



## **CAMBUSLANG** Community Council

### **Introduction**

In November 2018, Cambuslang Community Council (CCC) was approached by a coalition of CCs from throughout the Central Belt of Scotland asking whether it would agree to support, and contribute funding to, an anti-fracking case being prepared by legal experts for submission to the Scottish Government (SG). CCC was advised by South Lanarkshire Council that it could not use its SLC Administration Grant for this purpose. Also, opinion among CCC members was divided on the issue of supporting the anti-fracking case.

Cambuslang is not currently known to be under consideration for fracking but, like other areas in Central Belt, it is possible that this might be the case in the future. Cambuslang is included in Oil & Gas Authority maps of 'shale prospective areas' in Scotland. Further, the Scottish Government is finalising its policy position on the development of 'unconventional oil and gas' in Scotland. As part of this process, the Scottish Government invited views (in October-December 2018) on the findings of its Strategic Environmental Assessment Environmental Report, a partial Business and Regulatory Impact Assessment, and its preferred policy position.

As a community council, we have therefore set out our position on the development of fracking, considering the implications for a community like Cambuslang. Our Constituency MSP, Clare Haughey, has forwarded these views to the Scottish Government Minister for Business, Innovation and Energy, Paul Whitehouse.

### **CCC position on fracking**

In considering the issue, CCC members reviewed the evidence for fracking, covering a range of reports produced in recent years, many commissioned by the Scottish Government. Summaries of the reports are attached to this note. The view of CCC is as follows.

- a) The case for fracking being permitted is not proven. Many of the studies are inconclusive, and it would make sense to wait until the trial being conducted in England has been operational for a few years, with a comprehensive assessment of the experience – regarding the economic benefits, geological stability, local impacts and other issues - with recommendations for Scotland based on the evidence.
- b) The level of regulation required is unclear. Several of the reports commissioned by Scottish Government mention the need for "tight regulation". As yet, it is not clear what level of 'tightness' would be necessary. This is another argument for a 'wait and see' approach.
- c) There is no strategic imperative to exploit this potential resource sooner rather than later. The argument by prospective developers that Scotland 'should get in on the ground floor' to develop internationally marketable expertise in this technology seems at present somewhat fanciful.
- d) The distribution of potential gains and losses from fracking is likely to be very uneven and unequal. Any approval of fracking would need to address this issue.

- e) Scotland's energy policy should be geared to reducing greenhouse gas emissions. It is not evident that fracking would support this objective.
- f) Community interests should be at the heart of decision-making. We disagree with the RSE conclusion that it should not be left to 'communities to decide whether to host fracking on a case by case basis'. Communities should not just be consulted but have a major say in whether fracking is undertaken in their area or not.

### CCC assessment of reports on fracking

1. **Economic benefits.** This is the focus of the KPMG report, yet these work out at a cost-per-job of £857k. On the 'pro' side, it is suggested that local production could impact positively on the fuel poverty problem which affects around 27% of the population, rising to 41% among the elderly. For this to have a chance of happening, it would be necessary for Scottish Government to articulate and implement a policy which clearly ensures that those in most need will benefit preferentially.
2. **Climate change.** The Scottish Government's Environmental Report is full of ifs and buts. It states that: "the addition of an onshore unconventional oil and gas industry would not promote Scotland's ability to meet the established greenhouse gas emissions targets and objectives in relation to protecting and enhancing the environment." Assuming this is correct, it is difficult to argue the case for fracking; our whole energy policy should be geared towards reducing emissions. Therefore, in terms of meeting target greenhouse gas emissions, SG would have to guarantee that production of the various fracking products in Scotland would replace importation and not be in addition. This would neutralise this particular aspect of the argument.
3. **Geology.** The British Geological Survey report argues that there is a need for more seismic monitoring to get a better understanding, despite assurances that tremors associated with fracking are almost undetectable and below the level of natural seismic activity in UK. Therefore 'wait and see' seems again to be the most appropriate approach.
4. **Health impact.** The report by Health Protection Scotland indicates that there is inadequate understanding of health impacts. It is argued that public exposure to risk will be very small, but more research is needed on occupational exposure of fracking operatives. Therefore, 'wait and see' again seems appropriate.
5. **Community impacts.** The Riccardo report on community-level impacts concedes that "local communities would nevertheless experience an increase in traffic numbers, potentially for a number of years." However, the effects are downplayed in report. Again, actual data from English experience eventually will be helpful.
6. **Decision-making on fracking.** According to the Royal Society of Edinburgh (RSE): "It is important that, in coming to a decision over Scotland's gas future, the public is correctly informed and given a genuine opportunity to contribute to the decision-making process. The choice should not be imposed on the public from above, nor should it be left to communities to decide whether they wish to host onshore developments on a case by case basis." This is contentious, and it is difficult to see how these requirements can be reconciled. On the one hand, it is arguably the role and duty of Government to decide on exploitation and use of strategic resources, such as energy, with the greater good in mind. On the other hand, the SG reports refer to implications for local soil, water and air quality; and other reports refer to traffic implications. It can be

argued that these kind of impacts can only be judged on a case-by-case basis. If a community accepts the impacts - perhaps with financial compensation - then fine. Whatever the situation, communities should always have an important role in making decisions that affect their locality.

## **Summaries of reports on fracking**

### **1. Economic impacts and scenario development (By KPMG)**

- The aim was to better understand the potential aggregate impact of fracking on the Scottish economy.
- It looked at a range of scenarios.
- It considered key sectors and groups that were likely to be affected by each scenario.
- Each of the scenarios was developed on the basis that exploration would be successful.
- In the mid-range scenario it is estimated that the development of 20 well-pads of 15 wells each could produce a cumulative 947 billion cubic feet of gas and 17.8 million barrels of associated liquids over a lifecycle to the year 2062.
- This could lead to direct expenditure of £2.2b in Scotland over the period, which could give supply chain benefits and other induced economic benefits of an additional £1.2bn over the period and be responsible for the creation of up to 1,400 jobs at its peak in the Scottish economy.
- The report highlighted other potential economic considerations, including the use of gas as feedstock in the petrochemical industry and a mixed impact on house prices.

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### **2. Decommissioning, site restoration and aftercare - obligations and treatment of financial liabilities (By AECOM)**

- The aim was to better understand the steps that could be taken to ensure minimum impact for decommissioning, site restoration and aftercare of any potential fracking development.
- Based on international and UK experience, the risk of leakage from abandoned fracking wells was likely to be low provided best practice was implemented during well construction and abandonment operations.
- There was a residual risk that a small proportion of wells may fail, and leaks may occur from these wells under certain circumstances.
- However, with appropriate regulatory oversight and monitoring, it was considered that, with minor modification to licensing powers, Scotland's regulatory framework was sufficiently robust to manage risks of well leakage.
- The research also finds that, taking lessons from opencast coal mining, there are financial guarantees available which can minimise the risk of operators failing to honour their commitment to decommissioning, and the risk of the costs of repair of leaking orphaned wells, falling to the public purse.

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### **3. Climate change impacts (By the Committee on Climate Change)**

- The aim was to examine the impacts of extraction of unconventional oil and gas (UOG) on greenhouse gas emissions and climate targets.
- The Climate Change Committee's (CCC) overall assessment is that if exploitation of UOG is to be pursued, it requires that a strong regulatory framework is put in place.
- Exploiting UOG on a significant scale is only compatible with Scotland's climate change targets if (a) Emissions are limited through tight regulation, (b) Scottish UOG production displaces imports, rather than increasing domestic consumption; and (c) Emissions from production of UOG are offset through reductions in emissions elsewhere in the Scottish economy.
- In terms of potential implications for global emissions, the report found that the overall emissions footprint of Scottish UOG, if tightly regulated, is likely to be broadly similar to that of imported gas.

- Initial evidence suggests that tightly regulated shale gas production is likely to have a broadly neutral impact on global emissions.

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#### **4. Understanding and monitoring induced seismic activity (By the British Geological Survey)**

- The aim was to better understand the levels of induced seismic activity that could be associated with unconventional oil and gas activities in Scotland and better understand the robust regulatory and non-regulatory actions that could be taken to mitigate any noticeable effects on communities.
- The research found that Scotland was characterised by low levels of earthquake activity and the risk of damaging earthquake was low.
- On average, there are eight earthquakes of magnitude 2 or above in Scotland every year, which is approximately the magnitude above which earthquakes might be felt by people.
- Hydraulic fracturing to recover hydrocarbons is generally accompanied by earthquakes with magnitudes of less than 2 that are too small to be felt.
- Evidence from the United States and Western Canada suggests that the probability of induced earthquakes that can be felt is small, although there are a number of examples of earthquakes that were large enough to be felt.
- Improved understanding of the hazard from induced earthquakes and the successful implementation of regulatory measures to mitigate the risk of induced seismicity are likely to require additional data from a number of sources, including improved monitoring.

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#### **5. Health Impact Assessment (By Health Protection Scotland)**

- The aim was to undertake a Health Impact Assessment of the potential health consequences of developing unconventional oil and gas.
- Health issues considered were identified by interested stakeholders, including communities, industry, and experts, as well as via previously published reports.
- The evidence was assessed via a systematic literature review of peer-reviewed scientific publications, and categorised as being sufficient, limited or inadequate.
- The report concludes that overall there is inadequate evidence available to draw conclusions on whether development of shale oil and gas or coal bed methane would pose a risk to public health.
- If unconventional oil and gas developments were to take place, a precautionary approach could be adopted which involves operational best practice, regulatory frameworks and community engagement.

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#### **6. Understanding and mitigating community level impacts from transportation (By Ricardo)**

- The aim was to improve understanding of the increased traffic volumes and associated impacts which would result from unconventional oil and gas (UOG) development, and to identify means of mitigating these impacts.
- The research found that the additional traffic movements associated with onshore oil and gas resources were unlikely to be significant or detectable at a regional or national scale, in view of the much greater numbers of traffic movements resulting from other activities.
- Consequently, the key focus for consideration of potential community impacts of UOG development is the assessment and management of potential impacts on communities local to development sites.
- Assuming the appropriate strategic policies were put in place, and appropriate mitigation was carried out, local communities would nevertheless experience an increase in traffic numbers, potentially for a number of years.
- However, provided the planning and Environmental Impact Assessment was properly implemented, any significant impacts would be avoided through the use of appropriate mitigation measures.

## 7. Royal Society of Edinburgh - Options for Scotland's Gas Future (*Advice Paper June 2015*)

### Executive Summary

Scotland is heavily reliant on gas in both the residential and commercial sectors for heating. Natural gas also plays a significant role in electricity generation. Even in the event of an unprecedented decrease in UK gas consumption, a significant quantity would still be required for not only heat, but also as a chemical feedstock for the petrochemical industry.

The UK is currently reliant on imports for over 50% of its gas consumption. To meet its future gas needs and increase energy security, local production could be increased either onshore or offshore. Action to reduce demand is also an option, but would need to occur in addition to one or several other options.

Scotland is committed to meeting statutory climate change targets and any course of action to address Scotland's future need for gas must be consistent with these goals as well as addressing energy security, cost to the consumer and public acceptance. If Scotland decides to source more gas domestically, it would have greater control over the introduction of environmental control measures, such as carbon capture and storage, although such action could see gas prices rise.

A significant decrease in gas demand would need to occur in the context of demand reduction across the entire energy sector. A course of action that simply reduces consumption of gas by moving heat demand from gas to electricity would serve only to create greater electricity demand, which Scotland would find very difficult to meet.

Reducing demand for gas could prove beneficial in numerous ways, including decreasing the use of fossil fuel, lowering the rate of fuel poverty, and by having a positive environmental impact. Such a course of action may prove difficult to undertake, however, due to the prevalence of gas as a heating fuel, the varied and aging housing stock and the cost involved in investing in fuel efficient homes and measures.

Importing gas into the UK offers several advantages, and poses little adverse impact on the health, safety and wellbeing of the Scottish public. It results in no obvious local environmental problems and would likely prove cheaper than producing gas domestically. Multiple import options exist for Scotland to meet its energy demand and the UK's membership of the European Union provides a level of energy security.

However, importing gas from abroad leaves Scotland vulnerable to political instability and unforeseen circumstances in the countries from which it imports. Furthermore, relying on production abroad where the Scottish and UK Governments have no control over health and safety standards or environmental controls raises moral questions. Transportation of fuel also results in significant emissions.

Onshore production of unconventional gas would allow Scotland control over all regulation surrounding extraction and production. The impact of unconventional gas production on the environment is considered to be comparable to conventional gas. The areas of health, wellbeing and safety surrounding an onshore industry do not appear to present significant risks, although a degree of uncertainty is present. Domestic production onshore could improve energy security, create jobs and ensure Scotland takes responsibility for its energy consumption.

Public opinion relating to onshore unconventional gas development, particularly surrounding safety, in Scotland is often negative and this could make developing an industry difficult. The

characteristics of onshore production are notably different from the offshore industry with which the country is familiar. Increased traffic and noise and light pollution occur during early stages of development. Considerable uncertainty exists over potential reserves of unconventional gas, meaning the significant government expenditure that would be required to kick-start a fledgling industry could be for nought.

Offshore development of gas in Scotland would present very few health and wellbeing or environmental issues and would allow Scotland control over all regulation surrounding the industry. The country is accustomed to the nature of offshore production and matters surrounding worker safety are well known. Further development offshore could create jobs and play a role in enhancing Scotland's gas security of supply.

While good safety regulations and oversight are in place for offshore production, it is likely that it would prove less safe to operators than an onshore industry. Very little is currently known about potential new reserves offshore and the considerable government investment that would be required could result in no return. As a result of the increased costs of the offshore industry, in comparison to onshore, it may also prove less economic.

It is important that in coming to a decision over Scotland's gas future the public is correctly informed and given a genuine opportunity to contribute to the decision-making process. The choice should not be imposed on the public from above, nor should it be left to communities to decide whether they wish to host onshore developments on a case by case basis. The questions over how Scotland is to move forward in meeting its energy needs must be addressed at a societal level with meaningful public involvement. A considerable degree of uncertainty surrounds much of the debate and a reduction in this uncertainty, particularly in relation to onshore and offshore resources and reserves would enable the decision-making process to be better informed.

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