

Preston New Road Exploration Works | Community Liaison Group

Date:

Monday, 7th January 2019

Venue:

Wrea Green Institute, Station Road, Wrea Green, Preston, PR4 2PH

Attending:

Councillor Paul Hayhurst, member for Fylde West division on Lancashire County Council
Councillor Julie Brickles, member for Warton and Westby ward on Fylde Borough Council
Councillor John Kirkham, member for Warton and Westby ward on Fylde Borough Council
Councillor Dawn Ansell, Weeton-with-Preese Parish Council
Councillor Stuart Harrison, Medlar-with-Wesham Town Council
Councillor Miranda Cox, Kirkham Town Council
David Kirkham, Westby-with-Plumpton Parish Council
Mary Ellison, Local Community Representative
Christopher Holliday, Local Community Representative
Jan Gregson, Local Community Representative
Diane Dibley, Local Community Representative
Sergeant Anthony Alves, Lancashire Constabulary
Andrew Mullaney, Lancashire County Council
Steve Molyneux, Environment Agency
Natascha Engel, Commissioner for Shale Gas
Mark Lappin, Cuadrilla
Laura Hughes, Cuadrilla
Jackie Dobson, Lexington Communications

Apologies:

Liz Cheadle, Local Community Representative
Mary Finn, Local Community Representative

| Item | | Action |
|------|--|--------|
| 1. | <p>Welcome and apologies</p> <p>Councillor Hayhurst welcomed attendees and introduced Natascha Engel, Commissioner for Shale Gas. Natascha Engel provided an overview of her role, explaining that she is engaging with local residents and stakeholders, as well as the Industry and regulators. She informed attendees of her background, notably her role as Member of Parliament for North East Derbyshire and work for INEOS.</p> <p>Explaining her engagement with local residents near existing sites, such as Kirby Misperton in North Yorkshire and Tinker Lane & Spring Road in North</p> | |

| | | |
|----|---|------------------------|
| | <p>Nottinghamshire, she acknowledged concerns raised by local residents, citing concerns over water contamination, air pollution and seismicity. She went on to note the benefits of shale gas extraction, such as regeneration, job creation and energy security.</p> <p>Natascha Engel advised attendees that she would be happy to answer any questions, as well as to attend forthcoming CLG meetings if members felt this would be helpful.</p> <p>Referring to her work with INEOS, Councillor Hayhurst questioned whether she is independent and impartial. In response, Natascha Engel explained that she is independent but supports the safe exploration of shale gas and considers the process no more or less safe than extracting other hydrocarbons.</p> | |
| 2. | <p>Agree meeting report of 11th December 2018</p> <p>Referring to the previous discussion regarding the Community Benefit Fund, David Kirkham advised of a typo on Page 11; ‘quality’ should be ‘qualify’. Steve Molyneux requested two amendments on Page 10 regarding the discussion on open tanks non-compliance.</p> <p>Jackie Dobson advised that the meeting report would be updated and that she would liaise with Councillor Hayhurst to approve the minutes.</p> | Jackie Dobson to amend |
| 3. | <p>Review actions arising from previous meeting</p> <p><i>Action 1. Jackie Dobson to colour code the meeting report</i> – It was noted that names in the meeting report had been highlighted in red to allow members to easily and quickly check comments attributed to them when reviewing the minutes. Councillor Cox commented that this was helpful.</p> <p><i>Action 2. Members to discuss at next CLG meeting</i> – Referring to the document that detailed concerns raised by local people and the controls in place to respond to said issues, Councillor Hayhurst expressed disappointment at the level of detail provided. Elaborating on this, he noted that the document does not outline what emergency plans have been prepared, especially in relation to the evacuation of Carr Bridge Residential Park.</p> <p>Councillor Ansell questioned the reference to Lancashire County Council’s Resilience Team advising that there are no outstanding requests for support from schools regarding emergency planning. Citing her position as a Governor at Weeton St Michael’s Church of England Primary School, Councillor Ansell advised that members of the Board had been informed that they must remain impartial and had been discouraged from enquiring about existing emergency plans. In response, Andrew Mullaney advised that a school can request this</p> | |

should they feel it necessary and reiterated that the Resilience Team has no outstanding requests.

As a resident of Carr Bridge Residential Park, **Diane Dibley** advised that she is comforted by the controls in place. However, she emphasised the difficulties associated with evacuating Carr Bridge Residential Park for any reason and not just related to Preston New Road exploration site, citing that a number of residents are elderly and/or have restricted mobility.

Echoing these concerns, **Councillor Hayhurst** reiterated previous comments regarding the Grenfell Tower tragedy due to a lack of training regarding evacuation procedures. Referring to the document, he questioned the statement that the Lancashire Resilience Forum's Communication Plan details how information is cascaded and shared using emergency services to inform the public. More specifically, he suggested that the emergency plans have not been tried and tested.

Andrew Mullaney reiterated previous comments made that the emergency services have prepared emergency plans to deal with an incident at the site. He noted that this has been explained to attendees by the representative of the fire service who has attended the CLG on two previous occasions. Reiterating statements previously made by the emergency services, he informed attendees that the emergency plans cannot be disclosed to the public for security reasons.

In response to Councillor Hayhurst's reference to the Grenfell Tower tragedy, **Andrew Mullaney** disputed the comparison. He advised that the emergency plans have been tested and referred to assessments undertaken that suggest any impact from an incident at Cuadrilla's site would not have impact beyond 250 metres. It was noted that Carr Bridge Residential Park is located more than 1000 metres from the site.

Questioning the validity of assessments undertaken in relation to Cuadrilla's operation, **Councillor Hayhurst** specifically referenced the University of Liverpool's analogy that compared the impact of a micro-seismic event to dropping a melon. Elaborating on this, **Councillor Hayhurst** referred to the explosion of the Pan Am Boeing 747 aircraft over Lockerbie 30 years ago that measured 1.6 ML on the Richter Scale. **Mark Lappin** replied that the Lockerbie disaster was caused as a result of the explosion of an aeroplane hitting a small town, rather than from a seismic activity resulting from the 'plane hitting the ground.

Referring to earlier comments made regarding evacuating Carr Bridge Residential Park, **Councillor Harrison** suggested that residents should be

| | | |
|------------------|--|--|
| | <p>are not targeted and sought to reassure attendees that the police do not use said tactics.</p> <p><i>Action 6. Mark Lappin to liaise with Christopher Holliday – Mark Lappin</i> confirmed that he had investigated the noise heard from the pumps on the morning of Tuesday, 11th December and liaised with Christopher Holliday regarding this. Elaborating on this, he noted that the noise appears to have reached that residential area due to a certain level of wind in an unusual direction, but confirmed that there was no breach of the noise condition.</p> <p>Mark Lappin encouraged attendees to inform Cuadrilla of any instances of noise considered excessive and he would investigate. Andrew Mullaney reminded members that Lancashire County Council is the regulatory authority regarding noise and informed attendees to report any instances to the Local Authority also.</p> <p><i>Action 7. Mark Lappin to investigate – Mark Lappin</i> confirmed that he had investigated why the Coil Tower had not been consistently lit and ensure it is not unnecessarily lit. Whilst he acknowledged that no breaches had occurred, he noted that Cuadrilla will seek to minimise light being seen from the site, wherever possible.</p> | |
| <p>4.</p> | <p>Question & Answer session</p> <p>Several questions were raised by attendees:</p> <ul style="list-style-type: none"> – Does the injunction remain in place? Mark Lappin confirmed it does. – Why has there been a large number of tanker movements to and from the site? Mark Lappin confirmed that the storage tanks onsite are being emptied and that the tankers used are standard sized vehicles. He noted that the tankers are removing rain water, flow back fluid and stored water. – Is Cuadrilla removing flow back fluid from the site? Is this being tested? Why do the tankers not have signage to indicate their content? Mark Lappin confirmed that flow back fluid is being removed from the site. Steve Molyneux explained that this is tested, but that there is no requirement to indicate this on the vehicles as this is not hazardous. He explained that only vehicles transporting toxic, flammable or corrosive loads require signage to indicate their content. – Is the flow back fluid radioactive? Steve Molyneux advised that the flow back fluid consists mainly of dissolved minerals and salts. He confirmed that the flow back is transported for specific treatment as there is the | |

| | | |
|------------------|---|-------------------------------|
| | <p>potential for the presence of Naturally Occurring Radioactive Materials (NORM).</p> <ul style="list-style-type: none"> – How much flow back fluid can be stored onsite? Steve Molyneux confirmed that the maximum quantity of waste flow back fluid that can be stored on site is 3,000 cubic metres. – How long can flow back fluid be stored on site? Mark Lappin advised he would check and confirm. – Why has a water treatment facility not been built onsite? Mark Lappin confirmed that Cuadrilla remains satisfied removing water from the site via tanker at this stage but that equipment is on site in order to construct a facility. – Will a water treatment facility be built at Preston New Road? It was suggested that Cuadrilla had informed the Roseacre Wood Inquiry that a water treatment facility will be provided, but members questioned whether this had been presented to the Inspector to merely reduce vehicle movements. Mark Lappin confirmed that a water treatment facility will be constructed at the Preston New Road site, but it had been a dry year and the facility was for surface rainwater only. – When will a water treatment facility be provided at the site? Mark Lappin was unable to provide timescales for the delivery of a facility. | <p>Mark Lappin to confirm</p> |
| <p>5.</p> | <p>Lancashire Police update</p> <p>Sergeant Alves informed attendees that there had been a reduction in activity due to the Christmas holiday period and referred to a reduced number of police officers deployed to the Preston New Road site. He noted that there had been no arrests since the December CLG meeting and that 59 complaints had been received against police officers involved in Operation Manilla during 2018, with 16 ongoing complaints.</p> <p>Referring to protests at the site, he noted that around 30 campaigners had marched from Maple Farm to the site on Saturday, 15th December. Sergeant Alves noted that the police were also present to prevent any breaches of the peace when Lancashire County Council removed four caravans from Wild Lane on Monday, 31st December.</p> <p>Councillor Hayhurst asked what the current cost is of the policing operation at Preston New Road. Sergeant Alves advised that the information is available on Lancashire Police’s website and estimated around £7million.</p> | |

| | | |
|------------------|--|-------------------------------|
| | <p>Elaborating on these concerns to Natascha Engel, Councillor Hayhurst emphasised that the cost of deploying police officers to Cuadrilla’s site is having a detrimental impact on policing across Lancashire. He explained that there is a rural drug problem within Fylde amongst teenagers, but insufficient police resource to address the issue. Echoing similar concerns, Councillor Harrison acknowledged the work undertaken by Police Community Support Officers (PCSOs), but referred to the lack of police officers with extended powers to tackle local crime.</p> <p>Councillor Brickles noted that the level of economic investment Cuadrilla states has been delivered as a result of its presence in the County has been outweighed by the economic impact on Lancashire Constabulary. Against this background, she suggested that there has been no economic benefit of Cuadrilla’s operation to Lancashire. Mark Lappin replied that exploration operations are not expected to be commercially viable; that the real benefits come during the production stage, but a lot of money had been invested in the local communities by these wells.</p> <p>A brief discussion followed regarding the cost of mutual aid, where Lancashire Police have support from other forces across the country, and whether the Government should provide additional funds to support the operation. It was noted that the Home Office provided £1.4 million following a previous request by Lancashire Police for support. Councillor Hayhurst requested Natascha Engel highlight to Government the concerns of local people regarding the cost of the policing operation and the implications for crime across the Fylde.</p> <p>Councillor Brickles asked whether Cuadrilla had removed equipment from the Preston New Road site to reduce costs and whether the kit would be moved back onto site in January. Mark Lappin informed attendees that Cuadrilla had demobilised some equipment ahead of the Christmas period and expects to be back onsite in 2019. He confirmed that no reference had been made to returning in January but would investigate the suggestion that company statements said this would happen and that some of this would be covered in monthly update.</p> <p>Councillor Brickles asked if Cuadrilla will be contributing to the policing operation when equipment returns to site. Mark Lappin informed attendees that Cuadrilla will not be paying for the policing operation.</p> | <p>Mark Lappin to confirm</p> |
| <p>6.</p> | <p>Site update</p> <p>Mark Lappin provided an overview of operational activity, explaining that Cuadrilla had continued to hydraulically fracture the first well and flow back fluid. Fracturing operations ended 17th December. After that, the company de-</p> | |

mobilised frac crew, kit and materials up until Christmas. The Christmas period had little activity at site. On 27th December, key flow-test equipment was installed and flow-test with this equipment began end December and has continued to-date, flowing back water and gas

Councillor Brickles questioned why Cuadrilla has deviated from its proposed order of fracturing the wells and advised that this creates suspicion locally.

Mark Lappin explained that exploration always brings information which causes the exploration company to react to how the reservoir responds and alter its plans accordingly. The decision to frac the first well before moving to other wells is in response to a number of factors including early gas flow, in order to ensure we build these learnings into future well operations.

Councillor Brickles asked why Cuadrilla is not flaring the gas and **Mark Lappin** confirmed that gas has been flared from time to time even though early testing is dominated by water flow-back. He informed attendees that Cuadrilla had chosen a flare and stack that cannot be seen to reduce light from the site, but confirmed that gas is being flared as part of the test. A member referred to a 'glow' from the site and asked whether this was from the flare. **Mark Lappin** confirmed that this could be caused by the flare, as atmospheric conditions can cause the appearance of a 'glow' or 'shimmer' even though flare is about 8m below top of stack.

Members asked when Cuadrilla will drill the additional wells on site. **Mark Lappin** explained that Cuadrilla is permitted to hydraulically fracture the third and fourth wells by December 2019 under the planning consent. **Andrew Mullaney** confirmed that Cuadrilla is required to complete drilling and hydraulic fracturing within 30 months of commencing drilling onsite; 27th May 2017. He advised that specific timescales could not be provided as Cuadrilla is currently assessing the results.

Stating that it has taken nine months for Cuadrilla to drill and frack the first well, **Councillor Hayhurst** questioned whether three wells could be undertaken within 11 months until the planning consent deadline. **Mark Lappin** indicated that the time taken for the first well does not necessarily apply to the length of time required for additional wells but emphasised that additional wells are an option to be considered based upon results of current flow-testing.

Councillor Hayhurst asked whether Cuadrilla will be seeking an extension to the time limits associated with the existing planning consent. **Mark Lappin** confirmed that Cuadrilla has no plans to seek at extension at this stage.

A discussion followed regarding the perceived lack of communication from Cuadrilla regarding current activity. **Councillor Brickles** cited Cuadrilla's refusal

| | |
|---|--------------------------------|
| <p>to provide a comment to BBC Radio Lancashire to allay the concerns of local people regarding the lack of activity at the site.</p> <p>Expressing similar concerns, Diane Dibley stated that several residents had suggested to her that Cuadrilla had ‘packed up and gone’ from the site. Councillor Harrison suggested that a daily blog could be useful to provide local people with an update on activity. He suggested this is limited to a few sentences and closed to public comment, but would allow a mechanism for local people to understand that operational activity remains ongoing.</p> <p>Mark Lappin explained the communication challenges of providing the community with a sufficient level of useful information and not overwhelming local people with useless updates regarding operational activity. As in operational update, the recent period has been dominated by demobilising equipment, Christmas break and mobilising of test equipment. Nonetheless, he acknowledged Councillor Harrison’s suggestion and agreed to consider the use of blog posts.</p> <p>Christopher Holliday asked how many stages have been completed, with Mark Lappin explaining that this is commercially sensitive information that cannot be publicly provided. When asked to explain Mark Lappin explained that early exploration companies have many disadvantages but also the advantage of early data and this cannot be passed to competitors through public release. Furthermore, he noted that he is required to comply with restrictions relating to the Australian Stock Exchange in terms of announcing results.</p> <p>Christopher Holliday asked whether the number of fracks undertaken was also commercially sensitive and Mark Lappin confirmed this. Steve Molyneux advised that Cuadrilla has complied with the Hydraulic Fracture Plan (HFP) regarding the hydraulic fracturing process and limits outlines in the document.</p> <p>Against the background of Cuadrilla being unable to provide certain information due to commercial sensitivities, Councillor Brickles stated that representatives of Lancashire for Shale have been promoting the number of fracs completed on social media channels. She went onto question whether Lancashire for Shale is privy to information regarding Cuadrilla’s activity due to its funding arrangements.</p> <p>Mark Lappin confirmed that Cuadrilla provides financial assistance to Lancashire for Shale relating to administrative and secretariat functions, but noted that it is independent from Cuadrilla. He noted that commercially sensitive information is not disclosed to Lancashire for Shale. It was speculated that, as the HFP permits up to 45 fracs, assumptions could have been made</p> | <p>Mark Lappin to consider</p> |
|---|--------------------------------|

| | | |
|------------------|---|------------------------------------|
| | <p>that the maximum number of fracs have been completed, with the upper limit being referenced on social media.</p> <p>Members asked whether Cuadrilla undertook hydraulic fracturing after Friday, 14th December when the last micro-seismic event was recorded. Mark Lappin confirmed that there had been fracturing operations after this but not with any seismic events which occur in some places and not others. Christopher Holliday asked whether hydraulic fracturing has been only the first well and Mark Lappin confirmed.</p> <p>In light of the demobilisation of certain equipment from the site, Christopher Holliday asked whether the acoustic wall will be removed. Mark Lappin advised that this is being considered. Christopher Holliday advised that he would prefer it be removed due to the visual impact from his property and that of his neighbours.</p> <p>Councillor Cox asked whether nitrogen is still being used to lift the column of water in the well above the reservoir. Mark Lappin confirmed nitrogen is being used for this purpose to allow the gas to flow from the reservoir, into the well and to the surface.</p> | |
| <p>7.</p> | <p>Lancashire County Council Update</p> <p>Providing an update from Lancashire County Council, Andrew Mullaney advised that no complaints had been received. He referred to the comments made at the previous meeting regarding the light from the rig and reiterated his commitment to monitor this, but acknowledged its current absence from the site.</p> <p>Referring to previous concerns raised regarding the protestor hut adjacent to the site, Andrew Mullaney referred to more activity ‘creeping’ onto the carriageway. By way of example, he referred to a recent site visit whereby he witnessed a protestor chopping wood for the boiler on the road. He noted the potential dangers of this.</p> <p>Councillor Kirkham questioned whether the wood is the only material burnt on the boiler, citing a strong smell of plastic during a December evening. Councillor Brickles advised that only wood is used and Councillor Cox agreed to reiterate these concerns to the protestors.</p> | <p>Councillor Cox to reiterate</p> |
| <p>8.</p> | <p>Industry regulators update</p> <p>Steve Molyneux advised that the Environment Agency (EA) has a programme of inspections focused on the flowback arrangements, flaring, emissions and waste management. With regard to earlier comments regarding the flare,</p> | |

| | | |
|-------------------|---|--|
| | <p>Steve Molyneux informed attendees to speak to the Environment Agency, as the regulatory authority regarding this, via the incident hotline; 0800 80 70 60.</p> <p>With regard to air quality monitoring, Steve Molyneux stated that the EA will be replacing a station that monitors Particulate Matter 10 (PM10) in the next few weeks. It was noted that the equipment is being replaced by a newer model. He went onto note that the fortnightly methane (CH4) monitoring report will be available on Citizen Space in the coming days.</p> <p>Referring to a Judicial Review relating to a permit variation in December 2017, Steve Molyneux advised the judgment is expected Friday, 11th January.</p> <p>Steve Molyneux explained that the EA is dealing with a Freedom of Information Request to publish the daily reports Cuadrilla provides. He noted that the EA has notified the requester that additional time is required in order to balance the commitment to transparency with the commercial rights of the operator as ‘first mover’ and noted the precedent this might set for other UK industry.</p> <p>Jackie Dobson advised attendees that the Health & Safety Executive had provided a written response.</p> | |
| <p>10.</p> | <p>Confirm date of next meeting</p> <p>It was confirmed that the next meeting should take place at:</p> <p>7pm on Monday, 4th February at Wrea Green Institute, Station Road, Wrea Green, Preston, PR4 2PH.</p> | |

Health & Safety Executive Update

The update from Health & Safety Executive is –

1. HSE has been informed that Cuadrilla Resources Ltd have finished hydraulic fracturing operations on their first exploratory well at the Preston New Road site.
2. HSE is aware that hydraulic fracturing equipment has now been demobilised and removed from the site.
3. HSE has been notified (via weekly reports) that Cuadrilla are proceeding with ‘flow-back’ operations to clear the well.
4. HSE continues to receive and inspect weekly operations reports from Cuadrilla and will carry out other interventions as appropriate.

Questions & Answers

Please find below a response to additional question raised following the Community Liaison Group meeting on Tuesday, 11th December 2018. As an exception, this question has been included, but no future questions will be considered or answered that have not been submitted through the correct channels.

7th January 2019

Does Cuadrilla plan to dispose of nuclear waste in the bore holes at the Preston New Road site when the wells are abandoned?

Cuadrilla does not plan to store nuclear waste in the bore holes.