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Liam McArthur MSP
Spokesperson for Energy
Scottish Liberal Democrats

Our ref: A24695052
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Dear Liam

As you may be aware, Petroleum Exploration and Development Licence (PEDL) 162, held by INEOS Upstream Limited and Reach Coal Seam Gas Limited, was due to expire on 30 June 2019. However, following consideration of a request submitted by the licensees, I have decided, for the second year, to extend the initial term of the licence for a further 12 months. It would have been a dereliction of our responsibility as a competent licensing authority not to consider the request for an extension, taking into account all the relevant factors.

As you will be aware, the Scottish Government's preferred policy position is not to support unconventional oil and gas extraction in Scotland, and that preferred position remains unchanged.

Allow me to reassure you that we are moving at pace towards finalising our policy position on this important issue; this includes completion of the necessary statutory and other assessments, including a Strategic Environmental Assessment (SEA), and Business Regulatory Impact Assessment (BRIA).

However, as these assessments are yet to conclude, the public consultation on the Addendum to the 2018 consultation on our preferred policy position on unconventional oil and gas, the SEA, and partial BRIA having just closed on 25 June 2019, I have approved an extension to the initial term of PEDL 162 for a period of 12 months. This will allow a period of time for the conclusion of the policy making process and the licensees to consider their position in the light of the finalised policy in due course.

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I appreciate that this may come as a disappointment to some but I assure you that, similar to the effect of the extension last summer, this does not change the Scottish Government's preferred policy position of not supporting the development of unconventional oil and gas in Scotland.

I would like to stress that, in the meantime, no local authority can grant planning permission for any proposed fracking or coal bed methane project without advising Ministers, which then permits us to call the application in and we would defer any decision on any planning application that did come forward until the policymaking process on our preferred position is completed.

I hope this letter reassures you, and your constituents, that the practical effect of the current moratorium, and the policy-making process which is underway to finalise our position, is that no fracking or other unconventional oil and gas activity can take place in Scotland at this time.

You may wish to note that I am also writing to local community councils and other community groups which have previously expressed an interest in the future of PEDL 162.

Kind regards

Paul Wheelhouse

PAUL WHEELHOUSE

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