

Preston New Road Community Liaison Group

Meeting: Tenth meeting Wednesday 15th April 2015

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

Time: 7.00 – 8.00 pm

Attendees:

Chair, Sam Schofield [SS] Cuadrilla, Lancashire Communications & Public Affairs
Manager

Stuart Hall [SHa]
Susan Holliday [SHo]
Jan Gregson [JG}

Mark Kerr [MK] Secretariat, PPS Group

In attendance:

Mark Smith [MS] Arup
David Hiller [DH] Arup

<i>Item</i>	<i>Action</i>
<p>1.0 Apologies</p> <p>Apologies were received from Patricia Davies, Liz Cheadle and Tim Laycock.</p> <p>2.0 Minutes of previous meeting</p> <p>The minutes of the 11th February 2015 meeting were agreed subject to the following amendment proposed by SHo:</p> <p><u>Item 3.0 Property prices:</u></p> <p>“It was agreed that the Secretariat would ask JLL if data was available for a 1km radius.” (Not 2 km radius.)</p> <p>3.0 Matters Arising</p> <p>There were three matters arising:</p> <p><u>Item 3.0, p.1 United Utilities (UU):</u> MK reported that following JG’s confirmation that the additional information about UU’s works could be circulated to CLG members it had been distributed with the meeting papers.</p> <p>SS commented that the resident concerned had elicited more information from UU than hitherto.</p> <p><u>Item 3.0 p.2, Property prices:</u> MK reported that enquiries had resulted in JLL referring to the methodology used in the production of the report.</p>	

SS clarified JLL's position by quoting from the report as follows:

“[JLL’s] analysis has used Land Registry data to collate all sales transactions that have taken place within the local area of the subject sites [Preese Hall and Elswick] between January 1995 and December 2014. Using Geographic Information Systems (GIS), all transactions within a three mile radius of the onshore gas operations have been included. Initially a 1.5 mile radius was used for analysis, however this was extended to a three mile radius for the following reasons:

- ***Preese Hall – as 48% of households are privately rented within a 1.5 mile radius, there was a limited sample size to give a fair reflection of average values. This can partly be explained by the presence of Weeton Barracks, where army personnel generally rent accommodation rather than buy as they are only based in the local area for a short period of time.***
- ***Elswick – the lack of annual transactions within a 1.5 mile radius led to a small sample size, which is very sensitive to price variation. When the radius was extended to three miles, particular high-end transactions were removed to ensure that average prices were not skewed. An average value was calculated without these particular high value transactions, and it was concluded that prices that were more than double the new average would be removed.***

Using a three mile radius, average house prices were calculated for these two areas and compared with average prices in Lancashire and the North West.

Socio demographic data for both these locations were collated so that we can deliver a broad overview of local demographics and local market dynamics.”

SHol commented that despite the claims in the report, in reality houses were not selling. SS commented that in relation to all forms of development, i.e. residential, mixed use etc., uncertainty during the planning application process was unsettling but that this calmed down once operations began.

SHal thought it would be interesting to see how sales held up in relation the new Barratt development along the A583 some 3 miles East of PNR.

Item 5.0, p.3, Insurance cover : MK reported that the NFU’s statement clarifying the cover it provided in relation to fracking had been circulated with the meeting papers .

SHa asked who was liable for a situation where a farmer couldn’t get insurance for fracking on his/her land and, for example, leaching damaged an adjacent neighbour. SS commented that in any event Cuadrilla was well insured and confirmed that if Cuadrilla was proven to have caused damage the company would be liable. He added that in addition to Cuadrilla, Centrica and AJ Lucas were also jointly and severally liable.

JG asked how liability would be proven, e.g. cracks in walls. SS commented that sensitive seismic monitoring equipment operated independently by the

British Geological Survey (BGS) would identify any seismic activity or earth movements including, for example those caused by drilling. He added that lateral drilling was highly unlikely to cause earth movements as it involved a 6-8 inch bore hole c. 6,000 ft. below ground.

During a discussion about Preese Hall, SS confirmed two seismic tremors measuring 2.3 and 1.5 on the Richter Scale had been caused by frack fluid being pumped into a pre-stressed rock formation. JG observed that she had not felt the tremors at the time.

In response to a question from JG, SS explained that the duration of Cuadrilla's and its partner's liability was for as long as the respective entities existed.

SHa commented that Water World was insured by the NFU but was not covered for fracking but in discussion it was noted that the NF's statement included:

"This does not in any way affect our insurance which protects people's homes and business properties for damage caused by events including earthquake and subsidence. We are pleased to confirm that people who insure their homes and businesses with us and are not commercially involved with fracking on their land are protected in the event of an earthquake or subsidence damaging their buildings."

It was suggested that SHa should confirm his company's cover direct with his insurer.

4.0 ARUP discussion about Reg. 22 issues

MS and DH explained LCC's Reg 22 consultation process and the detail Cuadrilla had provided on the additional mitigation measure proposed to reduce night-time noise levels at PNR.

A copy of the presentation is appended to the meeting minutes.

During discussion the following points were raised:

- In response to a question from SHol about whether the noise impacts were based on the layout in the planning application, DH and MS explained that various scenarios had been used including wells located centrally on the site.
- JG asked why the interests of birds were being considered before people to which DH commented that the birds were in fields immediately adjacent to the site, closer than the nearest people. In addition, it was in response to an issue raised by a statutory consultee (Natural England).
- DH explained that the noise barriers proposed comprised a 5m, close boarded fence located as close to the source of the noise as possible, e.g. the fracking pumps. In addition, a 4m high site perimeter fence would be constructed. Around the drilling rig a screen is proposed that in part will be up to 14 m in height.

- In response to JG, MS confirmed that sensitive colours would be used for Cuadrilla's equipment that blended in with the surroundings and skyline, (e.g. a type of grey) and that the colouring would be discussed and agreed with LCC .
- SHol asked how confident ARUP was of achieving the noise reduction levels anticipated given that the actual noise levels for drilling at Horse Hill were significantly higher. DH confirmed his confidence because his analysis erred on the side of caution taking the noisiest activity and the low assumptions about the performance of mitigation. He added that on and off-site monitoring would be undertaken by Cuadrilla to ensure compliance with any conditions on noise limits imposed by LCC. MS added that non-compliance would result in enforcement action by LCC and ultimately the cessation of operations.
- JG was concerned that the mitigation was based solely on predictions of noise levels and DH countered that the analysis used known data, examples of actual experience and proven mitigation measures that had been applied elsewhere.
- Even with the mitigation measures, SHol considered the noise was still high in relation to existing noise levels; DH commented that fracking would only be undertaken during the day and in limited periods. She added that the Jacobs report (commissioned by LCC) used noise levels greater and less than ARUP to which DH responded by saying that the relevant guidance considered typical noise levels not the lowest noise levels. He added that a noise level of 40 db was considered by the WHO not to disturb sleep with windows open.
- In response to a question from JG about a comparator for 200Hz, DH could not provide an immediate comparator but said a transformer would typically give 100Hz sound and suggested that the projector used at the meeting might be 100-200Hz.

The meeting thanked MS and DH for their contribution.

5.0 Programme update

5.1 LCC determination timetable: SS confirmed that Cuadrilla was awaiting timescales for determination from LCC.

JG thought it was unlikely that determination would be made before the General Election to which SS responded that it was LCC's process and that if further clarification was required Members should ask LCC (Stuart Perigo).

MS added that LCC needed time to consider responses to its Reg. 22 consultation and to update reports etc. In responding to a question from SHol, he added that it was usual for LCC to give 1-2 weeks' notice of an application going before its Development Control Committee.

5.2 Health Impact Assessment (HIA): SHol asked whether the recommendations made in the HIA had been addressed. SS commented that of the c. 70 recommendations 8 had related directly to Cuadrilla and were currently being reviewed. He said that an update would be provided to the CLG when the review was concluded. The other recommendations were directed at the

Update to be provided to CLG on conclusion of review

Government, regulators and other bodies.

In response to a question from JG, SS and MS confirmed that the HIA as a whole was not part of the planning process but that those recommendations of relevance had been addressed by Cuadrilla.

6.0 Community update

6.1 Pre-operational property surveys: JG raised a question from a neighbour about Cuadrilla-funded property surveys being undertaken before any drilling/fracking took place. This would provide clear evidence about the cause and responsibility for any subsequent damage.

SS responded that Cuadrilla would not be undertaking or funding such surveys not least because it would not be possible to define the geographical area to which it might apply. It was inevitable that wherever the line was drawn an artificial cut-off point would have to be applied. He added that in any event the independent BGS monitoring would identify precisely any cause and effect of earth movements.

JG suggested that as Cuadrilla would know the radius of any lateral drills that area could be used, adding that a number of residents would commission surveys themselves. SS observed that while this was a reasonable response there were other ways of proving damage caused by Cuadrilla by using the BGS data.

In response to JG, SS confirmed that the seismic monitors were appropriately located to assess any seismic activity and that if permission was granted for the exploration activity the associated application for the array of seismic monitors had to be in place before any drilling/ fracking could take place.

SHol recalled the damage to some properties from the 3D survey work undertaken over the Queen's Jubilee weekend in the Summer of 2012 and asked if the proposed seismic monitoring would have stopped this. SS explained that the 3D survey was designed to provide a picture of the rock formations and had used small dynamite charges. All claims for damage to property had been investigated and met by Cuadrilla where the cause was identified as the 3D survey. He added that the seismic monitors proposed would have detected any earth movements.

He added that it was accepted that structural damage only occurred over 2.9 on the Richter Scale and that this was also the accepted maximum level for any induced seismic event. In addition, the Traffic Light System required for exploration works would require activity to cease at 0.5.

7.0 AOB

No matters were raised.

8.0 Date of next meeting

7.00 pm Wednesday 20th May 2015 at the Wrea Green Institute, Station Road,

Rea Green, PR4 2PH.

The meeting ended at 8.00 pm.
