

From: Abigail Forbes [REDACTED]
Sent: 10 October 2019 13:36
To: Planning Policy
Cc: Stuart Perigo; Gary Stringer
Subject: Nottinghamshire Minerals Local Plan - IGas response
Attachments: Nottinghamshire Minerals Local Plan IGas response 10.10.19.pdf

Follow Up Flag: Follow up
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Dear Sir/Madam,
Please find attached the IGas response to the consultation on the Nottinghamshire Minerals Local Plan Publication Version.

Regards,
Abi

Abigail Forbes
PA to CEO and CFO

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Incorporating

DART ENERGY

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Sent via email to: **development.planning@nottscc.gov.uk**

Dear Sir/Madam,

Nottinghamshire Minerals Local Plan – Publication Version Consultation

IGas Energy PLC (IGas) welcomes the opportunity to respond to the consultation on the Nottinghamshire Minerals Local Plan Publication Version (the Plan). IGas has extensive interests in hydrocarbon production and exploration within the Plan area. We previously made comments on the Draft Plan by letter dated 28 September 2018. IGas is pleased that some of those comments appear to have been taken into account in the preparation of the Plan.

Summary

- IGas supports the vision and objectives of the Plan for future development and is of the view that onshore oil and gas could make a significant contribution towards achieving sustainable development by the efficient use of natural mineral resources and which would contribute to the economy.
- IGas is of the view that the Plan has been positively prepared generally and with regard to hydrocarbon developments.
- IGas supports the changes made to the policies from the draft consultation plan to make the Plan sound.
- IGas considers greater weight should be attached to the presence and potential of shale gas and the contribution it can make in the transition towards a low carbon economy in accordance with national policy and guidance and written ministerial statements.
- IGas is of the view that Policy SP1 in the consultation plan should be retained.
- IGas remains of the view that Policy SP5 continues to be onerous and does not recognise the weighting of all facets of sustainable development that should be applied when considering applications for development.
- IGas remains of the view that Policy MP12 is not positively prepared and does not reflect the advice within National Planning Policy Framework (NPPF) or the Joint Written Ministerial Statements of 17 May 2018 and the Written Ministerial Statement of 23 May 2019 (the WMSs).

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Registered in England and Wales with Company No. 04981279

IGas Energy Group Comprises

IGas Energy PLC	IGas Energy Production Ltd	IGas Energy Enterprise Ltd	Island Gas Operations Ltd	Star Energy Group Ltd	Star Energy Weald Basin Ltd
IGas Exploration Ltd	IGas Energy Development Ltd	Island Gas Ltd	Island Gas (Singleton) Ltd	Star Energy Ltd	Dart Energy Ltd and subsidiaries

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- IGas remains of the view that Policy DM5 is seeking to place a weight on the impacts upon landscape character comparable to that of nationally designated landscapes (of which there are none in Nottinghamshire).
- IGas supports those views expressed by UKOOG in response to this consultation.

Introduction

IGas is a British company listed on the Alternative Investment Market of the London Stock Exchange. It is a leading UK onshore oil and gas exploration and production business, holding a portfolio of production and exploration assets primarily focused on three regions: the North West, East Midlands and the Weald Basin in Southern England.

The business has more than thirty years' experience of successfully and safely extracting and producing hydrocarbons onshore in the UK working closely with local communities, regulators and mineral planning authorities (MPAs). The UK is recognised globally as a leading example for oil and gas industry regulation.

IGas is committed to the protection of the environment and providing safe and healthy working conditions for its employees and contractors. It is also committed to maintaining close and responsive relationships with the communities in which it operates and has a long track record of engaging with local residents.

IGas has been operating its own Community Fund since 2008 which has, over the last decade, distributed almost £1 million to local projects that are charitable, educational or benevolent in purpose.

IGas holds a number of onshore UK licence interests in the three regions many of which it both owns and operates:

- North West: EXL273 and PEDLs 056, 145, 147, 184, 188, 189, 190, 193, 293 and 295.
- East Midlands: AL009, EXL288, ML, 3, 4, 6 and 7, PEDLs 006, 012, 139, 140, 146, 169, 200, 210, 273, 278, 305, 316, 317 and 337 and PLs 162, 178, 179, 199 and 220.
- Weald Basin: DL002 and 004, ML 18 and 21, PEDLs 021, 070, 233, 235, 257 and 326 and PLs 182, 205, 211, 233, 240 and 249.

The East Midlands area is comprised of two primary production centres:

- Welton and Gainsborough. The Welton area is made up of six fields and a gathering centre where the produced oil, gas and water are separated. The produced oil is transported to Conoco Immingham via road tanker; gas is used for power generation and exported to the National Grid; produced water is pumped for reinjection.
- The Gainsborough area is made up of 10 fields and a processing facility. Oil is transported to Phillips 66 via road taker, gas is piped to Gainsborough 1 for power generation and produced water is pumped for reinjection.

More recently IGas obtained planning permission at Springs Road, Misson to develop a hydrocarbon wellsite and drill up to two exploratory boreholes with shale gas being targeted. Development has commenced, and construction of the well pad and the drilling of a vertical well has been completed. The well sought to assess three target zones: the Bowland Shale; the Millstone Grit and the Arundian Shale. All three targets were encountered, with 429 metres of hydrocarbon bearing shales encountered within the primary target, the Bowland Shale. IGas acquired 147 metres of core within the Bowland Shale, the first extensive core sample from this basin. Initial analysis confirms that a significant hydrocarbon resource is present in the Gainsborough Trough. The geology is a mature, organic rich source rock with good porosity confirming favourable gas resource density. Low clay content is encouraging and an indication that hydraulic fracturing of the rock should be effective subject to further planning permission.

Planning permission was also granted for a hydrocarbon well site to drill an exploratory borehole at Tinker Lane, near Bawtry. Whilst the site was developed and a well drilled the target formation was not identified and the site has now been restored and the five year aftercare period has commenced.

Our response to the Plan, as previous, focusses on the Vision and Strategic Objectives; Policy MP12 Hydrocarbons and the supporting text; and the general development management policies and any changes that may have been made to them and other parts of the Plan since the previous consultation.

Local Planning Policy

IGas supports the process of local plan considerations and wishes to ensure that any proposed plan with respect to onshore hydrocarbons is sound and meets with the criteria and policies outlined by Government in the NPPF (as amended), Planning Practice Guidance and related WMSs.

In particular, any policy framework which serves to significantly impede or prevent such development in areas where minerals are found and have been licensed by the Government for hydrocarbon development, will be contrary to national policy unless there is strong evidential justification.

The planning process for onshore oil and gas is one of five regulatory processes that are required under the current policy framework set by government. Planning Policy Guidance 012 and 112 make clear that mineral planning authorities are not responsible for matters covered by other regulatory regimes. It states, MPAs *"should assume that these regimes will operate effectively. Whilst these issues may be put before mineral planning authorities, they should not need to carry out their own assessment as they can rely on the assessment of other regulatory bodies."* This planning policy principle has been re-confirmed in a number of legal cases (see Frack Free Balcombe Residents Association v West Sussex CC 2014). The Plan should make the role of the regulatory bodies clear.

Comments on the Plan

IGas supports the views of UKOOG, the representative body for the UK onshore oil and gas industry, including exploration and production. IGas makes the following comments in respect of the objectives of the plan and those policies considered relevant to the hydrocarbon industry.

Initial comment.

Section 2 on Nottinghamshire's mineral resource and industry identifies the range of minerals within the county. The section identifies sand and gravel, gypsum and clay as being all of national importance. Notwithstanding reference is made to shale gas (paragraph 2.26) as a potential resource which is thought to exist in the north and south of the county, it is considered that there should be greater recognition of such as set out in national guidance and the recent Ministerial Written Statement (WMS) by the Secretary of State for Ministry of Housing, Communities and Local Government (James Brokenshire), 23 May 2019.

Strategic Objectives

IGas supports the Plan Strategic Objectives. However, SO3: Addressing climate change should recognise the diversity of mineral operations and the fact that mineral extraction occurs and could occur from sites other than quarries and to which the same principles would apply.

Strategic Policies

IGas supports the strategic policies for the Plan; they will establish the vision and objectives for development, including minerals, to 2036. IGas supports the intentions of paragraph 3.6 for mineral developments to minimise the impacts on climate change and transition to a low carbon economy. IGas is of the view that onshore oil and gas development is compatible with this vision, specifically through the development of an adequate supply of domestic minerals under a regulatory environment superior to that of countries from which the UK imports its minerals. It is also important that the Plan recognises the need to combat climate change. A domestic oil and gas supply offers significant carbon savings over fuels, which otherwise would be imported from overseas, possibly without regulatory regimes as strong as those in the UK, generating much needed local jobs in fields such as engineering and contributing to the transition towards a low carbon economy.

Minerals Provision

IGas supports the intentions of the Plan to provide a supply of minerals including energy minerals to meet future needs in accordance with national policy (3.7). However, whilst it is recognised that minerals can only be worked where they occur (3.8) there needs to be greater recognition of the different types of minerals in the Plan area and the way they are won. 3.8 appears to focus on aggregates without recognising the nature and needs of the energy industry in terms of oil and gas sites.

It is noted that policy SP1 – Sustainable Development, of the draft plan has been removed. In the absence of such a policy there is a risk that the Plan fails to comply with national policy that requires *“all plans should be based upon and reflect the presumption in favour of*

sustainable development, with clear policies that will guide how the presumption should be applied locally". It is considered the policy on sustainable development should be reinstated and support be given to developments that accord with the policies in the Plan.

Policy SP1 – Minerals Provision

IGas previously commented that this policy, as a strategic policy applying to all minerals, appears to be very aggregate orientated. IGas remains of the view that the policy could be more flexible in supporting other mineral types. IGas similarly remains of the view the term 'avoidance' in SP1 (2) should be replaced with 'minimisation' as avoidance may not be possible in the event national need may prevail. The supporting justification should recognise that some mineral operations such as exploration and appraisal of shale gas may only be carried out for a very limited period of time and which may not require the same long term mitigation measures or controls as a longer term mineral development (3.10).

SP3: Climate Change

IGas supports the commitment to reducing the impact from development on climate change and the fact that it is the development that must reduce greenhouse gas emissions and move towards a low carbon economy (SP3(a)). IGas also supports the supporting justification that indigenous energy minerals have potential benefits in environmental and climate change terms. IGas is of the view that onshore oil and gas development is compatible with the policy through the development of an adequate supply of domestic minerals under a regulatory environment superior to that of countries from which the UK imports its minerals. A domestic oil and gas supply offers significant carbon savings over fuels, which otherwise would be imported from overseas, possibly without regulatory regimes as strong as those in the UK, generating much needed local jobs in fields such as engineering and contributing to the transition towards a low carbon economy.

Policy SP4 - Sustainable Transport

IGas supports the policy to maximise the use of sustainable forms of transport of minerals and the inclusion of pipelines as an option as recommended in previous representations. IGas currently utilises pipelines in existing operations and which reduce the potential use of HGVs to transport oil and gas and will continue to do so where local circumstances permit.

IGas supports the policy to minimise traffic movements in the development of minerals where it is practical to do so. The onshore industry aims to maximise the reuse and recycling of materials and waste products from its operations, wherever it is feasible to do so. However, the policy must align with the principal that minerals, including oil and gas, can only be worked where they are found. IGas remains concerned that the policy requiring mineral workings and mineral related developments to be located '*within close proximity to the County's main highway network and existing transport routes in order to avoid residential areas, minor roads, and minimise the impact of road transportation*' remains unchanged and does not recognise this. Site specific traffic management plans would address local impacts, should they be identified. The policy should also recognise the short-term traffic impacts of some mineral developments, such as the exploration and appraisal stages of onshore oil and gas, where there may be more intense periods of traffic activity but only for a very limited time.

Paragraph 3.41 of the Justification should make reference to pipelines to be consistent with the amended Policy SP4 (1).

Policy SP5 – The Built, Historic and Natural Environment

IGas supports some of the changes made to the policy and justification from the consultation draft. However, IGas remains of the view that the policy continues to be onerous and does not recognise the weighting of all facets of sustainable development that should be applied when considering applications for development. Regarding hydrocarbon development, whilst there may be potential for environmental impact, the economic benefit of mineral extraction should be afforded 'great weight' (paragraph 205 of the NPPF). This is further ratified by the Joint MWS (17 May 2018).

The significance of impact depends on the significance of the asset it affects. Paragraph 171 of the NPPF states that Plans should, 'distinguish between the hierarchy of international, national and locally designated assets.' Paragraph 184 of the NPPF recognises a similar approach for the historic environment in that assets should be conserved in a manner appropriate to their significance.

Paragraph 3.56 should recognise that not all mineral developments involve large areas of agricultural land. Onshore oil and gas operations use very small areas of land compared to aggregate developments.

Policy SP6 – The Nottinghamshire Green Belt

Significant changes have been made to this policy. IGas supports the principle of the policy which, other than the omission of '*do not conflict*,' has been taken from the from paragraph 146 b) of the NPPF: '*certain other forms of development are also not inappropriate in the Green Belt provided they preserve its openness and **do not conflict with the purposes of** including land within it..'* including minerals. Given the purpose of the Plan is to set out the policies against which a proposal will be assessed and would be subject to different decision making processes where different weight may be attached to compliance or otherwise with policies, it is considered that the term 'approved' should be replaced with 'supported'.

Policy MP12 – Hydrocarbons

IGas notes paragraphs 4.96 – 4.100 remain unchanged (other than the deletion of '*very intensive*' from 4.100). IGas remains of the view that the approach being taken is not positively prepared and does not reflect the advice within NPPF or the Joint WMS of 17 May 2018 and WMS of 23 May 2019.

Whilst the introduction sets out the background and approach for shale gas and acknowledges there is a potentially significant shale gas resource within Nottinghamshire, IGas is concerned that the Plan continues to fail to make reference to the potential benefits of a shale gas industry within the UK or the Government support within the Planning Practice

Guidance to the NPPF or the WMSs. There is a clear recognition of the contributions the shale gas industry could make towards a diversity of energy supplies at the national level and, for consistency, this should be reflected within the MLP.

The Planning Practice Guidance (PPG), originally published by the Department of Communities and Local Government (DCLG) in March 2014, at Minerals paragraph 91 (reference ID: 27-091-20140306) states that *"as an emerging form of energy supply, there is a pressing need to establish – through exploratory drilling – whether or not there are sufficient recoverable quantities of unconventional hydrocarbons such as shale gaspresent to facilitate economically viable full scale production."* A Government supported Ernst and Young supply chain report (Getting ready for UK shale gas, April 2014) indicated *'there could be significant benefits for jobs and growth from a successful UK Shale industry: over 64,000 jobs at peak could be supported across the wider economy, with more than 6,000 jobs on shale pads themselves. Many of these would be highly skilled, high quality jobs, with above average pay.'*

A combined shale gas and oil policy statement by DECC and DCLG (15 August 2015) states:

A national need to explore and develop our shale gas and oil in a safe, sustainable and timely way. Exploring and developing our shale gas and oil resources could potentially bring substantial benefits and help meet our objectives for secure energy supplies, economic growth and lower carbon emissions. The Government therefore considers that there is a clear need to seize the opportunity now to explore and test our shale potential.

These comments were reiterated within the JWMS 17 May 2018. There is a clear intention at Government level to seize the opportunity now to explore and test the country's shale potential and this support should be explicit within the Plan.

Whilst the changes to policy MP12: Hydrocarbon Minerals are welcomed, part 1b) still requires exploration and appraisal developments to be located where they will not have an unacceptable environmental impact. Such an approach is not in accordance with the NPPF as there is no weighting provided on the level of environmental asset and whether it is of international, national or local significance.

IGas welcomes the changes to the Justification in paragraph 4.104 which recognises the national need to explore and develop new domestic sources of oil and gas.

IGas notes that paragraph 4.110 continues to state, a PEDL *'allows a company to pursue a range of oil and gas exploration activities ...'* which appears to have been derived from the UKOOG description of PEDLS. The PEDL licences actually place an obligation on the holder to explore and develop for hydrocarbons. In its current form, the paragraph suggests pursuing an interest is an option when in fact it is a requirement as set out in the guidance by the Oil and Gas Authority¹; this should be amended.

Development Management Policies

¹ https://www.ogauthority.co.uk/media/4959/29112017_consolidated-onshore-guidance-compendium_vfinal-002.pdf

DM1: Protecting Local Amenity

Paragraph 5.18 has been introduced to the justification to Policy DM1. Whilst the content of the paragraph are not in dispute, it appears incongruous in the context of the justification and how it relates to mineral development.

Policy DM2: Water Resources and Flood Risk

Whilst the changes to Policy DM2 and justification are noted, many of the requirements specified fall within the remit of the Environment Agency which is referred to in the justification. The Council is aware planning decisions should assume that other regulatory pollution control regimes will operate effectively. This is particularly the case in water resources and flood risk.

Policy DM5: Landscape Character

IGas has previously commented on this policy. Whilst minor changes to the Policy have been made IGas remains of the view that the policy is seeking to place a weight on the impacts upon landscape character comparable to that of nationally designated landscapes (of which there are none in Nottinghamshire). The NPPF states (paragraphs 171 and 172):

171. Plans should: distinguish between the hierarchy of international, national and locally designated sites; allocate land with the least environmental or amenity value, where consistent with other policies in this Framework⁵³; take a strategic approach to maintaining and enhancing networks of habitats and green infrastructure; and plan for the enhancement of natural capital at a catchment or landscape scale across local authority boundaries.

172. Great weight should be given to conserving and enhancing landscape and scenic beauty in National Parks, the Broads and Areas of Outstanding Natural Beauty, which have the highest status of protection in relation to these issues. The conservation and enhancement of wildlife and cultural heritage are also important considerations in these areas, and should be given great weight in National Parks and the Broads⁵⁴. The scale and extent of development within these designated areas should be limited. Planning permission should be refused for major development⁵⁵ other than in exceptional circumstances, and where it can be demonstrated that the development is in the public interest. Consideration of such applications should include an assessment of:

- a) the need for the development, including in terms of any national considerations, and the impact of permitting it, or refusing it, upon the local economy;*
- b) the cost of, and scope for, developing outside the designated area, or meeting the need for it in some other way; and*
- c) any detrimental effect on the environment, the landscape and recreational opportunities, and the extent to which that could be moderated.*

For the Plan to be sound, it is considered that the policy needs to be further amended to correctly reflect the guidance within NPPF.

Policy DM6: Historic Environment

IGas previously commented on this policy. The changes to the policy and justification are now considered to be in line with the NPPF and are supported.

Policy DM8: Cumulative Impact

The changes to the policy are supported.

Policy DM10 – Airfield Safeguarding

Whilst IGas supports the intentions of the policy, paragraph 5.109 does not acknowledge the use of tall drill rigs used by the minerals industry and particularly the onshore oil and gas industry at the exploration and appraisal stages of development.

Policy DM12: Restoration, aftercare and after-use.

IGas supports the changes to the policy.

Policy DM17: Mineral Exploration

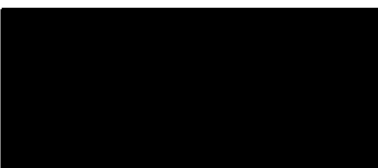
IGas supports the policy. However, notwithstanding the justification acknowledges most exploration can be carried out with the benefit of permitted development, the policy does not acknowledge that mineral exploration can be carried out with such. Geophysical surveys are also used for the exploration of coal, oil and gas (paragraph 5.163).

Conclusion

IGas welcomes the changes to the Plan and the positive approach to mineral development that has been adopted. However, it is considered further amendments could be made as set out above to ensure the Plan can be found sound.

We look forward to the next stage of the process and would wish to take the opportunity to engage in the examination of the Plan in relation to the matters raised above.

Yours faithfully

A large black rectangular box redacting the signature of Steve Bowler.

Steve Bowler

CEO

IGas Energy PLC



I trust that the above is self-explanatory and useful. Please don't hesitate to get in touch should you wish to discuss any of the content of this letter.

Yours faithfully,

PP

Stuart Perigo