



DEBATE PACK

Number CDP 2018/0088, 18 April 2018

UK oil and gas industry

This pack has been prepared ahead of the debate to be held in Westminster Hall on Thursday 19 April 2018 at 1.30pm. The subject for the debate has been selected by the Backbench Business Committee. The debate will be opened by Colin Clark MP.

The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

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1. Background

- Oil and gas provided 72% of the UK's total primary energy in 2016.¹
- In 2016 about 51% of *oil* was imported with the remainder from domestic production.²
- Around 54% of *natural gas* was imported in 2016 with the remainder from UK gas production.³

1.1 State of the UK Offshore Oil and Gas Industry

- The UK oil and gas industry (both onshore and offshore) employed 28,000 people directly and a further 140,000 in relevant supply chains in 2017. The majority of these roles are in the offshore industry. Overall, employment in the industry has fallen by 27% since 2013.⁴
- In 2016/17, government revenues from oil and gas production were -£316 million. This was the lowest level since records began in 1968/69. (A negative revenue figure means that the cost of tax repayments for losses, particularly from decommissioning, exceeded any revenue raised from the profits of oil and gas producers.)⁵
- The decline in drilling activity over the last decade, particularly exploration and appraisal (E&A), has been exacerbated by the downturn. 94 wells (71 development, 14 exploration and 9 appraisal) were drilled on the UKCS in 2017, the fewest since 1973.⁶
- In 2016 there was £500 million of capital investment in new oil and gas projects in the UK Continental Shelf. In the first six months of 2017 there was £80 million of investment in new projects.⁷
- The cost of decommissioning was £1.8 billion in 2017, 48% higher than in 2016. Decommissioning is forecast to cost £1.7 to £2 billion per year between 2017 and 2020.⁸

Further information is available from the Library briefing paper from March 2017 on [UK offshore oil and gas industry](#).

1.2 State of the UK Onshore Oil and Gas Industry

- The Conservative Government support hydraulic fracturing (fracking) to increase the production of onshore oil and gas in future. However, the industry is politically controversial, and

¹ BEIS, [Digest of UK Energy Statistics 2017](#), July 2017, Table 1.1

² *Ibid*

³ *Ibid*

⁴ Oil and Gas UK, [Economic report 2017](#), p15

⁵ HMRC, [Oil and gas revenue statistics, Table 11.11](#)

⁶ Oil and Gas UK, [Business Outlook 2018](#) p 26

⁷ Oil and Gas UK, [Economic report 2017](#), p44

⁸ Oil and Gas UK, [Business Outlook 2018](#), p 7

Labour, the Liberal Democrats, Greens, and SNP do not support fracking.⁹

- According to UK Onshore Oil and Gas (UKOOG), an industry trade body, there are 120 sites with 250 operating wells producing between 20,000 and 25,000 barrels of oil equivalent a day.¹⁰ None of these are active fracking wells.
- The sites are concentrated in counties towards the North of England and those South of London.¹¹
- UK Onshore Oil and Gas say that the industry contributed £38 million in tax and £150,000 in community benefits in 2016.¹²
- Wales, Scotland and Northern Ireland have implemented various moratoriums on fracking. The Scottish ban is to face a [legal challenge](#) from developer INEOS, and the [Welsh ban](#) depends on incoming devolved powers under the *Wales Act 2017* and does not apply to exploratory drilling.
- There are a number of studies on the UK's shale resource potential. For more information see this July 2013 Postbox on [UK Shale Gas Potential](#). Drilling companies will have to undertake exploratory drilling to ascertain how much of the resource is economically recoverable.

Further information is available from the Library briefing paper from April 2017 on [Shale Gas and Fracking](#).

1.3 Projections for the future

The Oil and Gas Authority (OGA) believe the UK's oil and gas production will re-enter decline following a slight recent upturn. This is shown in the graph below, reproduced from the OGA's UK Oil and Gas Production and Expenditure report¹³. The report's projections suggest the downturn will continue long term.

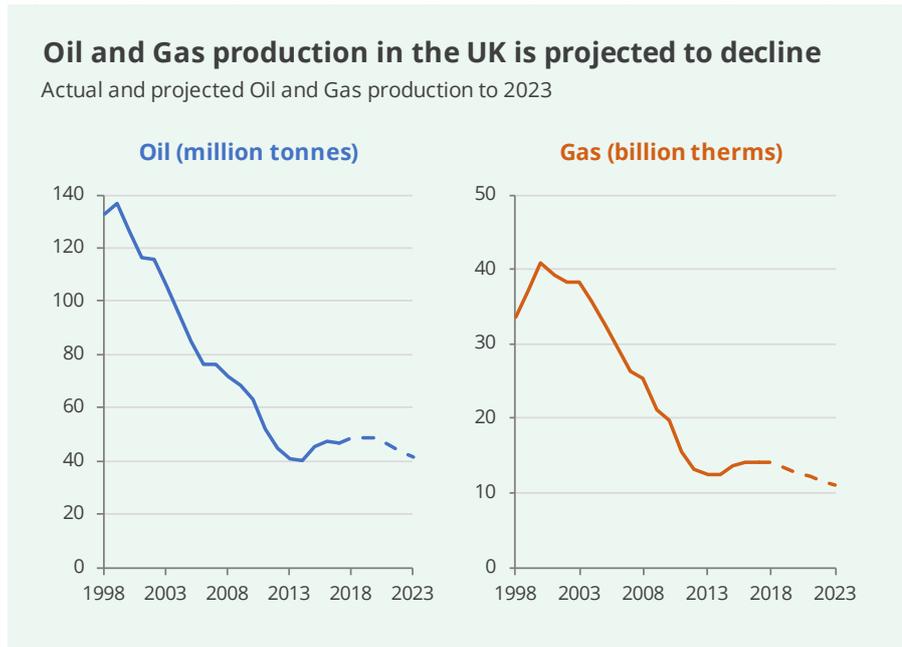
⁹ Carbon Brief, [Election 2017: What the manifestos say on energy and climate change](#), 16 May 2017

¹⁰ UKOOG, Onshore extraction – [History](#) (accessed 16 April 2018)

¹¹ Oil and Gas Authority, [Onshore Oil and Gas Activity Interactive Map](#) (accessed 11 April 2018)

¹² UKOOG, [Annual Report 2016](#)

¹³ Oil and Gas Authority, [Projections of UK Oil and Gas Production and Expenditure](#), March 2018



Source: [Oil and Gas Authority, Production and Expenditure projections February 2018](#)

Offshore

The Office for Budget Responsibility's January 2017 Fiscal sustainability report, predicted a "long-run decline" in production from the UK continental shelf:

Oil and gas revenues are likely to be affected as production continues its long-run decline. The path of revenues will be dependent on volatile oil and gas prices but we expect declining production from the UK Continental Shelf as it moves towards its ultimately recoverable capacity.¹⁴

Onshore

Early research in 2014 suggested that when the fracking industry developed, 4,000 wells could be drilled by 2032, creating 64,500 jobs.¹⁵

The most recent comment by a Government Minister was on 27 February 2018 when, in response to a question from Caroline Lucas MP, the Minister Claire Perry said:

Based on information provided by industry dating from 2016, BEIS previously estimated in 2017 that there could be around 155 wells by around 2025. This figure is now considered to be out of date. The Secretary of State has not made any new estimates for the period to 2025 and has not made any estimates for the period to 2030. The Secretary of State did not make estimates in 2012 or 2015.¹⁶

1.4 State of the Market

Oil and gas prices are a key driver for the industry and for investment plans.

¹⁴ Office for Budget Responsibility, *Fiscal sustainability report*, January 2017

¹⁵ Ernst and Young, *Getting ready for UK shale gas*, April 2014

¹⁶ PQ [128441](#) [on fracking] 27 February 2018

The price of Brent crude oil reached an all-time high above \$145/barrel (bbl) in July 2008. After more than three years of (unusual) stability in the range of \$100-115/bbl, Brent prices collapsed dramatically in the second half of 2014. Brent prices fell from \$110/bbl in mid-year to \$55/bbl at the end of December 2014 and was trading around \$50/bbl in August 2015, the lowest level since the first quarter of 2009 during the depths of the world recession. The price fell further to a range of \$25 to \$30/bbl by early 2016 – the lowest levels since 2004. Oil prices have been rising since summer 2017.

The changes are summarised in the chart below from the 2018 Business Outlook¹⁷ by Oil and Gas UK, an industry trade association. The Commons Library briefing on [Oil prices](#) discusses market developments further.

Figure 1: Average Monthly Nominal Brent Spot Price



Source: Oil and Gas UK, [2018 Business Outlook](#).

¹⁷ Oil & Gas UK, [Business Outlook](#), 2018

The annual average UK wholesale gas price fell from 68 pence per therm (p/th) in 2013 to 43 p/th in 2015, and to 35p/th in 2016.¹⁸ Variation has been less for gas than for oil but like oil, prices have been rising since mid 2017 as the chart below, also from Oil and Gas UK, shows.¹⁹

Figure 5: Average Monthly Day-Ahead NBP Nominal Gas Prices



Source: Oil and Gas UK, [2018 Business Outlook](#).

1.5 Employment in oil and gas

Oil and Gas UK, produce estimates of employment in the oil and gas industry each year (including both onshore and offshore workers). The following table shows how direct and indirect employment in oil and gas has changed since 2013.²⁰

Employment in the UK oil and gas industry					
	2013	2014	2015	2016	2017
Direct	36,600	41,300	37,300	29,500	28,300
Indirect	198,100	206,100	163,100	150,600	141,900
Total	234,700	247,400	200,400	180,100	170,200

Source: Oil and Gas UK, Economic report 2017, p17

Employment in the oil and gas industry has been falling. According to Oil and Gas UK figures, the number of people directly employed in the industry fell by 23% between 2013 and 2017. Over the same period, employment in the whole of the UK increased by 8%.²¹ (Falling employment in an industry can be the result of increased productivity or

¹⁸ Wholesale prices are those measured at what is called the National Balancing Point (NBP); licenced gas suppliers have to balance their gas 'inputs' into the gas grid and 'outputs' from the grid to customers every day and the NBP price is the clearing price on any one day.

¹⁹ Oil & Gas UK, [Business Outlook](#), 2018

²⁰ Oil and Gas UK, [Economic report 2017](#), p17. Direct employment is people employed in companies extracting oil and gas, and associated services. Indirect employment is people employed in supply chains supporting the industry.

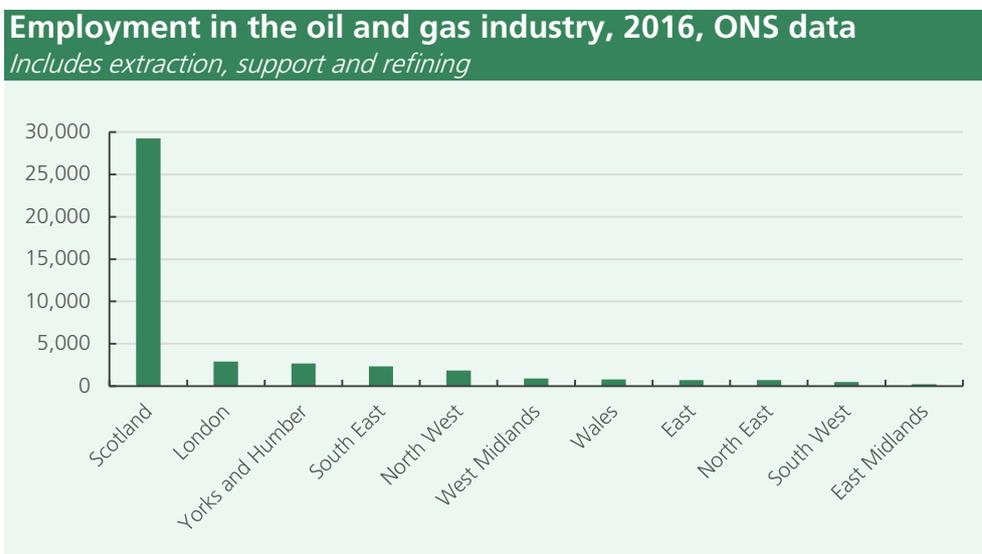
²¹ ONS, [Labour Market Statistics](#), Tables A05

declining activity, or both). Further information on the Oil and Gas UK figures can be found in their annual [Workforce Report](#).

The Office of National Statistics (ONS) provide different figures for employment in this sector. The ONS figures are for direct employment only and show that in 2016 there were 43,000 people employed in the industry in the following sub-sectors:²²

- 15,000 people employed in the extraction of oil and gas;
- 20,000 people employed in support activities for the oil and gas extraction industry;
- 8,000 people employed in the manufacture of refined petroleum products.

The following chart shows how employment in the whole oil and gas industry is distributed across the regions and countries of Great Britain. The chart uses the ONS data.



Employment based in Scotland dominates this industry – 68% of all employment in the industry, or 29,500 jobs are based in Scotland. The next biggest country or region is London with 2,900 people employed in the industry.

Box 1: Employment in the onshore oil and gas industry

The Oil and Gas UK figures and the ONS figures of employment in the oil and gas industry do not distinguish between jobs that support that extraction of offshore or onshore oil and gas. Some of the employment in the data above may be in the onshore oil and gas extraction industry.

1.6 Challenges for the industry

The principal challenges facing the offshore industry include:

- the level of investment in the UK Continental Shelf (UKCS);
- declining tax revenues but the need for a fiscal regime that supports investment; and

²² ONS, *Business register and employment survey*, 2017. Standard Industrial Classification codes, 06, 09.1, 19.2

- the growing pace of decommissioning while ensuring that the remaining infrastructure supports new developments where necessary.

The principal challenges for the onshore industry include:

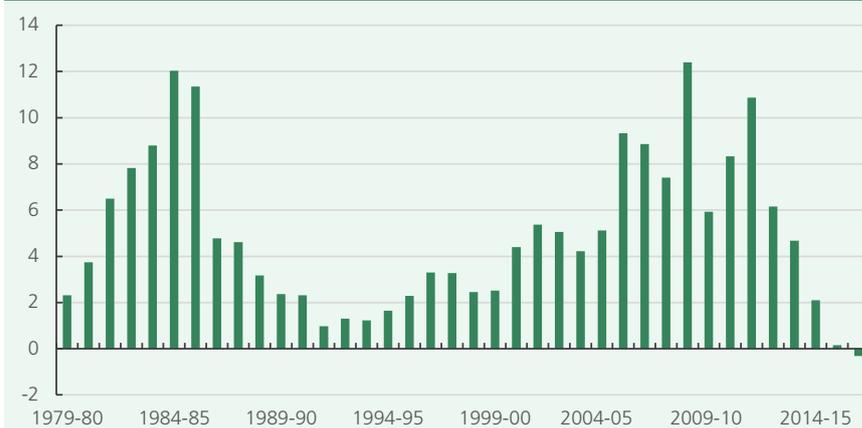
- local opposition and protests;
- gaining all environmental and planning permissions;
- ascertaining the extent of the economically extractable resource through exploration.

1.7 Tax revenue from oil and gas

In recent years, revenue from the production of oil and gas has fallen due to falling production, much lower oil and gas prices and higher tax-deductible expenditure. The rate of petroleum revenue tax and the supplementary charge have also been cut substantially to try to maximise economic recovery (see Section 1.8 below).²³

The following chart shows revenue from oil and gas since 1979/80. The industry has typically generated revenues for the Government, but the situation is now more complex with falling production and increasing (and offsetting) decommissioning costs. Revenue peaked in 2008/09 at £12.4 billion. In 2016/17 revenue from oil and gas was -£316 million. The figure in 2016/17 was the lowest since records began in 1968-69. Negative revenue means that the cost of tax repayments for losses, particularly from decommissioning, exceeded any revenue raised from the profits of oil and gas producers.²⁴

Total revenues from oil and gas production
£ billion



Source: HMRC, Statistics of government revenues from UK oil and gas production, Table 11.11; excludes gas levy

1.8 Government announcements

In 2013, the Government asked Sir Ian Wood to conduct a review of the recovery of oil and gas from the UK continental shelf. The review was published in February 2014 and recommended a strategy for 'Maximising Economic Recovery' a policy that is referred to as MER.²⁵

²³ Office for Budget Responsibility, [Oil and gas revenues](#), last updated 27 March 2018

²⁴ Data are from HMRC, [Oil and gas revenue statistics, Table 11.11](#).

²⁵ Wood Review, [UKCS Maximising Recovery Review: Final Report](#), 24 February 2014.

The Government's [Energy Act 2016](#) of 12 May 2016 responded to the need to maximise the economic recovery of oil and gas in the UK Continental Shelf (UKCS), the Act:

- formally transferred the licensing, exploration and development functions previously carried out by the Department for Business, Energy and Industrial Strategy (BEIS) to the Oil and Gas Authority (OGA).
- established the OGA as an independent regulator and a government company; it has up and until now operated as an executive agency within BEIS.

In the [Scotland Act 2016](#), regulation and licensing of offshore energy is a reserved matter. The [Scotland Act 2016](#) also devolved shale gas licensing to the Scottish Parliament, and the [Wales Act 2017](#) includes provisions to devolve shale gas licensing to the National Assembly for Wales.

In [Budget 2016](#), on 16 March 2016, the Chancellor of the Exchequer announced reductions in taxation for North Sea oil and gas fields to maximise economic recovery of the North Sea:

- *effectively abolish Petroleum Revenue Tax* by permanently reducing the rate from 35% to 0%, to simplify the regime for investors and level the playing field between investment opportunities in older fields and infrastructure and new developments. The change took effect from 1 January 2016.
- *reduce the Supplementary Charge* from 20% to 10%, to send a strong signal that the UK is open for business and in recognition of the exceptionally challenging conditions that are currently facing the sector. The change will take effect from 1 January 2016.²⁶

These changes were implemented in the [Finance Act 2016](#).

In [Autumn Budget 2017](#), the Government focussed on decommissioning costs and announced it would bring forward legislation to introduce a mechanism for transferable tax history. Tax relief on decommissioning costs is linked to tax payment history so the new mechanism would allow tax history to be transferred along with the asset. The Government also announced that they would consult on reducing tax for decommissioning costs incurred by the previous license holder.²⁷

For onshore production, the [Infrastructure Act 2015](#) made a number of changes in relation to fracking, including simplifying the procedure for obtaining the right to use underground land 300 meters and below for the purpose of exploiting oil and gas (petroleum) and deep geothermal energy, and providing a number of new 'safeguards' on production.²⁸

²⁶ HM Treasury [Budget 2016](#) 16 March 2016

²⁷ HM Treasury, [Autumn Budget 2017](#), 22 November 2017

²⁸ HC Library, [Shale gas and Fracking](#), 13 April 2017

In the [Spending Review and Autumn Statement 2015](#), the then Chancellor announced the creation of a Shale Wealth Fund to deliver up to £1 billion of investment in local communities hosting shale gas developments in the north of England and other shale-producing regions.²⁹

Further information is available from the Library briefing papers from March 2017 on [UK offshore oil and gas industry](#) and from April 2017 on [Shale Gas and Fracking](#).

²⁹ HM Treasury, [Spending Review and Autumn Statement 2015](#), November 2015

2. Press Articles

2.1 Offshore

Scotsman

Robots could soon be working on North Sea gas platforms

3 April 2018

<https://www.scotsman.com/future-scotland/tech/robots-could-soon-be-working-on-north-sea-gas-platforms-1-4718008>

Times [subscription]

New centre to boost oil and gas decommissioning

26 March 2018

<https://www.thetimes.co.uk/article/new-centre-to-boost-oil-and-gas-decommissioning-l7qk9ns7k>

Telegraph

Government scrutinises energy security amid Russia tensions

17 March 2018

<https://www.telegraph.co.uk/business/2018/03/17/government-scrutinises-energy-security-amid-russia-tensions/>

Observer

With more efficient homes, the UK would never fear running short of gas

4 March 2018

<https://www.theguardian.com/business/2018/mar/04/energy-efficient-homes-uk-would-never-fear-running-out-of-gas>

Scotsman

How much oil is left in the North Sea?

14 November 2017

<https://www.scotsman.com/news/how-much-oil-is-left-in-the-north-sea-1-4613094>

Herald

North Sea oil and gas industry to last decades as there are more than 10 billion barrels left

1 November 2017

[http://www.heraldscotland.com/news/15631466.North Sea oil and gas industry to last for decades/](http://www.heraldscotland.com/news/15631466.North_Sea_oil_and_gas_industry_to_last_for_decades/)

Scotsman

North Sea oil and gas to run out in ten years, experts warn

19 September 2017

<https://www.scotsman.com/news/north-sea-oil-and-gas-to-run-out-in-ten-years-experts-warn-1-4564402>

Guardian

North Sea oil and gas sector losing thousands of jobs, survey shows

6 September 2017

<https://www.theguardian.com/business/2017/sep/06/north-sea-oil-gas-jobs-oil-price>

2.2 Onshore

FT [subs]

Believers keep faith with UK fracking

8 April 2018

<https://www.ft.com/content/9c08c28e-3991-11e8-8b98-2f31af407cc8>

Telegraph

Hidden report reveals ministers exaggerated UK fracking boom

10 February 2018

<https://www.telegraph.co.uk/business/2018/02/10/hidden-report-reveals-ministers-exaggerated-uk-fracking-boom/>

Guardian

Blow to fracking firms as UK insists on financial checks

25 January 2018

<https://www.theguardian.com/business/2018/jan/25/blow-to-fracking-firms-as-uk-insists-on-financial-checks>

FT [subs]

Scotland enshrines fracking ban in national long-term plan

24 October 2017

<https://www.ft.com/content/ffe5b370-b8db-11e7-8c12-5661783e5589>

BBC News

Fracking ban: what is the situation in Wales?

3 October 2017

<http://www.bbc.co.uk/news/uk-wales-politics-41489253>

Guardian

UK fracking may produce less fuel than claimed, says geologist

17 August 2017

<https://www.theguardian.com/environment/2017/aug/17/uk-fracking-may-produce-less-fuel-than-claimed-says-geologist>

FT [subs]

IGas plans UK shale exploration after restructuring clears path

3 July 2017

<https://www.ft.com/content/86afb348-5d5f-11e7-9bc8-8055f264aa8b>

Belfast Telegraph

Fracking banned in Northern Ireland for the first time

28 September 2015

<https://www.belfasttelegraph.co.uk/news/northern-ireland/fracking-banned-in-northern-ireland-for-the-first-time-31564424.html>

3. Press releases

Oil and Gas Authority

Two reports published share industry knowledge on technical solutions for MER UK

4 April 2018

The Oil and Gas Authority (OGA) is publishing two reports today, the "UKCS Technology Insights" and the "SNS Salting Study" which highlight ongoing industry work and future plans on critical technologies to maximise economic recovery of UKCS hydrocarbon resources (MER UK).

'UKCS Technology Insights' offers a unique insight into companies' technology portfolios, including strategies to access further required technologies for MER UK. This study is based on the technology plans which have been submitted to the OGA by UKCS operators, for the first time as part of last year's Stewardship Survey.

Dr Andy Samuel, chief executive of the OGA said:

It's great to see operators putting technology plans in place and working with the Oil and Gas Technology Centre and others to develop the vital technologies they need to maximise economic recovery from their assets. For the first time for the OGA, this study provides a valuable insight and analysis of what's happening on the technology front. It highlights where research and development is being focused and underlines the central role the supply chain is playing in delivering innovation.

The study of over 60 UKCS operators' technology plans revealed:

- A total of over 300 technologies reported, covering the entire asset lifecycle, from seismic to asset management and decommissioning
- Perceived need for innovative solutions, with over 45% of the technologies listed under development and not yet fully tested
- However, reluctance by the majority of UKCS operators (70%) to adopt technologies for which there is still insufficient experience in our basin
- In total, UKCS operators spent £185m on Research and Development (R&D) and field pilots in 2016, a decline of 35% from before the oil price crisis
- Only a small group of 'leading' operators (11% of respondents) accounted for 85% of this technology spend, with another 70% of operators, instead, not investing in R&D and entirely reliant on the supply chain for their technology needs

The comparison of individual operators' plans showed that many existing technologies could be more widely adopted, and that more collaboration among operators on developing novel technologies of common interest is possible.

Carlo Procaccini, head of Technology of the OGA said:

The results of this study will allow the OGA to effectively engage operators, as part of the Asset Stewardship process, on opportunities to deploy the best technologies for MER UK.

Colette Cohen, CEO of the Oil and Gas Technology Centre said:

The OGA's UKCS Technology Insights report is a step change in creating a culture of transparency around the technology activities and technology development needs of the UKCS industry. This new report with its comprehensive analysis of the current UKCS technology landscape allows technology organisations such as the OGTC to enhance our roadmaps and align our activities directly to both the MER UK agenda and the industries current technology priorities.

Steve Garrett, manager, UK Global Technology Centre, Chevron said: The consolidated operator technology report is very insightful and firmly puts the UKCS ahead in having a current and clear landscape of operator's application of technology to the industry, differentiated globally both in scope and detail.

Dave Lynch, BP North Sea, vice president Reservoir Development and member of the Technology Leadership Board (TLB), said:

The role technology plays in our industry is more critical than ever, particularly as we seek to maximise economic recovery in a rapidly-changing and fast-paced digital landscape. BP, like all North Sea operators, needs to constantly improve how we apply technology to keep pace and deliver MER UK. The OGA's Technology Insights report is a timely and important addition to helping achieve this.

In the "SNS Salting Study", the OGA recommends that gas operators in the Southern North Sea (SNS) work together to reduce the impact of salting on production losses, following a study conducted in 2017.

Production losses can occur when salt deposits build up within the wellbore or the process plant, causing restrictions in flow and in extreme cases blockage. The report finds:

- SNS production efficiency (PE) is estimated at 64%, which is the lowest of the UKCS areas (according to the OGA's 2016 UKCS Stewardship Survey)
- Daily production losses attributable to salting total 130 mmscf/d, equivalent to 20% of the SNS's total production losses
- At least one fifth of all producing fields in the SNS are likely to be affected by salt deposition

Eric Marston, Southern North Sea and East Irish Sea area manager, OGA said:

The SNS Salting Study is a great example of how the OGA is able to draw deep insights from our interactions with operators. In turn, we are able to use these insights to provide guidance on the collaborative measures that might be taken by industry to improve performance.

Simon Gray, chief executive of EEEGR said:

EEEEGR is delighted to be able to support this initiative through our Southern North Sea Rejuvenation Special Interest Group. With the support of the OGA and OGUK, a Salting Work Group has been formed under the leadership of Faroe Petroleum. In due course, the work group aims to publish a guidance document along with case studies on salt management.

Notes to editors:

UKCS Technology Insights

1. Technology Insights is available [here](#).
2. 63 operators submitted their Technology Plans as part of the 2016 UK Continental Shelf (UKCS) Stewardship Survey.
3. This OGA report contains the aggregated information from the technology plans, to highlight areas where critical technologies could be more widely adopted and collaboration opportunities in the development and piloting of novel solutions

SNS Salting Study

1. The SNS Salting Study is available [here](#).
2. Data were collected by the OGA from seven SNS operators who have either direct experience of salting and salt management, or anticipate salt formation and deposition at a future point in the lifecycle of their facilities.
3. EEEGR is the industry association for energy in the East of England, representing over 350 members across the supply chain. It is a non-profit, business-led group committed to the sustained development of the energy sector in the region and the continued success of its members.

Oil and Gas Authority

UK's first oil and gas National Data Repository receives strong industry backing

4 April 2018

The Oil and Gas Authority has received significant support from industry to create the United Kingdom's first oil and gas National Data Repository (NDR), to be launched in early 2019.

The NDR will preserve, regulate and provide greater access to the country's collection of valuable petroleum-related information.

Implementing the NDR is regarded by the OGA as an important commitment in fulfilling a key recommendation of the Wood Maximising Recovery Review, by ensuring ready access to timely and transparent data to help maximise the recovery of economically recoverable petroleum.

The future NDR will support regulatory compliance as well as providing a rich resource of comprehensive data for analysis, which will help drive inward investment, new technologies and exploration activity.

The OGA continues to make more data and information openly available as soon as possible to improve the commercial, operational and technical performance of the UK oil and gas industry.

The OGA has enhanced and redesigned the popular [Open Data Centre](#) which is now available providing user friendly and free access to a wide range of data. Users can view, map, style, chart, download and share data (*under the terms and conditions set out in the Open Government Licence, unless otherwise stated*).

A consultation, carried out last year, sought views on establishing and maintaining the NDR, which would be funded through the OGA levy, payable by all offshore petroleum licence holders.

The OGA's response to the consultation, published today, documents the response from licensees, trade associations, service providers and academia. It shows most respondents are supportive of funding the NDR through the levy, with 28 out of 32 respondents backing the proposal.

Nic Granger, director of corporate at the OGA said:

Having a UK NDR is vital to unlocking the huge prize of the United Kingdom Continental Shelf's potential 10-20 billion barrels of resources. The OGA is committed to creating an environment where enhanced and trusted data can deliver extra value for our sector, and achieve maximum economic recovery from the UK.

Simon James, chief information officer at the OGA added:

The UK NDR, supported by proposed new regulations on petroleum-related information and samples will enhance industry collaboration, preserve and protect valuable data, and help create the conditions to drive investment and new technologies.

Malcolm Fleming, chief executive of Common Data Access Limited (CDA) added:

The effective collection and availability of well, seismic and other petroleum-related information is crucial to unlocking the significant remaining hydrocarbon potential of the UKCS. The UK NDR will play a central role in this and is a natural and very positive development for UKOilandGasData and for CDA. We are pleased that the necessary funding and regulatory mechanisms are being put in place for its sustainable future.

To deliver the initial phase of the NDR, the OGA plans to enter into a two year contract with Common Data Access Limited (a wholly owned subsidiary of Oil & Gas UK), for the provision of NDR services, based on its existing data store and legacy data collection.

In subsequent phases, the OGA will undertake a procurement for new NDR services, with a planned contract award in mid-2020 and service expected to commence in January 2021.

Notes for editors

1. The response to the consultation on the increase to the OGA Levy to fund the UK Oil and Gas National Data Repository can be found [here](#).
2. The consultation was conducted between 10 November and 8 December 2017. There were 32 responses from oil industry companies and trade associations.
3. Access to the newly improved Open Data Centre can be found [here](#).
4. The initial service under CDA will be optimised to create a modern digital repository which will support evolving regulatory requirements and align with MER UK. It is intended that some enhancements will be enabled for the commencement of the NDR services in January 2019, while others will be phased in later.

UK Energy Research Centre

Myth-busting Energy Security

26 Mar 2018

The relationship between decarbonisation and the security of the UK energy system is not as clear-cut as it may sometimes seem.

Energy security is a central goal of energy policy in most countries and with rapid changes occurring throughout the UK energy sector, it remains high on the policy agenda. Recent concerns about UK gas supplies - highlighted by National Grid's gas deficit warning demonstrates just how fundamentally important it is to have a reliable energy system [1].

Research published by the UK Energy Research Centre [2] explores how the security of the UK energy system will change in the coming decades. Using a number of indicators, 'The Security of UK Energy Futures' report assesses aspects of security such as energy availability, reliability, sustainability and affordability to examine how energy security risks will change over time [3].

The report draws three main conclusions:

1. There is an important role for energy efficiency and energy demand reduction in energy security strategies; by reducing our energy demand we reduce exposure to risks such as price shocks and energy shortages.
2. The relationship between decarbonisation and energy security is not straightforward. Energy imports are often cited as being insecure, however this can be controversial. Imports can help enhance security by providing additional sources of energy, by lowering costs, or by increasing diversity. What matters most is where the imports are from and whether they are dominated by risky sources or supply routes.

3. Many of the risks can be mitigated; security of the electricity and gas system can be improved significantly by investing in system flexibility. Increasing demand side response has a particularly positive impact on system reliability.

Whilst there could be energy security benefits from reducing emissions, this does not necessarily mean that the transition to a low carbon energy system will automatically deliver a more secure system.

Some risks to energy security are likely to reduce in importance during this transition, however, other risks could emerge. Low carbon energy systems are likely to mean more complex electricity systems that require new approaches to balancing supply and demand.

Ioanna Ketsopoulou, UKERC Researcher says:

Energy security is becoming increasingly more topical; with ongoing discussions around Brexit, gas shortages and geopolitical tensions, the findings of this report are particularly timely.

Professor Goran Strbac, UKERC Researcher, Imperial College London says:

This analysis demonstrates that gas and electricity system security can be significantly enhanced not only by investment in conventional supply resources, but also by improving system flexibility through demand side response, gas storage and interconnection, which is also important for facilitating cost effective decarbonisation. Achieving this would require changes in regulation and market rules.

Notes to editor:

[1] National Grid issued a gas deficit warning on the 1st March 2018. <https://www.nationalgrid.com/uk/gas/balancing/margins-notice-mn-and-gas-deficit-warnings-gdw>

[2] The UK Energy Research Centre (UKERC) carries out world-class, interdisciplinary research into sustainable future energy systems. It is a focal point of UK energy research and a gateway between the UK and the international energy research communities. Our whole systems research informs UK policy development and research strategy. UKERC is funded by The Research Councils Energy programme.

[3] Indicators were compared against a 2016 'baseline'. 2016 was chosen as the UK currently experiences a relatively high level of energy security.

[4] A full copy of The Security of UK Energy Futures report will be accessible on Monday 26th here: <http://www.ukerc.ac.uk/publications/uk-energy-security.html>

[5] For further information please contact [Jessica Bays](#)

[6] UKERC will be hosting a launch event at 16.30 on the 26th March. To find out more and book tickets here: <http://www.ukerc.ac.uk/events/the-security-of-uk-energy-futures.html>

Oil and Gas Technology Centre

Centre of Excellence aims to transform decommissioning

23 March 2018

- The Oil & Gas Technology Centre and University of Aberdeen in partnership
- £-multi million venture to be based at Oceanlab facility
- Looking to partner with companies to drive a step change in performance

The Oil & Gas Technology Centre and the University of Aberdeen will create a new multi-million-pound Decommissioning Centre of Excellence to tackle current and future challenges with world-class research and development in partnership with industry.

Over the next decade, around 100 platforms and 7,500 kilometres of pipeline on the UK Continental Shelf are forecast for decommissioning, with costs estimated to be £59 billion to 2050. The industry aims to reduce this figure by 35%, a target set by the Oil & Gas Authority.

Decommissioning is a significant technical and operational challenge, and also a valuable opportunity for supply chain companies and technology developers in Scotland, and across the UK, to develop the capability to meet domestic and global demand.

In partnership with companies, the Centre of Excellence will develop and deploy technology that delivers cost effective decommissioning at the end of field life, and during oil and gas production operations, including 'small piece' decommissioning techniques.

The Centre will be industry led, focusing on current challenges such as facilities clean-up and removal and well plugging and abandonment. It will also explore opportunities to optimise future design for recycling and reuse, including the use of new materials.

It will build on the established research and development capability at the University of Aberdeen in the areas of decommissioning technologies, predictive modelling, environmental assessment and the economics of decommissioning.

It will connect with and leverage the capabilities of universities and innovation centres across the country and partner with fishing, marine, safety and environment organisations in the UK and internationally.

Linking industry demand and expertise with academic capability and skills will help create competitive advantage, not only for the oil and gas industry, but for decommissioning challenges in the wider energy sector, for example, in offshore renewables.

Scheduled to open in late 2018, the Centre will be based at the University's Oceanlab facility, located in the Energetica corridor, which stretches from Aberdeen to Peterhead. Recruitment will begin in the coming months, with a team of around 15 people initially expected.

Oceanlab already has a comprehensive range of testing equipment, including indoor immersion tanks and a hyperbaric pressure vessel for certifying new technology and testing solutions that could drive down the cost of decommissioning.

Colette Cohen, Chief Executive Officer, The Oil & Gas Technology Centre said:

This ground-breaking partnership between the Oil & Gas Technology Centre and the University of Aberdeen will help fundamentally change the way we think about decommissioning. It will drive the technology innovation needed to maximise economic recovery, make sure that facilities are decommissioned efficiently and help the UK create the strong and vibrant supply chain it needs to become a global leader in this growth market.

Involvement from companies in oil and gas and other sectors is critical to our success. We are now seeking industry partners with experience, ideas and equipment, who want to co-invest with us to deliver a step change in performance, with support from the Oil & Gas Authority, the Offshore Petroleum Regulator for Environment and Decommissioning, and the Health & Safety Executive.

Professor Mike Greaves, Senior Vice-Principal, University of Aberdeen said:

We are delighted to partner with the Oil & Gas Technology Centre on what is believed to be the world's first Centre of Excellence for Decommissioning.

The University of Aberdeen is at the forefront of research and teaching in decommissioning, with a multi-disciplinary approach that addresses all of the key aspects, from engineering to legal, regulatory and environmental considerations.

The new Centre of Excellence is an exciting opportunity to build a world-class research and development facility right here in the north-east of Scotland, and we are looking forward to helping develop the innovation, expertise and skills that will play an important role in the future of the industry both here and internationally.

Energy Minister Claire Perry said:

This new Decommissioning Centre of Excellence is a great example of how the £250m Aberdeen City Region Deal is helping to support the oil and gas sector, building on the impressive work of the Oil and Gas Technology Centre that I visited recently. Decommissioning is a global challenge and opportunity for the UK supply chain which industry estimates could be worth up to £23 billion over the next five years. The collaboration between industry and academia on innovative technology is central to the government's Industrial Strategy and advancements in decommissioning developed and supported by the Centre will lead to new export opportunities for UK businesses helping to create the high-value, high-skilled jobs of the future.

Paul Wheelhouse, Scottish Energy Minister, said:

Decommissioning continues to be one of the biggest technical and operational challenges facing the North Sea. The creation of an industry led Decommissioning Centre of Excellence, where industry works in partnership with academia to tackle the current

and future challenges, will help create the competitive advantage not only for the oil and gas industry, but for decommissioning challenges in the wider energy sector.

Over the next decade, our oil and gas sector must capitalise on a decommissioning market that is forecast to reach £17 billion and we must ensure that our world class Scottish supply chain continues to develop its competitive capabilities, become a recognised champion of decommissioning excellence, and to develop world leading expertise that can be exported.

The Scottish Government, through investing up to £250 million in the Aberdeen City Region Deal, alongside the UK Government, is committed to working alongside this innovative and dynamic sector to establish a Decommissioning Centre of Excellence and to supporting the supply chain here in Scotland.

Sir Ian Wood GBE, Chairman of private sector led and funded economic development body Opportunity North East, said:

Innovation in decommissioning will help to maximise the oil and gas opportunity for the region, which is central to the Economic Renaissance Strategy. The Decommissioning Centre of Excellence aims to have a transformational impact on efficiency, cost effectiveness and safety, driving industry innovation and establishing our region as a major centre of decommissioning knowledge worldwide. This will help anchor a globally active supply chain with high value jobs in the region for the long term.

Cllr Jim Gifford, leader of Aberdeenshire Council and chair of the City Region Deal Joint Committee said:

Decommissioning is fundamental to the future of our region, and I am pleased to see the City Region Deal supporting another essential strand of work which will anchor a new generation of talent here.

The model will build on an established research base which, if it can help deliver the sort of projected savings required on the cost of decommissioning, will have a huge impact. It will provide yet another reason for the world to look to Aberdeen and Aberdeenshire for excellence and expertise.

The Centre is built on a principle that sits at the heart of our City Region Deal, leveraging knowledge as well as well as partnering across sectors. We look forward to watching the Centre grow and develop.

Cllr Douglas Lumsden, Co-Leader of Aberdeen City Council, said:

The Oil & Gas Technology Centre is a key part of the £826 million Aberdeen City Region Deal and the latest announcement demonstrates the approach being taken to support and encourage innovation.

The energy sector will continue to be at the heart of the region's economy. Decommissioning is part of that future and presents an opportunity to utilise the expertise and knowledge we have, building on Aberdeen's global reputation as an engineering hub.

This is another example of partnership working in action and Aberdeen City Council views that collaborative approach as vital to ensuring a prosperous economic outlook.

Oil and Gas UK

Resilient and reshaping but greater activity needed to fully reboot industry

March 20, 2018

- More new investment expected in 2018 than the last 3 years combined
- 2018 production set to increase 5% making it 20% higher than 5 years ago
- Unit Operating Costs halved since 2014 and post-tax cash flow highest in 7 years.
- Supply chain still under pressure but revenues to stabilise in 2018, cash-flow and profitability remain a challenge
- More exploration needed to realise basin's yet-to-find potential
- Maximising potential of existing fields is key to sustaining production into 2020s

Between 12 and 16 oil and gas developments could get the go-ahead this year – unlocking investment of around £5 billion, reveals a key Oil & Gas UK report launched today (Tuesday, March 20).

That's more than the new oil and gas field approvals sanctioned over the last three years combined and promises a much-needed business boost for the supply chain, reveals the [Business Outlook](#) report, which provides the most up-to-date picture of performance and future forecasts for the UK offshore oil and gas industry.

The greenfield and major brownfield developments, set to be approved this year, could yield more than 450 million barrels of oil and gas over time which the trade body says is good news underpinning the production outlook – though still falls short of the level required to sustain long-term production at current levels.

While the project landscape for 2018 is the healthiest the industry has seen since 2013, greater exploration success and maximising the potential within existing assets are essential for the future, says Oil & Gas UK.

Our sector is leaner, more efficient and more optimistic than it has been in recent years and 2018 looks set to be a better year,

said Deirdre Michie, Chief Executive of Oil & Gas UK.

What we have learned in our response to the downturn has made us better equipped to tackle the ongoing challenge of maximising production for the longer term and boosting profitability in the supply chain but without increasing overall project costs or damaging competitiveness. Our remarkable resilience owes a great deal to the ingenuity and innovation of our people.

More projects are taking place and investment is happening because of the sweeping changes made to adapt to the challenging business climate. This has helped make the UKCS one

of the most attractive mature basins in the world in which to do business and we will continue to work hard to maintain our competitive advantage.

Employment is also looking more optimistic following significant job losses since the oil price slump and downturn^[1], says the report which underlines that over 300,000 people still work in and support the sector across the UK.

More than half of companies surveyed expect employee numbers to rise this year. But some businesses are also reporting difficulties in recruiting people with certain skills and competencies, prompting a number to make refinements to trainee and apprentice schemes to try to address this.

The report also says:

- *Merger and acquisition activity is expected to continue* this year but not on the scale of 2017 where deals exceeded \$8 billion.
- The variety, size and type of *M&A deals* last year signal *confidence* in the UKCS.
- While oil and gas *majors have often been sellers in M&A deals*, they have kept stakes in assets core to their portfolios and are *not seeking to exit the UKCS* – which is still seen as a strategically important basin.
- The *supply chain has faced some of its toughest times* with revenue falling more than £10 billion from 2014-16 although *revenue is expected to stabilise* in 2018.
- Service companies have *had to adapt* to the harsh business climate by working smarter, restructuring and consolidating.
- *Companies in the best position* are those that are: *diversifying* into other industries, although more than 50% expect a return to their core oil and gas business; *exporting* into new geographical areas; driving *technological and digital innovation* and *merging*, acquiring or setting up alliances.
- This year the *supply chain* should *benefit from increased operational spend* and the largest amount of fresh capital activity in the basin since 2014.
- Most *exploration and production businesses* have *strengthened* over last 12 months with *more free cash-flow generated by the basin since 2011*.
- *Production efficiency improvements* and the addition of *new capacity* resulted in *flat production* despite significant unplanned outages last year.
- *Output is expected to grow over next two years* before *lack of investment* during the downturn begins to *have an impact* with a risk that production reverts into decline.
- *Drilling* remains an area of *serious concern* with *less than 100 wells drilled* on the UKCS.

- Recent announcements of *exploration successes* have come from *drilling near existing infrastructure and wildcat drilling in less explored areas*.

Deirdre Michie added:

We must recognise that many areas of the supply chain are still struggling with the impact of the downturn and have yet to benefit from any upturn in activity.

It's vital that we keep driving fresh thinking, innovative approaches and efficiency efforts. The short-term outlook for our sector is more positive with new projects and new entrants bringing new life to the basin, but there are undoubtedly longer-term challenges.

We need more exploration if we are to get close to recovering the three to up to nine billion barrels of yet-to-find hydrocarbons on the UKCS, matched by a continuing focus on improving recovery from existing fields. The investment decisions we make today are key to how much we produce in the years to come.

Oil and gas remain a vital part of the UK economy and will form most of our primary energy needs for many years to come.

As we move to a lower-carbon economy, the UK needs to meet as much of its domestic demand for oil and gas from indigenous resources as possible. This will ensure security of supply, generate revenue for the Exchequer, support the supply chain and sustain hundreds of thousands of highly-skilled UK jobs. The energy market is changing but we will remain relevant for many decades to come.

The report was launched at an Oil & Gas UK breakfast briefing sponsored by Deloitte.

[1] The UK offshore oil and gas industry supports over 300,000 jobs across the UK, according to Oil & Gas UK's Economic Report published in September 2017. Peak employment for industry was in 2014 when a total of 463,900 jobs were supported. Both figures cover direct, indirect and induced employment.

Oil and Gas Technology Centre

Developing the next generation of robotics for oil and gas

6 March 2018

We have invested in separate projects with Sonomatic and the University of Strathclyde to transform pressure vessel inspection.

New robotic technology could significantly enhance safety, reduce costs and improve efficiency.

- Robotics projects announced with both Sonomatic and University of Strathclyde
- Technologies focus on reducing cost and improving safety of vessel inspection
- Next Asset Integrity 'Call for Ideas' seeks corrosion under insulation solutions

The Oil & Gas Technology Centre has invested in three robotics projects to transform pressure vessel inspection, which costs the industry hundreds of millions each year and poses significant safety challenges.

The projects were selected as part of our first Asset Integrity 'Call for Ideas', which launched in 2017. Pressure vessel inspection was identified by the industry as a crucial challenge to maximising economic recovery from the UK Continental Shelf.

Non-intrusive inspection (NII) of pressure vessels can deliver significant cost and safety benefits. Sonomatic's aim is to develop the next generation of robotic NII technology, with improved speed, agility and autonomy compared with existing systems. The robot, incorporating advanced inspection technologies, will help increase production uptime, reduce costs and improve efficiency.

Separately, we're working with the University of Strathclyde to develop a new robot crawler equipped with 3D laser scanning and non-destructive testing technology. Existing crawlers are typically deployed only when there is clear line-of-sight for the operator. The University's solution will construct a virtual, dynamic 3D representation of the inspection site meaning it can be operated safely from a remote location.

We're also supporting the University of Strathclyde in the use of swarms of small unmanned aerial vehicles, or drones, for visual inspection offshore. Drone swarms, which are being rapidly adopted by the military and for logistics activities, could deliver a safe, flexible and cost-effective alternative to human inspection.

In March 2018, we launch our second Asset Integrity Call for Ideas, focused on predicting, preventing, detecting and repairing corrosion under insulation. More information will be communicated in the coming weeks.

Rebecca Allison, Asset Integrity Solution Centre Manager, said:

From day one, developing and deploying new technology for pressure vessel inspection has been a key focus area for the Oil & Gas Technology Centre. We're delighted to be investing in robotics projects with Sonomatic and the University of Strathclyde, which we believe can significantly reduce costs, improve efficiency and enhance safety.

Process vessel inspection and corrosion under insulation cost the industry more than £300 million each year so it is important that our first two Calls for Ideas focus on these challenges. We're always looking for innovative ideas and concepts from inside and outside the oil and gas industry and look forward to launching our next Call in March.

Mark Stone, Integrity Services Manager, Sonomatic, said:

We're excited to be working with the Oil & Gas Technology Centre to develop the next generation of robotic inspection tools for non-intrusive inspection. There have been significant advances in robotics technology, inspection solutions and data science over the past few years and the support from the Technology Centre

will ensure these are soon available in a practical tool for field application.

Willie Reid, Director of the Strathclyde Oil and Gas Institute, said:

The robotics team at Strathclyde, led by Dr Gordon Dobie and Dr Erfu Yang, are excited to be working with the Oil & Gas Technology Centre on these challenges for improving inspection for offshore asset integrity.

In a multi-disciplinary approach, they will use the broad experience of both the Centre for Ultrasonic Engineering and also the Department of Design, Manufacture and Engineering Management. We will also utilise our experience in transferring technology from other sectors into oil and gas.

Oil and Gas Technology Centre

New subsea technology could generate £3 billion from the North Sea

8 February 2018

The 'Tie-back of the Future' initiative aims to both half the cost and half the time to develop small pools.

Developing subsea equipment for disassembly and reuse is at the heart of the initiative.

- 'Tie-back of the Future' initiative could unlock an additional 400 million barrels
- 25 organisations working to transform development of small pools
- Significant export opportunity with 27 billion barrels in small pools globally

Wood Mackenzie and the Oil & Gas Technology Centre announced today that developing new subsea technology and approaches to field developments could help unlock 400 million additional barrels of oil and gas and generate £3 billion of additional value.

On the UK Continental Shelf (UKCS), there is 3.4 billion barrels of oil and gas potential discovered in marginal fields, or 'small pools'. At the current oil price, 1.5 billion barrels in small pools in the basin are potentially economic.

The Technology Centre's 'Tie-back of the Future' initiative, which aims to both half the cost and half the time to develop small pools, would make an additional 400 million barrels economic.

The initiative brings together 25 operators, supply chain firms and technology developers to transform the approach to developing marginal fields. Creating a circular economy, whereby subsea equipment is designed for disassembly and reuse, is at the heart of the initiative.

To date, the Technology Centre has invested £250,000 in engineering activity to develop the initiative, five technology projects are underway,

13 technology proposals are in the pipeline and six integrated studies have been completed. Industry support from operating and supply chain companies is required to make the Tie-back of the Future a reality.

The UKCS has around 10% of the world's small pools and with 27 billion barrels in small pools globally, there is huge potential to take solutions developed here to other basins with marginal fields, driving international growth and export opportunities.

Chris Pearson, Small Pools Solution Centre Manager for the Oil & Gas Technology Centre, said:

Small pools represent a big prize for the UK economy but they each have their own challenges. The Tie-back of the Future concept is making significant strides to making more of these fields economically viable. We're delighted that Wood Mackenzie has recognised the significance of our work with industry to unlock value on the UKCS.

Some of the ideas and early-stage technologies out there are really interesting. We are seeing developments in mechanical hot taps, mechanically connected pipelines, multi-use pipelines, the integration of renewable energy systems and unmanned facilities. These solutions could transform the development of small pools and extend the economic life of the North Sea.

Mhairidh Evans, Principal Analyst for Wood Mackenzie, said:

At current exploration rates, it would take 14 years and 500 wells to find the same volumes that have already been discovered in small pools. As a mature basin, these barrels can no longer be ignored. As well as providing much-needed new investment, unlocking small pools is key to extending the life of existing infrastructure.

The UK industry, with the Technology Centre's backing, is at the forefront of these new technologies. Approaches taken here will be much-watched and learned from around the globe.

4. Parliamentary Questions

4.1 Offshore

[Renewable Energy: Training](#)

Asked by: Sobel, Alex

To ask the Secretary of State for Business, Energy and Industrial Strategy, what assessment his Department has made of the potential merits of introducing in England a Transition Training Fund for employees in the fossil fuel industry to move to the renewable energy sector.

Answering member: Claire Perry | Department: Department for Business, Energy and Industrial Strategy

Government funding for training programmes falls within the remit of the Department for Education.

Within the offshore oil and gas industry a number of initiatives are taking place to help diversify the workforce into other sectors of the economy including other energy sectors. For example, OPITO the offshore industry skills body is proposing to work with other energy sectors to identify barriers to the transferability of skills. The Government's Oil and Gas Workforce Plan that was published in 2016 also established an oil and gas portal as part of the Talent Retention Solution platform, to facilitate the transition of skilled oil and gas workers who had lost their jobs in the downturn to other growing sectors of the economy.

HC Deb 23 March 2018 | PQ 132262

[Offshore Fixed Structures: North Sea](#)

Asked by: Turner, Karl

To ask the Secretary of State for Transport, what guidance the Maritime and Coastguard Agency provides on the decommissioning of (a) semi-submersible drilling rigs and (b) other commercial vessels deployed in the North Sea oil and gas industry.

Answering member: Joseph Johnson | Department: Department for Transport

Decommissioning and disposal of semi-submersible drilling rigs and commercial vessels currently falls under the scope of legislation and guidance administered by the Department for Environment, Food and Rural Affairs.

The Government will be implementing Merchant Shipping legislation to introduce specific Ship Recycling Regulations later this year with the regime entering into force in December 2018. A Maritime and Coastguard Agency guidance package will accompany this legislation.

HC Deb 19 March 2018 | PQ 132874

[Offshore Industry: Decommissioning](#)

Asked by: Turner, Karl

To ask the Secretary of State for Transport, what steps he is taking to attract vessels required for decommissioning projects in the domestic offshore oil and gas industry to the UK Ship Register.

To ask the Secretary of State for Transport, what steps he is taking to attract vessels required for offshore wind projects in UK territorial waters to the UK Ship Register.

Answering member: Ms Nusrat Ghani | Department: Department for Transport

The UK Ship Register (UKSR) in line with Maritime and Coastguard Agency (MCA) Business Plan 2018-19 will carry out focused marketing activities to attract quality ships and quality owners. The MCA and UKSR will use their professional knowledge and expertise to implement the recommendations of the Maritime Growth Study to promote the UK Ship Register brand, deliver enhanced customer service and significantly grow the fleet.

One of the UKSR's main objectives is to increase the tonnage of the UK fleet towards 30 million gross tonnes and to achieve this goal it will support identified key markets, which includes domestic offshore oil and gas as well as offshore windfarm vessels.

HC Deb 05 March 2018 | PQ 129502; PQ 129503

[Energy: Industry](#)

Asked by: Bellingham, Sir Henry

To ask the Secretary of State for Business, Energy and Industrial Strategy, how many people are employed in the energy sector; and if he will make a statement.

Answering member: Claire Perry | Department: Department for Business, Energy and Industrial Strategy

The energy industries directly employed 178,000 people in 2016. Further jobs are supported indirectly, for example, an estimated 152,000 were employed in support of UK oil and gas extraction, while the ONS separately estimates that the low carbon electricity sector employed 40,500 in the supply chain.

Source: Table 2 of UK Energy in Brief

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/631147/UK_Energy_in_Brief_2017_dataset.xls

HC Deb 01 March 2018 | PQ 129134

[Electricity Generation](#)

Asked by: Davies, David T. C.

To ask the Secretary of State for Business, Energy and Industrial Strategy, what recent assessment his Department has made of the contribution to the economy of UK-based energy generation; and what recent estimate he has made of the number of jobs supported in the UK by that industry.

Answering member: Claire Perry | Department: Department for Business, Energy and Industrial Strategy

As set out in table 1, the energy sector directly contributed 2.3% of GDP, or £40.2 billion, to the UK economy in 2016 and directly employed 178,000 people. Further jobs are supported indirectly, for example, an estimated 152,000 were employed in support of UK oil and gas extraction, while the ONS separately estimate that the low carbon electricity sector employed 40,500 in the supply chain.

Table 1: Contribution to GDP and direct employment of the UK energy sector in 2016

	Contribution to GDP Employment	
Coal extraction	0.002%	1,936
Oil and gas extraction	0.78%	32,192
Refining	0.08%	3,887
Electricity	1.03%	87,277
Gas	0.37%	47,723
Nuclear fuel processing	0.07%	4,985
Total	2.33%	178,000

Source: Tables 1 and 2 of

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/631147/UK_Energy_in_Brief_2017_dataset.xls

HC Deb 01 March 2018 | PQ 128954[Offshore Fixed Structures: Scotland](#)**Asked by: Thomson, Ross**

To ask the Secretary of State for Business, Energy and Industrial Strategy, what assessment he has made of the effect of the decommissioning of oil platforms on the economy in north east of Scotland.

Answering member: Claire Perry | Department: Department for Business, Energy and Industrial Strategy

With increasing numbers of offshore oil and gas fields reaching the end of their economic life, forecasts from industry estimate that the annual expenditure for decommissioning over the next 5 years will be in the

region of £1.7 to £2 billion. While decommissioning is a major cost for industry, and the taxpayer, it offers significant opportunities for the supply chain that will deliver the constituent elements of decommissioning activity. This encompasses a wide range of activities, covering a broad range of skills and expertise.

With recent estimates from industry suggesting that decommissioning will represent around 11 per cent of total expenditure on oil and gas for 2017, decommissioning is already benefitting the north east of Scotland and the rest of the UK's economy. Whilst we don't have specific figures around the economic impact of the increase in decommissioning of offshore oil and gas installations, we expect to see an increasing proportion of the offshore oil and gas industry focussing on decommissioning activities in the coming years.

HC Deb 22 February 2018 | PQ 127485

[Energy: Overseas Trade](#)

Asked by: Dodds, Nigel

To ask the Secretary of State for Business, Energy and Industrial Strategy, what the ten largest global markets are for UK energy (a) exports and (b) imports.

Answering member: Claire Perry | Department: Department for Business, Energy and Industrial Strategy

In 2016, the ten largest global markets for UK energy (that is volumes traded of: coal, primary oils and oil products, gas, electricity and renewables) were:

	Rank EXPORTS	IMPORTS
1	The Netherlands	Norway
2	Belgium	The Netherlands
3	Germany	Russia
4	United States	Qatar
5	China	United States
6	Irish Republic	Belgium
7	France	Nigeria
8	South Korea	Algeria
9	Spain	Saudi Arabia
10	Canada	Sweden

Data sources:

Data from Digest of UK Energy Statistics and HM Revenue and Customs.

HC Deb 14 February 2018 | PQ 126900

[Topical Questions](#)**Asked by: Daniel Kawczynski**

The Nord Stream 2 pipeline—the undersea oil and gas pipeline that Germany intends to build directly to Russia—has been condemned by the American Secretary of State, Rex Tillerson, as a threat to the security of countries in central and eastern Europe. Does the Minister agree with that sentiment?

Answered by: The Parliamentary Under-Secretary of State for Exiting the European Union (Mr Robin Walker) | Department: Exiting the European Union

This is an important issue. We need to ensure that Europe continues to protect its security and diversity of supply, and that is something on which we will continue to work with colleagues at the Foreign Office and at the Department for Business, Energy and Industrial Strategy.

HC Deb 01 Feb 2018 | Vol 635 c971

[Offshore Structures: Decommissioning](#)**Asked by: Long Bailey, Rebecca**

To ask the Secretary of State for Business, Energy and Industrial Strategy, what estimate his Department has made of the carbon footprint of the North Sea decommissioning market in each year to 2025.

Answering member: Richard Harrington | Department: Department for Business, Energy and Industrial Strategy

Offshore oil and gas operators must decommission installations and pipelines at the end of a field's economic life. This is done in accordance with international obligations using a process that sees operators assess the carbon footprint of their decommissioning proposals where appropriate. The data is reviewed as part of the regulatory process but no annual assessment of the overall carbon footprint is calculated.

HC Deb 22 January 2018 | PQ 122704

[Offshore Structures: Decommissioning](#)**Asked by: Long Bailey, Rebecca**

To ask the Secretary of State for Business, Energy and Industrial Strategy, what guidance the Oil and Gas Authority provides to drilling companies on the decommissioning of semi-submersible drilling rigs.

Answering member: Richard Harrington | Department: Department for Business, Energy and Industrial Strategy

Mobile drilling rigs are legally classified as ships and subject to shipping regulations. The waste arising from the decommissioning or dismantling

of a drilling rig in the UK must be managed in accordance with the environmental permit requirements at the location where decommissioning takes place. Guidance is available from the relevant environmental agency. The Oil and Gas Authority does not provide guidance on the decommissioning of semi-submersible drilling rigs.

HC Deb 22 January 2018 | PQ 122703

[Offshore Structures: Decommissioning](#)

Asked by: Long Bailey, Rebecca

To ask the Secretary of State for Business, Energy and Industrial Strategy, which facilities on the east coast of (a) Scotland and (b) England have the capacity to recycle steel and other material from decommissioned infrastructure from the offshore oil and gas industry.

Answering member: Claire Perry | Department: Department for Business, Energy and Industrial Strategy

There is an established supply chain for recycling disused machinery and structures of all types in the UK, from removal and dismantling of the equipment, via the scrap merchants that separate the materials, through to final recycling of the materials into new products.

The supply chain is complex and there are many suppliers and facilities across the UK. All the primary steel producers in the UK use steel scrap as a feedstock, along with numerous metals foundries which can melt scrap steel and other metals.

HC Deb 18 January 2018 | PQ 122700

[Oil and Gas Authority](#)

Asked by: Lucas, Caroline

To ask the Secretary of State for Business, Energy and Industrial Strategy, what assessment he has made of the compatibility of the Oil and Gas Authority's remit to maximise the economic recovery of the UK's oil and gas resources with the responsibility given in the 30 November 2017 Direction to the Oil and Gas Authority, to take account of whether the conditions in section 4A of the Petroleum Act 1998 are met; and if he will make a statement.

Answering member: Richard Harrington | Department: Department for Business, Energy and Industrial Strategy

The Department has not conferred general responsibility on the Oil and Gas Authority to assess the conditions set out in section 4A of the Petroleum Act 1998. The direction^[1] of 30 November 2017 only applies in limited circumstances (i.e. to certain wells not captured by the requirement to seek Hydraulic Fracturing Consent) to address a loophole, as set out in the accompanying Written Ministerial Statement^[2]. Where it does apply, the duty on the Oil and Gas

Authority must take account of the Department's view on the matters, as set out in paragraphs 4 and 5 of the direction.

[1]https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/663909/171129_Direction_to_the_Oil_and_Gas_Authority.pdf

[2]<http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2017-11-29/HCWS288/>

HC Deb 12 January 2018 | PQ 121375

[Offshore Industry: North Sea](#)

Asked by: Long Bailey, Rebecca

To ask the Secretary of State for Business, Energy and Industrial Strategy, what estimate he has made of the number of (a) shore-based maritime, (b) seafarer and (c) supply chain jobs that will be created in the UK as a result of decommissioning activity in the North Sea in each year until 2025.

Answering member: Richard Harrington | Department: Department for Business, Energy and Industrial Strategy

With increasing numbers of offshore oil and gas fields reaching the end of their economic life, forecasts from industry estimate that the annual expenditure for decommissioning over the next 5 years will be in the region of £1.7 to £2 billion. With recent estimates from industry suggesting that decommissioning will represent around 11 per cent of total expenditure on oil and gas for 2017, and the industry will have provided over 300,000 jobs in total in the UK, decommissioning is already supporting a significant number of UK jobs.

HC Deb 08 January 2018 | PQ 120329

[North Sea Oil: Pipelines](#)

Asked by: Whitfield, Martin

To ask the Secretary of State for Business, Energy and Industrial Strategy, what assessment he has made of the closure of the Forties pipeline closure on UK energy security in the next quarter?

Answering member: Richard Harrington | Department: Department for Business, Energy and Industrial Strategy

There is no security of supply issue for fuel or gas supplies as a result of the repairs needed to the Forties pipeline. We have received reassurances from Petroineos Grangemouth refinery that they will be able to continue to provide fuel due to the availability of oil from other sources. Similarly, National Grid has confirmed that the loss of the FPS will not impact on security of supply for gas.

HC Deb 18 December 2017 | PQ 119060

[North Sea Oil: Pipelines](#)

Asked by: Whitfield, Martin

To ask the Secretary of State for Business, Energy and Industrial Strategy, what assessment he has made of the effect of the closure of the Forties oil pipeline have on the communities in (a) Scotland and (b) the rest of the UK?

Answering member: Richard Harrington | Department: Department for Business, Energy and Industrial Strategy

The safety of local residents is the primary concern and a small number were placed in temporary accommodation as a precautionary measure.

There is no impact on the availability of fuel or gas to communities as a result of the repairs needed to the Forties pipeline. Short-term increases in the wholesale gas price will not have an impact on consumer prices and National Grid will continue to monitor market changes. We have been informed that this will be a short-term disruption and we do not expect the very short-term spike in the price of Brent crude to lead to a significant increase in fuel prices.

HC Deb 18 December 2017 | PQ 119046

[Industrial Strategy](#)

Asked by: Andrew Bowie

Thanks to the actions of this Government, it is widely recognised that the UK now has the most fiscally attractive regime in the world for investment in oil and gas. Does my right hon. Friend agree that a good sector deal would build on that and would mean that the north-east of Scotland could look forward to a future in which it is not only Europe's energy capital, but the world's?

Answered by: Greg Clark | Department: Business, Energy and Industrial Strategy

I completely agree with my hon. Friend. I had the privilege of leading a trade delegation to India that included many companies from Aberdeen and the north-east of Scotland that are selling their wares and expertise right around the world. That is one of the big opportunities in the deal that is being negotiated.

HC Deb 12 December 2017 | Vol 633 c168

[Offshore Industry: Scotland](#)

Asked by: Bowie, Andrew

To ask Mr Chancellor of the Exchequer, what assessment his Department has made of the effect of transferable tax history for late-life oil and gas assets on employment in the north-east of Scotland.

Answering member: Andrew Jones | Department: HM Treasury

At the Autumn Budget, the government announced it would introduce a Transferable Tax History for oil & gas companies. This will give investors in UK oil and gas fields certainty that they will be able to get tax relief for decommissioning assets. This should encourage new investment in older oil and gas fields, keeping them producing for longer and supporting employment.

This builds on the £2.3bn of fiscal support the government has already provided to the UK oil and gas industry, including a package of tax cuts across Budget 2015 and 2016, £40m of funding for seismic surveys to support exploration, and the introduction of a new Investment Allowance. As a result, the UK now has one of the most competitive tax regimes in the world for oil and gas, further supporting investment and jobs.

HC Deb 12 December 2017 | PQ 117206

[Offshore Industry: North Sea](#)

Asked by: Cunningham, Alex

To ask the Secretary of State for Business, Energy and Industrial Strategy, what recent discussions he has had with (a) Cabinet colleagues and (b) industry regulators on maximizing the economic recovery of North Sea oil and gas reserves.

Answering member: Richard Harrington | Department: Department for Business, Energy and Industrial Strategy

The UK Oil and gas industry remains a priority for the whole Government.

In the recent Autumn Budget the Government announced the introduction of a Transferable Tax History mechanism for UK Continental Shelf oil and gas producers for deals that complete on or after 1 November 2018. This initiative is a world first and should encourage new entrants and unlock fresh investment for a basin that still holds up to 20 billion barrels of oil. In addition, the Chancellor during his recent visit to Aberdeen announced additional funding of £5 million to help stimulate exploration activity in the UK Continental Shelf. This is on top of the £2.3 billion of Government support for the industry over recent years through initiatives like the £250m Aberdeen City Deal Package and reducing tax that the industry pays in recognition of the challenging conditions which face the sector and to encourage investment.

Ministers have regular discussions with the industry regulators, including the Oil and Gas Authority who is charged with maximising economic recovery of oil and gas reserves in the UK Continental Shelf.

HC Deb 05 December 2017 | PQ 115883

4.2 Onshore

[Fracking](#)

Asked by: Whitehead, Dr Alan

To ask the Secretary of State for Business, Energy and Industrial Strategy, what projection he has made of the contribution of gas fracking to the UK's energy mix by (a) 2025 and (b) 2030.

Answering member: Claire Perry | Department: Department for Business, Energy and Industrial Strategy

In October 2017, the Government published a report summarising gas security, including consideration of the role of shale gas, over the next 20 years, available here:

<https://www.gov.uk/government/publications/gas-security-of-supply-strategic-assessment-and-review>

HC Deb 12 Apr 2018 | PQ 134604

[Fracking: Employment](#)

Asked by: Lucas, Caroline

To ask the Secretary of State for Business, Energy and Industrial Strategy, pursuant to the Answer of 23 March 2018 to Question 131951, whether his Department has recently reviewed the estimate for the number of jobs that fracking could result in at peak published in the report by Ernst and Young, part-funded by his Department, entitled Getting ready for UK shale gas, published in April 2014; and if she will make a statement.

Answering member: Claire Perry | Department: Department for Business, Energy and Industrial Strategy

The Department has not recently reviewed the estimate, as set out in the report by Ernst and Young, for the numbers of jobs that could be created by the UK shale gas industry.

HC Deb 06 Apr 2018 | PQ 134558

[Fracking: Employment](#)

Asked by: Lucas, Caroline

To ask the Secretary of State for Business, Energy and Industrial Strategy, with the Prime Minister's oral contribution of 25 October 2017, Official Report, column 300, what the evidential basis is for shale gas to support thousands of jobs in the oil and gas industries and in other sectors; and if he will make a statement.

Answering member: Claire Perry | Department: Department for Business, Energy and Industrial Strategy

The evidence for the contribution was from two reports from Ernst and Young and the Institute of Directors (entitled "Getting Ready for UK Shale Gas" and "Getting Shale Gas Working" respectively). The reports concluded that development of shale gas in the UK could provide thousands of jobs in areas of exploration and production.

The economic impact of shale, both locally and nationally will depend on the level of production; but there will clearly be opportunities for UK firms. To determine the potential of the industry, we need exploration to go ahead which Government is encouraging.

HC Deb 28 Mar 2018 | PQ 133054

[Fracking](#)

Asked by: Lord Risby

To ask Her Majesty's Government what estimate they have made of the proportion of UK gas demand that could be met from UK-sourced shale gas.

Answering member: Lord Henley | Department: Department for Business, Energy and Industrial Strategy

The Department for Business, Energy and Industrial Strategy has not made any estimates on the proportion of UK gas demand that could be met from UK-sourced shale gas. We do not yet know how much shale gas it will be possible to technologically and commercially extract from UK shale reserves. To determine the potential of the industry and the benefits it could bring the UK, we need exploration to go ahead and Government is supportive of this.

HC Deb 19 Mar 2018 | PQ HL6058

[Fracking](#)

Asked by: Cunningham, Mr Jim

To ask Mr Chancellor of the Exchequer, what estimate his Department has made of the potential future value of shale gas reserves to the public purse; and if he will make a statement.

Answering member: Robert Jenrick | Department: HM Treasury

The independent Office for Budget Responsibility (OBR) produces forecasts for UK oil & gas tax receipts. Its latest Economic and Fiscal Outlook was published on 22 November 2017:

<http://obr.uk/efo/economic-fiscal-outlook-november-2017/>

The OBR also produces regular reports on wider trends in the economy that may affect tax revenues in the longer term.

HC Deb 20 Feb 2018 | PQ 126868

[Fracking](#)

Asked by: Cooper, Rosie

To ask the Rt. Hon. Member for Meriden representing the Church Commissioners what the policy of the Church of England is on fracking on land owned by the Church of England.

Answering member: Dame Caroline Spelman | Department: Church Commissioners

All oil and gas deposits in the UK are owned by the Crown. There are no plans for the Church Commissioners to use its land or mineral rights for the purpose of fracking.

As a policy, The Church Commissioners do not seek applications for seismic drilling/exploration and fracking. Allowing seismic testing/exploratory drilling does not imply approval of fracking, litigation risks arise for landowners should they wish to oppose a request to carry out geophysical surveys on their land. The Church Commissioners seek to minimise this risk.

The Church Commissioners are responsible landowners and landlords and we seek to protect both our interests and those of our tenants. The Church does not have an official position on fracking and recognises it's a controversial and evolving issue and people within the church hold a range of views. The Church of England issued a Briefing Paper on Shale Gas and Fracking in December 2016 which can be found here:

<https://www.churchofengland.org/sites/default/files/2017-11/shale-gas-and-fracking.pdf>

HC Deb 25 Jan 2018 | PQ 123905

[Fracking: Climate Change](#)

Asked by: Lucas, Caroline

To ask the Secretary of State for Business, Energy and Industrial Strategy, what assessment he has made of the compatibility of shale gas extraction with the domestic and international climate change commitments; and if he will make a statement.

Answering member: Richard Harrington | Department: Department for Business, Energy and Industrial Strategy

The Committee on Climate Change (CCC) concluded that shale gas production at a significant scale is compatible with carbon budgets if certain conditions are met, which the Committee have set out as three "tests". We believe that our robust regulatory regime and determination to meet our carbon budgets mean those three tests can and will be met.

The Government's response to the CCC Report can be viewed through the following link:

[https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/651148/20171005 - Progress report response.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/651148/20171005_-_Progress_report_response.pdf).

HC Deb 12 Jan 2018 | PQ 121335

[Fracking: Ryedale](#)**Asked by: Maskell, Rachael**

To ask the Secretary of State for Business, Energy and Industrial Strategy, what correspondence the Department has received from Third Energy on the timetable for a decision on hydraulic fracturing consent under s. 4A of the Petroleum Act 1998 for that company's KM8 well in Ryedale; and if he will make a statement.

Answering member: Richard Harrington | Department: Department for Business, Energy and Industrial Strategy

The Department is in regular contact with the shale gas industry, including with Third Energy, on a range of policy matters.

The Department is carefully considering the application submitted for Third Energy's KM8 well in Ryedale and will respond appropriately in due course. There is no set timeframe for decision-taking.

Yesterday, my Rt hon Friend the Secretary of State issued a Direction to the Oil and Gas Authority which will impact on the existing application submitted by Third Energy and certain other applications by operators seeking to carry out hydraulic fracturing in future. I would refer the hon Member to the Written Ministerial Statement that accompanies that direction which provides further details This can be seen [here](#).

HC Deb 30 Nov 2017 | PQ 115802

[Fracking](#)**Asked by: Lord Hunt of Chesterton**

To ask Her Majesty's Government, further to the Written Answer by Baroness Neville-Rolfe on 8 November 2016 stating that the re-injection of waste and produced waters will not be permitted from shale gas wells in the UK, what steps they are taking to inform the public about the possible risks associated with fracking, including those related to water injection.

Answering member: Lord Henley | Department: Department for Business, Energy and Industrial Strategy

The Government has been clear that shale development must be safe and environmentally sound.

The Government believes that early engagement is vital with communities who may host shale gas developments and we acknowledge that public confidence in the process is important to the success of the industry. We are continuously working with the regulators to ensure that the public understand how our regulatory regime works, and with the industry to encourage effective engagement which addresses local communities' concerns.

HC Deb 13 Nov 2017 | House of Lords | PQ 2920

[Fracking](#)

Asked by: Amesbury, Mike

To ask the Secretary of State for Environment, Food and Rural Affairs, what assessment his Department has made of the environmental effect of fracking.

**Answering member: Dr Thérèse Coffey | Department:
Department for Environment, Food and Rural Affairs**

In 2012, an independent review by the Royal Society and Royal Academy of Engineering concluded that the environmental risks associated with hydraulic fracturing can be managed effectively in the UK if operational best practices are implemented and enforced through regulation. In 2013, the Environment Agency (EA) published '[An Environmental Risk Assessment for Shale Gas Exploratory Operations in England](#)' on gov.uk, which reviewed the potential environmental risks and how they can be minimised and managed through environmental regulation. We have a robust regulatory regime in this country, which the Government has committed to keep under review as the industry develops. The EA carries out detailed site specific risk assessments where fracking is proposed and will not issue a permit unless it is satisfied that the risks can be managed.

HC Deb 03 Nov 2017 | PQ 110508

[Fracking](#)

Asked by: Madders, Justin

To ask the Secretary of State for Business, Energy and Industrial Strategy, what his Department's policy is on hydraulic fracturing; and what discussions he has had with the Secretary of State for Communities and Local Government on the adequacy of planning regulations for hydraulic fracturing and coal bed methane extraction.

**Answering member: Richard Harrington | Department:
Department for Business, Energy and Industrial Strategy**

The UK Government supports shale gas exploration to determine the potential of the industry. Shale gas could create a new British industry, provide more jobs and make us less reliant on imports from abroad. However, we are clear: shale gas operations will only take place in a manner which is safe for the environment and local communities.

Any company looking to develop shale will need to obtain all the necessary permissions, including planning and environmental permits, before hydraulic fracturing can be carried out.

We have an effective planning system to consider and scrutinise all oil and gas development in this country. Delivering the Government's ambitions requires close partnership working with other Government Departments, including DCLG, as well as planning authorities, the industry, regulators and local communities.

HC Deb 26 Oct 2017 | PQ 109178

[Fracking: Lancashire](#)

Asked by: Morris, David

To ask the Secretary of State for the Home Department, how many (a) arrests, (b) charges and (c) convictions there have been for anti-social or violent conduct with respect to protest activity relating to the shale gas exploration site off the A583 Preston New Road in 2017 to date.

Answering member: Mr Nick Hurd | Department: Home Office

The Home Office collects and publishes data on the number of arrests broken down by offence group. These data are published in the 'Police Powers and Procedures, England and Wales' statistical bulletins, and data can be accessed here:

<https://www.gov.uk/government/collections/police-powers-and-procedures-england-and-wales>

Information is also published on the number of offences that are dealt with by charge or summons. These data are published in the 'Crime Outcomes in England and Wales' statistical bulletins, and data can be accessed here: <https://www.gov.uk/government/statistics/crime-outcomes-in-england-and-wales-2016-to-2017>

HC Deb 09 Oct 2017 | PQ 105411

[Fracking](#)

Asked by: McNally, John

To ask the Secretary of State for Business, Energy and Industrial Strategy, pursuant to the Answer of 11 July 2017 to Question 3330, on natural gas: storage, if he will suspend fracking for as long as the UK continues to have secure gas supplies.

Answering member: Richard Harrington | Department: Department for Business, Energy and Industrial Strategy

Shale gas could have great potential to be a domestic energy resource that makes us less reliant on imports and opens up a wealth of job opportunities. The economic impact of shale, both locally and nationally will depend on whether shale development is technically and commercially viable and on the level of production. To determine the potential of the industry and how development will proceed, we need exploration to go ahead.

HC Deb 20 Jul 2017 | PQ 5116

[Fracking](#)

Asked by: Lord Bird

Her Majesty's Government whether they intend to authorise a moratorium on fracking in England until all available evidence relating

to its environmental, economic and social impacts has been independently reviewed and assessed.

**Answering member: Lord Prior of Brampton | Department:
Department for Business, Energy and Industrial Strategy**

A moratorium on hydraulic fracturing was previously imposed in the UK after the detection of two small tremors related to shale gas development in Lancashire in 2011. The Government asked the Royal Society and Royal Academy of Engineering to conduct an independent review of the scientific and engineering evidence on the risks associated with hydraulic fracturing for shale gas, which concluded that “The health, safety and environmental risks associated with hydraulic fracturing as a means to extract shale gas can be managed effectively in the UK as long as operational best practices are implemented and enforced through regulation”. The Government lifted the moratorium in December 2012 and supports the safe and environmentally sound exploration of shale gas to determine the potential of the UK’s resources.

13 Jul 2017 | House of Lords | PQ331

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