

Unconventional Oil and Gas

- Unconventional oil and gas (UOG) deposits are contained in impermeable rocks, such as shale. The oil or gas cannot easily flow through these rocks so to extract the oil and gases from these reserves, techniques such as hydraulic fracturing (commonly referred to as “fracking”) are used.
- Hydraulic fracturing is a drilling technique that is used to fracture rock to release the oil and gas contained in those rocks. It is most commonly used to extract oil and gas from shale. The rock is fractured by injecting pressurised fluids into the rock to prise open small spaces in the rocks, which release the oil or gas.
- Hydraulic fracturing is not a new technology, and may be undertaken for a variety of purposes outside of unconventional oil and gas developments, including for geothermal energy and stimulating groundwater wells.
- Coal bed methane is also considered to be an unconventional source of gas. This is because the gas is present in the coal rather than being held in pore spaces. To extract the gas, water is drained from the coal seam to release pressure (known as dewatering). This may be undertaken with or without hydraulic fracturing, depending on local geological conditions.

Policy Development Timeline

- The Scottish Government has taken a cautious, evidence-led approach to considering unconventional oil and gas (UOG) in Scotland. On 28 January 2015, the Scottish Government put in place a moratorium on UOG development in Scotland, which prevents hydraulic fracturing (fracking) and coalbed methane extraction taking place.
- In September 2013, the Independent Expert Scientific Panel on Unconventional Oil and Gas was established. In July 2014, the Independent Expert Scientific Panel report was published. The report from the Panel informed the scope of our subsequent research projects into unconventional oil and gas, which examined specific issues in more depth, and can be viewed here: <http://www.gov.scot/Publications/2014/07/1758>.
- On 28 January 2015, the Scottish Government put in place a moratorium on UOG development in Scotland, which prevents hydraulic fracturing (fracking) and coalbed methane extraction taking place.
- On 09 December 2015, the Scottish Government commenced the tendering of those research projects. The projects covering health, economic and environmental matters ensured that the Scottish Government could consider further independent expert scientific advice, including from the British Geological Survey, Health Protection Scotland and the UK Committee on Climate Change. The research reports were published in full on 08 November

2016, and can be viewed here: <http://www.gov.scot/Topics/Business-Industry/Energy/onshoreoilandgas/EvidenceGathering>.

- On 31 January 2017 the Scottish Government launched a comprehensive public consultation on unconventional oil and gas, Talking “Fracking”, which closed on 31 May and received more than 60,000 responses. The responses to that consultation were published on 03 October 2017, and can be viewed here: https://consult.scotland.gov.uk/energy-and-climate-change-directorate/fracking-unconventional-oil-and-gas/consultation/published_select_respondent. The independent analysis of the consultation responses can be viewed here: <http://www.gov.scot/Publications/2017/10/9813>.

- On 03 October 2017, in response to the publication of the consultation responses, Paul Wheelhouse, Minister for Business Innovation and Energy, made a statement to the Scottish Parliament on the future of unconventional oil and gas. This set out that the Scottish Government does not support the development of unconventional oil and gas in Scotland, and that the Directions which gave effect to the moratorium in January 2015 will remain in place.

- On 24 October 2017, following a parliamentary debate, the Scottish Parliament voted overwhelmingly in favour of the Scottish Government’s position of not supporting unconventional oil and gas. This preferred policy position was set out in a written statement on the Onshore Oil and Gas website on 07 December 2017, and can be viewed here: <http://www.gov.scot/Topics/Business-Industry/Energy/onshoreoilandgas/PreferredPolicyPosition>. In accordance with statutory responsibilities, a Strategic Environmental Assessment (SEA) on the Scottish Government’s preferred policy position will be undertaken. Once finalised, the Scottish Government’s policy on unconventional oil and gas in Scotland will be reflected in the next iteration of the National Planning Framework.

- Powers over onshore oil and gas licensing were devolved to Scottish Ministers through sections 47 to 49 of the Scotland Act 2016 on 09 February 2018. These include the granting and regulation of licences to search and bore for and get petroleum (including unconventional oil and gas) within the Scottish onshore area.

- On the 19 June 2018, the Court of Session rejected the petition by INEOS Upstream Ltd and Reach Coal Seam Gas Ltd that sought to challenge the Scottish Government’s actions in relation to UOG. This has been an important issue which has been a cause of acute concern in communities across Scotland and Lord Pentland’s decision vindicates the extensive process of research and consultation which the Scottish Government has undertaken since 2015. Lord Pentland noted in his ruling that the Scottish Government’s preferred policy ‘is not ambiguous – it means what it says: the Scottish Government does not support fracking.’ Furthermore, he said that Ministers were ‘entitled to articulate a planning policy in broad, unqualified, and indeed robust terms’. Lord Pentland’s judgment can be viewed here: <https://www.scotcourts.gov.uk/docs/default-source/cos-general-docs/pdf-docs-for-opinions/2018csoh66.pdf?sfvrsn=0>.

- In line with statutory requirements, a Strategic Environmental Assessment (SEA) was undertaken, along with a Business and Regulatory Impact Assessment (BRIA). An eight-week consultation on the SEA Environmental Report, partial BRIA, and preferred policy position of not supporting UOG development in Scotland, was carried out from October to December 2018, and results independently analysed.
- The responses received to the 2018 statutory assessments consultation led the Scottish Government to form the view that it would be helpful to provide some further clarification on a number of points raised in response to the consultation documents, specifically regarding the preferred policy position and its objectives. On 30 April 2019, we published an addendum to the SEA Environmental Report, the preferred policy position statement and the partial BRIA, and invited further comments on the points covered over an eight-week period. The responses to the 2019 addendum consultation have been analysed and where applicable will be responded to in the SEA Post Adoption Statement.
- On 03 October 2019, the Minister for Energy, Connectivity and the Islands confirmed to Parliament the Scottish Government's final policy of no support for UOG in Scotland. This means no support for development connected to the onshore exploration, appraisal or production of coal bed methane or shale oil or shale gas using unconventional oil and gas extraction techniques, including hydraulic fracturing and dewatering for coal bed methane.