OPEN FLOOR HEARING - 17TH OCTOBER 2012

IAN MULROY

ON BEHALF OF

THE PROTECT WYRE GROUP

REFERENCE NUMBER: 10015247

APPLICATION FOR AN UNDERGROUND NATURAL GAS STORAGE FACILITY UNDER THE WYRE ESTUARY BY HALITE ENERGY GROUP

PLANNING INSPECTORATE REFERENCE NUMBER: EN030001
My name is Ian Mulroy and I am the Chair of the Protect Wyre Group.

This is the fourth planning application that the Protect Wyre Group has opposed for the same scheme from the same company over the past 10 years. With each iteration the details of the schemes have been modified and the company latterly changed its name but to all intents and purposes it’s the same scheme. A scheme that has already been turned down three times, the second time after a lengthy and protracted Public Inquiry.

PWG argued and continues to argue that the proposed scheme remains substantially flawed. Our arguments have remained constant over the past 10 years and are focussed on the lack of provision of the health and safety aspects, the scheme’s potential impact on residents and properties, primarily those living and working within 3 miles of it and the fact that the geology has not been proven to be suitable for a development of this scale and nature.

PWG contends, as you have heard about and read in submissions from Howard Phillips, that Halite’s investigations are incomplete and whilst Preesall’s geology may well be unique and one of the only places in the UK where underground gas storage in salt is possible, it is perhaps the only place because it is the last place and this is probably because of its perceived unsuitability for gas storage. ICI tested the salt field for storage but decided not to develop it. NPL subsequently owned the salt field but sold it to Canatxx/Halite. NPL then went on to develop gas storage in Cheshire. One has to ask why both ICI and NPL choose not to develop the Preesall site.

It is a marginal site because of its shallowness (the shallowest salt beds in Europe if not in the world) and it is unsuitable because we have layered salt here as opposed to the homogeneous dome salt widely used for gas storage around the world.

Add to this its location between two major faults with the area in-between criss-crossed by numerous other faults, cracks and fissures and the adjacency of the 130+ old brine wells and the collapsed mine.

If that wasn’t enough, we also contend that another major factor in making the site unsuitable for gas storage is that there are about 80,000 people living within 3 miles of it. Gas has a proven ability to travel more than 7 miles underground before surfacing thus the risk to residents within three miles and their concerns, should an incident occur, is not an exaggeration.

You have read and heard evidence from Malcolm Clegg, on behalf of PWG, about the woeful inadequacy and omission of safety exclusion zones and the proposed operation of what would become a top tier major hazard site and I have written to you this week on the same matter.
I ask the Panel to consider why Halite Energy is deferring making decisions on exclusion zones around its site until after the DCO is granted - we suspect that it would be detrimental to their safety case if these zones were established now.

Notwithstanding the poor geology and the safety implications, the Group also asserts that the human rights of the tens of thousands of Wyre residents and workers will be infringed if this application for a Development Consent Order is recommended and subsequently granted.

In the “interested parties” session at the Public Inquiry we heard a testimony from Mrs Valerie Green who spoke, using her 35 years experience as a claims inspector and risk manager for a major insurance company, to tell the Inquiry that this type of development would cause insurance companies problems when assessing the risks involved with house insurance.

Where there is evidence of previous problems, which there have been at other numerous UGS sites around the world, residents can expect to have their insurance premiums loaded making insurance very expensive and as a worst case the companies could refuse to insure homes in the area. This is demonstrable with the current practice of insuring homes sited on or at risk from flood plains. Add the possibility of property devaluation as an option to this and the residents have every right to be concerned.

Mrs Green expressed concerns that her many letters to the Health & Safety Executive had gone unanswered and she suggested that the lack of response showed the answers and the full extent of the problems, for both now and in the future, were unknown.

She went on to tell the Inquiry that if the full extent of the risk is unknown then this must breach every aspect of European Health & Safety Regulations and therefore planning permission should be denied.

I’m sure the Panel are well versed in European Law but I would add for the record that PWG understands the Seveso II directive as enacted into law in the UK in the COMAH Regulations 1999 aims to prevent major accidents which involve dangerous substances and to limit their consequences for man and the environment.

It also contends that environmental harm attributable to state action or inaction that has significant injurious effect on a person or their private and family life constitutes a breach of Article 8(1). The ultimate decision made by the Secretary of State in this matter will surely be regarded as a ‘state action’.
There is one clause in the Seveso II agreement entitled *Prohibition of Operations* which states “Member States must prohibit the use or bringing into use of any establishment, installation or storage facility where the measures taken by the operator for the prevention of accidents are inadequate”.

I suggest the evidence offered by PWG and the lack of evidence offered by Halite in this particular matter should define the scheme as a definite candidate under the *Prohibition of Operations* and therefore the scheme should be prevented from being ‘brought into use’.

Similarly, another consideration is the Health and Safety at Work Act which requires employers to conduct their undertaking so as to ensure that persons employed or not are not exposed to risks to their health and safety.

The third main issue and one which features in European legislation is that of “is there an alternative?” and “has this alternative been considered?”

The answer is “Yes”, there is an alternative - there are plenty of alternatives.

PWG’s evidence has already demonstrated that there are numerous approved gas storage schemes around the country plus others awaiting approval, all of which are in more suitable salt strata than this one, none of them are located in-between two major faults like this one, none of them are adjacent to significant centres of population like this one.

Has this alternative been considered?

“Yes”, it has been considered by PWG but dismissed by Halite probably because it doesn’t address the interests of their shareholders or their company balance sheet.

PWG feels that it has successfully challenged Halite’s claim that there is an identified national interest need for this specific gas storage facility in this specific location to ensure the security of supply. There are currently in excess of 11 billion cubic metres of gas storage ‘waiting to go’ and another 7+ billion cubic metres awaiting planning consent which will more than meet the country’s security of supply needs.

Whilst it hasn’t featured as a major component of the examination we would ask the Panel to consider the logistics of moving Halite’s proposed gas to market.

Transco has publicly stated that if all of the proposed schemes came to fruition there would be a surplus of gas and there would be an inability to move such quantities around the country using the existing infrastructure. Until the necessary investment in the NTS is made then it would seem counterproductive to impose further restrictions and load upon it with this marginal and unnecessary scheme.
Returning to geological matters, I would ask the Panel to look at the geological selections made by Canatxx/Halite over the past 10 years for the siting of their proposed caverns.

Examinations of their three previous planning applications have resulted in refusals with the distinct lack of geological information being a cited as a major factor.

The Inspector and the Assessor at the Public Inquiry documented clear indications of what was missing and of what could be done to achieve a successful outcome in any future application.

Halite hasn’t undertaken the necessary testing and surveying to accomplish this, indeed they have worsened the situation by moving their scheme into areas of unknown and untested geology and publicly stated to this Examination that they still have seismic work to undertake to fully understand some of the site’s geology.

This company has been around here for almost 20 years and actively pursued planning permission for the last 10 of them. We have to ask why they still have seismic work to do and to ask why they have submitted yet another incomplete application for planning permission.

Staying with the subject of unknown and untested geology, the Protect Wyre Group and residents alike still have major concerns over the potential for accidental and uncontrolled migrating gas to enter the geological strata below the Fleetwood Peninsula. The volume and nature of the objections from the public, collated by PWG, demonstrates that this is the case.

The United Utilities infrastructure could be the involuntary receptor and subsequent conduit allowing any escaped gas to spread across the peninsula and down into the centre of Blackpool and the Fylde Coast with potentially devastating and explosive effect.

United Utilities (UU) did raise concerns which have seemingly been talked away without any physical geological examinations being undertaken. PWG asked the Inspectorate to look closely at what geological evidence had been offered to UU to allow them to change their position from one of concern to one of no objection but to date we see no evidence of questions being asked of Halite nor of any plans to investigate the geology and this remains a major concern to us.

Fracking appears to have the support of government at the moment and if allowed to resume we can probably look forward to more earth tremors across the area.

The ultimate proximity of the nearest fracking site to the Preesall salt field remains a bit like the HSE exclusions zones - namely - yet to be decided. So who can say that if the proximity of the fracking boundary legitimately and legally moves towards
Preesall then in doing so it will increase the risk to the integrity of the proposed caverns and associated pipe work and to existing and proposed infrastructure.

So where does that leave us?

- **Need** - Not proven.

- **Geology** - Suitability of the site not proven. Questions remain.

- **Public Safety** - Safe operation not proven and no comprehensive emergency plans are in place.

- **European Law** - The application doesn’t meet the criteria set out in the legislation.

It leaves me now Sir to ask you to judge this ill-conceived and ill-prepared application as an unnecessary risk to too many people and to recommend its rejection to the Secretary of State in the strongest possible terms and hopefully we will see it once and for all time consigned to the history books.