Dear Mr Hudson,

*Halite Energy Group: Application for an underground natural gas storage facility under the Wyre Estuary*

**Planning Inspectorate Reference Number:** EN030001  
**My unique reference number:** [XXXXX]

I write further to my representation submitted in January 2012 outlining my opposition to the above application for an underground natural gas storage facility in salt caverns under the Wyre Estuary.

This most recent application is one in a series of applications for such a development at this location. The first applications were made by Canatxx Energy Ventures. According to Companies House records Halite Energy Group is the de-facto new name of Canatxx. A company with no record of operating an underground gas storage facility. The history of these proposals are as follows:

In November 2003 Canatxx Energy Ventures lodged, with Lancashire County Council, plans for an underground natural gas storage facility in salt caverns under the River Wyre which included up to 20 well heads. Planning Application Reference: 02/03/1455. In November 2004 Canatxx appealed to the Secretary of State on the grounds of non-determination by the County Council of the application. The appeal was originally to be considered by the Planning Inspectorate but on 11 July 2005 the appeal (APP/Q2371/A/05/1183799) was recovered for determination by the Communities and Local Government Secretary.

In October 2007, following a lengthy public inquiry, the Secretary of State refused the appeal made by Canatxx in relation to its planning application. The Planning Inspectorate’s report which informed the Secretary of State’s decision noted that “considerable uncertainty... exists relating to constraints that fundamentally affect the location of the caverns and the capacity of the scheme”. The Inspector also commented that the
“uncertainty as to the vulnerability of properties to gas migration, and hence potential explosion, makes this currently an unacceptable location for underground gas storage.”

In February 2009 Canatxx submitted a further application to Lancashire County Council (Application Reference 02/09/0159) for the development of a natural gas storage facility including up to 6 multiple wellhead locations to create underground salt caverns by solution mining and creation of caverns. This was refused by the County Council’s Development Control Committee in January 2010 on the grounds that insufficient information had been supplied about the geology of the site and the unacceptable risk of gas migration given the relationship of the proposal to former operations and its proximity to residential areas on the east side of the estuary and the more densely populated Fleetwood peninsula.

The new application submitted by Halite is for the storage of gas in 19 salt caverns.

As I see it, the previous applications have been refused on two main grounds: the special nature of the environment and its wildlife; and the stability of the geology of the area. Neither aspects have altered since the time of the last application was refused and so I believe that those concerns still stand. I am disappointed that the Infrastructure Planning Commission/Planning Inspectorate decided to accept this application for consideration as the proposals outlined by Halite are not significantly different to previous applications.

My reasons for objecting to this application are numerous and I have outlined them below under sub-headings:

Environment: The proposed site is located on the Preesall salt marsh and neighbouring area which falls within the Morecambe Bay Special Protection Area (SPA), Special Conservation Area (SCA) and Ramsar site, designated for its bird populations of European importance. The site of the proposed development is also located within the Wyre Estuary Site of Special Scientific Interest (SSSI). It is located close to a number of Biological Heritage Sites (BHS) such as the Fleetwood Promenade Coastal and Dune Grasslands BHS, Rossall School Field BHS and Fleetwood Marsh Industrial Lands BHS.

Under the provisions of Article 6 of the “Habitats” Directive 92/43/EEC SPAs and SCAs such as Morecambe Bay are afforded particular protections. The Directive states: “Member States should take appropriate steps to avoid pollution or deterioration of habitats or any disturbances affecting the birds”. The Conservation (Natural Habitats, &c.) Regulations 1994 transposed the provisions of Article 6 into national law and came into force in October 1994.
Article 6 (3) states: “the competent national authorities shall agree to the plan or project only after having ascertained that it will not adversely affect the integrity of the site concerned and, if appropriate, after having obtained the opinion of the general public”. Figure 1 demonstrates the procedure and consideration which the Directive outlines and given that Halite’s proposals are directly connected with the SCA, will have a significant effect on the site, will adversely affect the integrity of the site and there are alternative sites available for underground gas storage elsewhere in the UK, the legislation would support the redrafting of the proposals. It is also clear from the number of objections the Planning Inspectorate has received against this application and the support the Protect Wyre Group enjoys, that the general public is also opposed to this application. Indeed, in my seven years as the local MP, I have not received one representation in favour of the proposed scheme.

Figure 1. Assessment of plans and projects significantly affecting Natura 2000 sites: Methodological guidance on the provisions of Article 6(3) and (4) of the Habitats Directive 92/43/EEC (November 2001)
It should be noted that when the first (2003) application was submitted by Canatxx the European Commission opened a horizontal investigation into the failure of the UK statutory bodies to properly take action to protect the SPA and SCA. The Commission’s investigation was halted when the application was refused by the Secretary of State.

Failure of the UK to abide by the terms of the Directive could lead to a case being brought by the European Commission against the UK. The European Court of Justice has already upheld cases against France, Spain and Ireland.

Instability: The Preesall Salt Field has a long history of brine workings and until 1994 the site was solution mined for use as a source of chemical production by ICI. It is well documented that these works have led to some instances of collapse within the area. Throughout the planning process to date the instability of the geology has been questioned. While Halite may have changed the proposals for the underground gas storage facility, it cannot alter the physicality of the site. This is illustrated by the incident which occurred, as recently as 18 June 2011, when a disused brine well (Brine Well 45) collapsed releasing contaminated brine water at the site. When I raised concerns about the incident, the Environment Agency confirmed that “this type of brine well is known to collapse and cause subsidence”. I believe that there are another 14 wells on the site which also hold brine. Halite has indicated publicly that work to stabilise these wells will not be undertaken as part of the company’s plans for the gas storage facility. I have always believed that the Preesall site is not suitable for underground gas storage and this incident and Halite’s response has confirmed my fears.

It is also a fact that there are faults within the Preesall salt field and the area is seismically active and prone to tremors. The report prepared by Professor Rokahr (an expert on gas storage) which was commissioned by Canatxx, Halite’s predecessor, recommended that situating gas storage caverns near faults should not be advised. I would be interested to know what further consideration has been given by Halite to assess the impact of potential and real seismic activity at each of the caverns proposed for use in storing gas.

Need
When in October 2007 the Communities Secretary rejected the appeal by Canatxx there was a national need for more underground gas storage she stated that “in the context of the uncertainties that underlie the suitability of the geology of the Preesall Salt Field to accommodate the appeal proposal, that national need cannot be extrapolated to mean that there is a specific need for the appeal proposal.
When I met with the Energy Minister, Charles Hendry, on 2 December 2010 with his Officials in the Department of Energy and Climate Change, we discussed the premise of this specific application as well as gas storage in general. It was made clear that, while there is not currently enough gas storage provision, recently passed planning applications and those currently going through the current planning process will deliver more gas storage capacity than would actually be required by the United Kingdom in the future. **It is, therefore, my assertion that the Halite application is not essential to meeting the national need and could be discarded without a negative impact on the UK’s gas storage requirements.**

Recently Halite has published a socio-economic impact study which projects that the proposed scheme would create thousands of jobs in the local area. Having examined the document it is fundamentally flawed, using a spurious population sample to assert a socio-economic need. The constituency of Wyre and Preston North has one of the highest employments rates in Britain. Unemployment currently stands at 1.9% and is falling, with neighbouring constituencies of Fylde and Ribble Valley in an equally high employment situation. In addition, contrary to the report, Wyre and Preston North has a diverse employment base with more than 4000 constituents working in BAE Systems.

Conclusion:

The current application is not significantly different from previous applications which have been considered closely, at length and significant cost to the taxpayer. My constituents and I have been frustrated by the efforts of Canatxx and Halite to resurrect these plans, time and time again despite the unsuitable nature of the site for such a facility. The latest application is not driven by the merits of the proposals but by impatient speculative investors seeking permission before their money is exhausted. It is clear from the Company House records and Halite/Canatxx's track record that it is a highly dubious and risky application.

My constituents have suffered prolonged anxiety and what they really need to know is that a refusal is just that: no, means no! The proposals have been rejected at local, county and national levels.

Yours sincerely,

BEN WALLACE