Why we don't need more onshore oil in the UK

Countering misinformation from the oil industry



Introduction

We are in the midst of a climate and ecological emergency. At just over 1°C of global warming we are already beginning to see the impacts of the looming crisis through more extreme weather, wildfires, rising sea levels and shrinking Arctic sea ice.

The UK Government has set a legally-binding target to reach net-zero greenhouse gas emissions by 2050. The recommendations of the Citizens' Assembly on how to do this, which include moving away from fossil fuels and transitioning to new energy sources, show that the UK public recognises the urgency of the crisis and has an appetite for strong climate action.

Yet communities opposing applications for onshore oil and gas drilling have their work made harder by the contradictions in planning policy, which is hopelessly out of step with climate policy and science. Oil companies exploit the uncertainty by drip-feeding decision-makers with misinformation that seeks to conflate their aims with laudable goals such as energy security and the net-zero target.

This is a summary of the main points in a briefing which the Weald Action Group has published to help decision-makers and others to cut through the misinformation and see clearly that new onshore oil is not the answer to any of our needs. On the contrary, it is unnecessary and threatens to tip us further into climate insecurity.

Download the fully referenced briefing at: www.wealdactiongroup.org.uk/why-we-dont-need-more-onshore-oil-in-the-uk

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This excellent report shows that new onshore oil wells in the UK are economically unnecessary as well as being environmentally at odds with the government's climate rhetoric.

> Professor Paul Ekins, Professor of Resources and Environmental Policy, University College London

Key Findings

New onshore oil fields and wells are not needed to help maintain energy security in the UK as oil companies would have decision makers believe. Compared to other OECD countries, the UK is currently in a good position with regards to self-sufficiency in oil and in diversity and political stability of imports. The demand for oil is already on a downward trajectory and if the UK delivers on its net-zero target, the Committee on Climate Change foresees demand falling by over 80% below current levels over the next 30 years. Other scenarios show that completely fossil-free energy systems are feasible by 2050. Indeed, the Covid-19 pandemic has introduced a new level of uncertainty regarding demand for oil and hence the longevity of the global oil industry as a whole. Some companies, such as BP, are now saying that world oil demand may have reached its peak in 2019 and now faces a several decades long decline.

Secondly, there is no low carbon oil. Oil companies' claims that new UK oil is needed to help deliver net-zero by replacing imported oil which may have a higher carbon footprint are extremely narrow in their framing and ignore the real impact of new oil wells on the climate. Global oil production is already set to exceed a 1.5 °C pathway by 59% in 2030. In the absence of a global cap on oil supply, any new oil well approved for production will likely increase the amount of oil in the global market and not replace that which is already in production. This will lead to a net increase in global greenhouse gas emissions when the oil is burned to generate energy. This is not the sustainable development that oil companies like to portray. Instead it is pushing us further towards climate breakdown.

It is clear that generating energy by burning oil – from any source – emits significant amounts of greenhouse gases compared to generating energy from sustainable renewable sources. It is these renewable sources, combined with a radical reduction in demand for energy, which should be the alternatives to imported oil, not more onshore oil fields and wells. Thirdly, claims by onshore oil companies that their projects provide local, highly skilled jobs, are often not backed by actual figures and are therefore hard to substantiate. Indeed, anecdotal evidence from visits to existing onshore oil sites suggests that facilities seem to run with a small onsite workforce and at times appear completely unmanned. As the UK transitions to a net-zero carbon economy, and given the high levels of unemployment now expected, it is crucial that investments are made in high quality, sustainable jobs and not the few short-term jobs provided by the onshore fossil fuel industry. Investments in renewable energy production and energy efficiency measures create more than twice as many jobs as the same level of investment in fossil fuels. Crucially, there is also a strong crossover between the skill set of oil and gas sector workers, who will need new jobs as we transition to net-zero, and the skills needed in offshore wind, marine renewables and energy efficiency retrofits.

Finally, more oil is not needed to make even more plastic.

Oil companies are now banking on growth in demand for plastics in emerging economies such as India and China to offset the impact of falling demand for their products to generate energy. However, this growth is now very uncertain. Responses to the Covid-19 pandemic have stymied economic output and reduced the demand for plastic in key markets, with estimates of a 4% reduction in demand in 2020. Furthermore, as the world has woken up to the impacts of plastics on our health and environment, policymakers in Europe and China, for example, are now putting in place much more stringent rules to reduce its use.

In summary, just as coal now only has a very small part to play in electricity generation in the UK and existing coal plants face closure by 2025, so oil companies must face up to the reducing need for oil as we transition to a sustainable netzero carbon economy and the climate imperative that we leave fossil fuels in the ground.

Recommendations

- 1. In considering planning applications for oil exploration and production **Mineral Planning Authorities** should use the evidence presented in this briefing to challenge claims made by applicants regarding the perceived benefits of indigenous oil in relation to energy security, its climate impacts, local employment and plastic production.
- 2. Energy legislation, the National Planning Policy Framework and sections of local Minerals Plans dealing with hydrocarbon developments should all be updated by the **relevant bodies** to reflect the global climate and ecological emergencies, the declining need for oil in the UK, and the fact that more onshore oil fields are not needed during the transition to a netzero carbon economy. They should also embody the Paris Agreement, the UK Climate Change Act and carbon budgets. The need for oil should be considered within the context of the need for energy overall, rather than any presumed need for fossil fuels.
- 3. Mineral Planning Authorities should recognise that sustainable development as defined and elaborated on in the 2018 update of the National Planning Policy Framework means that the environmental and social impacts of an application must be considered. They must abandon any presumption in favour of new onshore oil developments. They should assess all the impacts flowing from their decisions, including the indirect greenhouse gas emissions from produced oil, and align their decision-making with their own Climate Emergency declarations.
- 4. The Committee on Climate Change should urgently review its position on the role of new onshore oil in the transition to net-zero carbon in the UK and bring it in line with current scientific knowledge regarding the impact of fossil fuel production and combustion on the climate, and analysis on the need for it in the energy mix.



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