

Terms of Reference (ToR): JB questioned the role of the CLG and MK explained that she had joined after the discussion that approved the Group's ToR. It was agreed that the ToR would be sent to JB.

NWETF: JB reminded the meeting that PD had suggested inviting representatives from the North West Energy Task Force (NWETF) to a future meeting to discuss their support for the proposals. It was agreed that the Secretariat would approach the NWETF.

Secretariat: Approach NWETF about attending a future meeting

7.0 AOB

Site security/Trespass: JA explained an the extension to an interim trespass injunction had been granted at a hearing earlier in the day at Manchester High Court, for farmland at and surrounding Cuadrilla's sites at Preston New Road and Roseacre Wood. The trespass injunction would continue until a month after final determination of Cuadrilla's planning applications, which covers a planning decision by Lancashire County Council and any further post decision process, in order for a final determination to be reached. A two year longstop date for the extension was set. The Judge also awarded costs, the amount of which are to be determined through the detailed assessment process.

SHa asked if the injunction would prevent establishing defined protest area in the future. JA confirmed this this injunction was limited to the particular areas specified and MK reminded the meeting of the comments made by Chief Inspector Keith Ogle (Lancashire Constabulary) at the 4th June 2014 CLG meeting:

"KO identified that the A583 was an arterial route so must be kept open at all times. This meant that camping on the verges would not be allowed

Fylde BC members interests: TL strongly criticised the fact that some FBC Members had withdrawn or been required to withdraw from involvement in voting at a recent Council meeting on Cuadrilla's applications because of a conflict of interest whereas others in exactly the same position had not. JB explained that the issue was whether or not a conflict of interest had been declared and recorded at the appropriate time. It was agreed that this was not a matter for the CLG.

8.0 Date of next meeting

It was agreed that the next meeting would be arranged once a representative of the NWETF had been invited, with a target date of Wednesday 12th November.

The meeting ended at 8.30 pm.
