

BO'NESS COMMUNITY COUNCIL UOG COMMUNITY DISCUSSION

- **Group:** The Community Council and the Peoples of Bo'ness.
- **Date of meeting:** Thursday 25th May 2017, 7-9pm.
- **Location address / postcode:** Deanburn School, Hazeldean Avenue, Bo'ness, EH51 0NX.
- **Number of attendees:** 50.

(i) UOG Community Discussion Process

1. Leaflets notifying residents of the meeting were posted through all doors in Bo'ness.
2. The consultation began with a 40 minute introduction for residents, including a presentation followed information slides set out in Scottish Government's Discussion Pack for large groups, which was presented by Andy Lippok (Connecting Scotland).

On the basis that residents new to the subject would benefit from a variety of UOG perspectives, a matrix was put together for the purpose. This showed the information summarising the research commissioned by Scottish Government (as set out in their handout cards in the Group Discussion Pack), alongside summaries of legal submissions from the Dart Energy PLI. The matrix was included in the presentation, and as a handout.

In prior pilot consultations aimed at understanding what processes can help facilitate effective community discussion, it was found that framing conversations around shared assets and values helped to bring forth responses which were grounded in the community experience as a whole. This finding is consistent with empirical research conducted by the Common Cause Foundation (<http://valuesandframes.org>). For this reason, a list of community assets and values set out in the Falkirk Community Charter, which Bo'ness community council have adopted (http://faug.org.uk/community_charter.pdf), was also presented and handed out.

3. The presentation was followed by 80 minutes of discussion where residents were split into two equal groups facilitated separately by Andy Lippok (Connecting Scotland) and Jamie McKenzie Hamilton (CCN), wherein time was split roughly equally between the benefits and risks of UOG. In the final 15 minutes the two groups reconvened to share the outcomes of their discussions and to agree a collective message to Government.
4. Outcomes were written up by the facilitators. [These were first verified for accuracy with the community councillors and participants].
5. Precise details of the materials and process employed can be made available on request to uogconsultation@charteringnetwork.org.

(ii) **Outcomes.**

1. Overall, and in light of the available evidence, what do you think would be the main benefits, if any, of an unconventional oil and gas industry in Scotland?

The main potential benefits put forward by residents were:

BENEFITS

No benefits. At the outset around 60% of the participants considered UOG represented no potential benefits at all for the community of Bo'ness, and others felt that if there were any they would be outweighed by the risks.

Jobs. The main perceived benefit of UOG was the potential for local employment. Around half of the participants considered that UOG could help sustain new and existing jobs at the Grangemouth refinery, and may offer local opportunities for skilled work. It was suggested that the manufacture of UOG equipment could provide work if contracts went to Scottish companies, although most felt this would be sourced overseas. Others thought there could be local employment and economic benefits around servicing local UOG operations, such as those related to local hotels, B&Bs, catering and haulage.

Nevertheless, most foresaw very little in the way of local jobs from UOG. They expected related work to be short-term, manual, and representing little economic value to the area. Many thought it likely this would be concentrated in the initial drilling phase only and decline quickly after that. Some argued that nowadays fossil fuel companies tend to maintain few permanent staff, but rather 'fly in' specialist contractors when needed, who bring their 'zero-hours' work teams along with them. In the words of one resident, 'gone are the BP days when there used to be many thousands of jobs-for-life with good pensions; now everything is in decline, Ineos are squeezing their margins and employees now have got nothing by comparison'. Also highlighted was the absence of any legal obligation to employ locally, as well as the general uncertainties regarding job figures in the research commissioned by the Scottish Government, which some considered 'overstated'. In conclusion, the general opinion was that UOG was unlikely to provide meaningful, desirable or stable local employment, but may threaten more sustainable jobs in the area such as those in the tourism, agriculture, and food and drink industries.

Cheap energy. The possibility that UOG might reduce household energy costs in Scotland was discussed. Views were expressed that the gas would not belong to Scotland, but to UOG companies who would control supply and price. As one resident put it, 'they'll own the whole kit and caboodle, they'll sell it to the highest bidder, and retain profits for shareholders; they wouldn't pass any profits onto us'. Another stated, 'Ineos is 3 miles down the road, and we don't experience any local benefit, in fact Bo'ness has some of the most expensive gas prices in the region'. Nevertheless, the possibility that sales of UOG, even overseas, could represent tax revenue for Scotland was noted. So too was the fact that US UOG had 'forced down' gas prices, although some felt that in a national context this could 'cannibalise' North Sea resources which might be extracted more safely. One resident pointed out that Ineos had already stated their intention to use Scottish UOG for fuel and feedstock to support their network of chemical businesses. Given that the refinery owns or have a large stake in licences covering nearly 730 square metres in the Scottish Midland UOG licenses, rendered irrelevant any

argument for national energy security or price cuts. In summary, there was general scepticism that UOG would represent a cheap and secure energy source for Scotland.

2. Overall, and in light of the available evidence, what do you think would be the main risks or challenges, if any, of an unconventional oil and gas industry in Scotland?

The main potential risks put forward by residents, or emerging in discussion were:

RISKS

Impacts on Environmental and Public Health. The foremost risk of UOG for a significant majority, was the potential impacts on environmental and public health. It was proposed that existing gas fields were in largely rural and unpopulated areas, and therefore arguments that UOG could be extracted safely were not applicable and comparable in a Scottish context. There were concerns that the proximity of sites to residential areas would exacerbate risk of exposure to ‘a concoction’ of harmful substances, including known carcinogenic and BTEX chemicals which ‘cannot be cleaned-up, once contamination has taken place’. The non-disclosure to the public of industrial chemicals, processes and treatment was also considered unacceptable, and further undermined confidence, or as one person put it, ‘there’s so much we don’t know’. Many felt that a growing body of research from the USA and Australia suggested negative health impacts associated with UOG extraction, and that links had been downplayed. It was noted that industrial noise and light from the Grangemouth, as well as worries about known and unknown pollution, were already affecting areas of Bo’ness, and that the additional effects of nearby UOG sites and traffic could have implications for mental as well as physical health.

People spoke with pleasure about the return of salmon, minke whales and porpoises to the Forth River after decades of pollution from the paper mills. There was a strong feeling that this positive direction should be maintained, and concerns the contamination from a UOG industry could reversed it. They talked about how important the estuary was for bird migration and nesting, and expressed anger at evidence Dart Energy had ‘dumped waste water from CBM directly into the mudflats and river’. A resident who attended the Airth public inquiry recalled a farmer who said his crops were affected for 6 years after the drilling took place on his farmland. Others expressed worry about fugitive methane leakage, and its implications for Climate Change. All these points reinforced concerns about the level of pollution to rivers and farmland if a UOG industry was scaled up, or in the words of one resident, ‘if there were hundreds of these drill sites contaminating all across central Scotland’.

To summarise, the general opinion was that an intensive UOG industry was potentially ‘short-term gain for long-term pain’ and that there wasn’t enough information or certainty regarding the risks for it to proceed in Scotland. As one resident put it, ‘high-energy projects always entail risk, something will go wrong and then it’ll be too late, so why are we even considering this?’ Or in the words of another, ‘the Scottish Government have failed to demonstrate the positive impacts of UOG, or if it is safe or unsafe, so they must err on the side of safety as they promised us they would’.

Local Geological Impacts. Prior to the discussion, over a third of the participants ranked geological concerns high among their potential risks, and it became central to the subsequent discussions. The local geological context was described as entailing ‘complex faulting’ and ‘a labyrinth of spent mine workings, many unknown and unmapped’. Residents cited the many incidences of local subsidence, including an incident where ‘the house opposite me disappeared into a big hole’. They talked about a time when banks wouldn’t grant mortgages in the area because of this, and also how house owners have ‘disclaimers’ in their titles pertaining to the mines beneath them. Indeed, one woman said her home insurance company had recently refused to renew her policy due to the combination of subsidence risk and the granting of a UOG license locally. While it was acknowledged that the mines were at a shallower depth than the UOG resources, the majority still felt strongly that unforeseeable events or seismic activity could have widespread consequences. As one resident put it, ‘this is a big engineering project and we’re on a hill, so all it takes is one mine to collapse and the repercussions could be dramatic’. Another said, ‘those water jets they use when drilling can cut through plate steel, you just don’t know what that’s going to do’. Many felt that mines and faults also heightened the risk of environmental contamination, by providing routes to the surface for ‘ferruginous water’, radon gas, and industrial chemicals. While challenged by one gentleman, one lady cited video evidence of fugitive gas infecting the water supply in an Australian UOG gas field which had been sent to her by a friend living there. In conclusion, there was general agreement that there were unpredictable and uncontrollable risks associated with the local geological context, which would be aggravated by the density of the local population and mine-workings.

Absence of Regulations. Over a quarter of the residents proposed ineffective regulation among the highest potential risks of UOG at the outset of the discussion. It soon became apparent that this perception had arisen as the result of past experience, as residents described a litany of regulatory failures in the area, including the uncontrolled release of effluent into the Forth and the ineffective control of industries at Grangemouth. In the words of one resident, ‘it’s incident after incident: the River Forth is a sewer, and we have the worst air quality in Scotland’. The views of others included: ‘Grangemouth pollutes more at the weekend when they won’t get caught – you should drive through and smell that place at the weekend’; ‘if SEPA can’t keep Scotland’s one oil refinery in check, how are we supposed to believe they can control a nationwide industry?’; and ‘they have that big flare belching black smoke, and yet they tell us we can’t have wood burning stoves on our street because it degrades the air quality’.

The general view was that SEPA ‘don’t pick up on things’ because they are very under-resourced, but weren’t ‘prepared to admit it’. As one resident observed, ‘they don’t even have a permanent office in Grangemouth’. In light of this, most thought a UOG industry would be self-regulating, with SEPA’s role being ‘monitoring, not control’. While it was acknowledged that fines for regulatory breaches were increasing, the majority did not consider them an effective enforcement method. Someone familiar with the fossil fuel industry stated that they weigh the cost of potential fines against those for safety measures, and if the latter is too high, then they forgo the measures and take the risk of getting caught, while factoring the fines into their expenses. Many were of the opinion that SEPA had no independent knowledge of UOG, and the industry were their main source of expertise and information, which was skewing their impartiality and understanding of the risks. In turn, some felt that UK UOG operators themselves were probably heavily reliant on expertise derived from US and Australian operations, which in the words of one resident, ‘isn’t helpful given this is a different context and you can’t compare like for like’. One group emphasised the lack of base lines and data on health and environmental impacts from historical activities in Airth, and elsewhere in Scotland, and

how this further undermined their confidence in the regulators. In conclusion, there was a general consensus based on past local experience that Bo'ness would not receive adequate protection against UOG risks from the regulatory framework.

'Exploitation'. While most recognised the importance of the Grangemouth refinery to Scotland, and as a local employer, a major discussion theme was concern over Ineos's growing influence in a national context. It was noted that they now owned a significant proportion of Scotland's end-to-end energy lifecycle from upstream extraction (holding the UOG licences and their recent purchase of Dong Energy) through transportation (purchase of the Forties Pipeline) to the downstream production and sale of chemicals. In the words of one resident, 'Ineos owns it all'. Many felt this power could be used to influence and hold to ransom the Scottish and UK Governments should their decisions not be in Ineos's interest. Because of this some questioned the impartiality of the research commissioned under the moratorium, and this scepticism was reinforced by the wide differences in perspectives on the evidence. There was a suspicion that the research may be 'set up' to suggest UOG was safe for Scotland, despite the provisos and lack of certainty. For one group, a major concern then became one of whether the Scottish Government would truly consider as 'material evidence' the views expressed by Bo'ness, and other Scottish communities or individuals participating in the public consultation. Some also wondered about the extent to which the Scottish Government truly controlled UOG licences, planning and other permissions, or whether their decisions might be overridden by Westminster and/or the Supreme Court.

As a general rule, there was very little trust in the industry players. As one resident put it, 'whatever they publish or say, their sole focus is on short-term financial profit, not the long-term interests of the public and environment'. For some, the sole focus of Ineos was to increase the wealth and power of one individual. Residents argued strongly that there was already plenty of evidence to demonstrate that Ineos prioritised their own profit over the interests of the community. For illustration, one stated 'when MI5 recommended they upgrade their security systems to protect against terrorist attack, Ineos declined because they couldn't afford the £5m bill, while purchasing the BP pipelines for £200m and Dong Energy's North Sea Assets for £1bn – what clearer indication do you need of where they place their value?' Another highlighted how Ineos's employment and safety record was worsening at the same rate as their 'footprint is getting bigger'. Some referred to the closing of the Bo'ness road, where 'Ineos petitioned to close our main route to the M9, and then petitioned to never open it again'. Finally, participants talked about the recent gas leak where the two main roads to the community were closed, or as one put it 'Bo'ness was totally isolated and the only way to get out was via Linlithgow – the congestion was horrendous– a policeman told me it was not an official order that they close the roads, but that Ineos had requested it'. One gentleman spoke passionately that 'UOG is just more exploitation of an area that's already been exploited –it's the same old cycle, like when the boats came up from England to burn our forest for pig iron; big companies don't give a damn, they come, they take everything and then they move on'.

Economic Disbenefits. A common theme across both groups were the 'hidden' economic disbenefits the UOG industry could have. At a personal level, many expressed concerns about falling house valuation and rising home insurance they believed would accompany local UOG extraction. One resident talked about how her insurance company had recently refused to renew her policy upon learning a fracking license had been granted in an area with a subsidence risk. Another provider had offered cover only for a £1m valuation and, in her words, 'I should not be paying for the industry's

risk –they should have an insurance with my name on it if they want to frack here’. Many referred to the potential harm to roads and infrastructure that could result from UOG operations and traffic, and wanted to know ‘who pays for the extra costs of maintenance, repairs or improvements?’ One group demanded clarity on who would be liable for any short-term or long-term problems caused by UOG, should they occur after decommissioning or if the operator went into liquidation. It was felt strongly that a bond adequate to cover any contingency should be a condition of all licenses or planning applications, to ensure Scottish communities weren’t left with the cost and responsibility for clean-up. In a broader sense, it was also argued the potential negative impacts of UOG on the countryside of the Central Belt, visually and materially, could have knock-on consequences for keystones of the Scottish economy such as farming and tourism. Finally, some voiced their concerns that the time, effort, resources and attention taken up by fracking would detract from focus and funding into renewables and a far more long-term and sustainable economic strategy. In the words of one resident, ‘why are the Scottish Government considering a short-term fossil fuel hit when we are doing so well on renewable energy’ and another, ‘why can’t we have an advanced project to test, instead of this’. In summary, many felt that, when weighed up against the disbenefits at levels of the Scottish economy, the benefits of UOG seemed weak and unpersuasive.

3. If you have any other comments on the issues as discussed in this consultation, please provide them here:

This section forms the main substance of our consultation and revolves around the *OUR MESSAGE TO GOVERNMENT questions (or what we think the Scottish Government need to take into account when considering the future of unconventional oil and gas development in Scotland)*.

We have agreed on one key message to the Scottish Government as the result of our consultation:

Bo’ness refuses the social license for UOG extraction in our community council area, and requests confirmation from the Scottish Government that they and the UOG industry will respect our position. Following our assessment and debate of UOG’s potential benefits and risks for Bo’ness, it is the view of an overwhelming majority* that we would not support UOG operations in our community council area. We feel strongly that the risks associated with introducing a new and intensive extractive industry into an area rendered demonstrably fragile by heavy mines and faulting have not been properly considered. Moreover, our past experience leads us to have little faith in the capacity of regulators to protect our community from abuses and pollution. We believe the Scottish Government regulators to be under-staffed and over-stretched, and lacking the resources, expertise and will to control an industry of this size. We do not trust the powerful multinational players who would control UOG in Scotland, and are concerned that their interests may be influencing decision-making behind-the-scenes now, and would continue to do so should the industry be permitted. We are unanimous in the view that the research commissioned by the Scottish Government does not contain enough information on the benefits and risks to reach a resolution with certainty, and some suspect it may have been biased by said vested interests. We feel strongly that responsible environmental decision-making depends on making publicly available all scientific data which may be held back for review by regulators, or for reasons of commercial confidentiality. For UOG to be allowed to proceed in spite of these uncertainties would be to expose our community knowingly to risks we have determined to be real and potentially significant, and should harm results then, in the words of one resident, ‘it’ll be too late, the balloon will have been burst’. We appreciate the value of the employment this could bring to our area, but have reached the view that the risks far outweigh this

potential economic benefit, or as one resident put it, 'there is no price tag on our health and nature'. Moreover, we also believe the fossil fuel industry, and the quality and stability of the jobs they offer, are in decline. Some feel a redoubling of the Scottish Government's focus on transition to a sustainable energy economy could bring 'advanced projects' which we would welcome hosting and that would be kinder to our community and environment. We love our countryside, our views of the Ochils across the Forth, and take joy from return of whales and porpoises to the river after decades of over-pollution. We believe strongly a commitment to continuing to improve our local environment is the right way forward, not further exploiting it for short-term gain. We summarise this view with a significant remark accepted to reflect the feelings of a significant majority: *'UOG is a risk to, and breaches, every single element of our Community Charter'. Therefore, if we take our Charter seriously, why would we as a community begin to contemplate or accept UOG as a way forward? Otherwise why did/we bother having the Charter at all if not for this purpose?! If, as seems obvious, we are struggling to identify any benefits and the risks seem overwhelming, it is clear that UOG is not for us or for Scotland'*. On these bases Bo'ness has reached a firm decision to refuse the social license for UOG in our area outright, and ask for confirmation that this position will be honoured.

*three abstained, one on account of their role in Government, and two because they felt they had insufficient information to reach a decision with certainty.