



## **Response to the Environmental Audit Committee's inquiry examining the Government's policies for securing energy supplies and accelerating the transition from fossil fuels**

### **Summary:**

- The frequent framing of the current situation in the UK as an energy crisis is misleading and unhelpful. What we are facing is a fossil fuel price crisis. Continued investment in new oil and gas developments will do nothing to alleviate this.
- Protecting consumers against rising energy prices can best be served by a concerted effort to ramp up renewable electricity generation, invest in energy storage and drastically improve the energy efficiency of existing UK homes (including the retrofitting of electric heating systems where possible).
- Unfortunately, past and current political focus regarding energy security is heavily skewed towards ramping up energy production including oil and gas, ignoring the significant potential to reduce energy demand which would save consumers money and generate skilled jobs.
- The further exploitation of North Sea oil and gas reserves and the consideration of a potential lifting of the moratorium on onshore hydraulic fracturing to develop the shale gas resource will not relieve short term supply constraints; will perpetuate our dependence on fossil fuels and continue to expose us to fluctuating global oil and gas prices; and, in the absence of a worldwide cap on fossil fuel extraction, will contribute to the climate crisis.

The [Weald Action Group](#) is an umbrella for local groups campaigning against all forms of onshore oil and gas extraction across the Weald and the Isle of Wight in the Southeast of England.

We welcome the EAC's inquiry into these crucial matters and offer responses to the following questions:

### **Should Government policies on onshore energy generation or exploration be revised in light of the energy security situation?**

1. The UK's [Climate Change Committee](#) has stated that *"The best way of reducing the UK's future exposure to these volatile prices is to cut fossil fuel consumption on the path to Net Zero – improving energy efficiency, shifting to a renewables-based power system and electrifying end uses in transport, industry and heating. Any increases in UK extraction of oil and gas would have, at most, a marginal effect on the prices faced by UK consumers in future"*.
2. As the cheapest form of new power generation (six times cheaper than gas) the expansion of onshore wind should be given priority and the de facto moratorium currently preventing development lifted.
3. The current moratorium on onshore hydraulic fracturing should not be lifted. Indeed, a permanent ban on this controversial process should be put in place providing greater certainty to industry. Lifting the moratorium and the development of unconventional fossil fuel reserves would be disastrous for local communities and the climate. As recognised by both the government and energy companies this would also do very little or nothing to lower energy bills.

### **How rigorous is the proposed Climate Compatibility Checkpoint for new oil and gas fields?**

4. It is our view that the proposed Climate Compatibility Checkpoint is inherently flawed and should be abandoned and replaced with an immediate moratorium on new offshore and onshore oil and gas development. No new fossil fuel projects are compatible with maintaining a stable climate. Even the [International Energy Agency](#) – who have long supported the interests of the fossil fuel industry – last year recognised that, in delivering a net-zero energy sector by 2050: *“There is no need for investment in new fossil fuel supply”*. Indeed, the Government’s own consultation document regarding the Checkpoint stated that: *“Widely accepted research tells us that the global sum of government’s projections for oil and gas production far exceeds what the world can afford to burn if we are to achieve the goal of the Paris COP”*.
5. The proposed Checkpoint will also create doubt on the timings and speed of the UK’s move out of fossil fuels, resulting in ongoing job uncertainty for the thousands of oil and gas workers who have a right to a just transition to sustainable and secure professions.
6. As you are aware the UK bears a huge historic greenhouse gas emissions burden, is a developed country with a diversified economy much less dependent on oil and gas compared to other parts of the world and has access to significant sources of clean renewable energy. The UK must be one of the countries that goes first in ending new oil and gas exploration and production. This view is increasingly supported by a wide range of voices beyond traditional environmental organisations including:
  - a. UK FIRES – a major research programme made up of a consortium of academics and industrial partners – [whose 2021 report](#) assessing the measures needed for the UK to deliver its 45% emissions reduction target by 2030 clearly states that the round of permissions for new North Sea projects granted in June 2021 should be cancelled.
  - b. Scientists from [UCL](#) who stated in February that a moratorium should be placed on all new oil and gas fields in the UK as these would be incompatible with limiting warming in line with the Paris Agreement.
  - c. Medical leaders who, earlier this year, sent a [letter](#) to the UK Government stating that there should be an immediate end to new North Sea oil and gas licences. The letter states that *“as healthcare professionals, we know that any new fossil fuel projects and their contribution to climate change constitute a grave threat to our patients and the resilience of our healthcare system”*.

**Can the UK’s oil and gas reserves be exploited while limiting global temperature rise to 1.5°C in line with the Paris Agreement?**

7. No.
8. The UNEPs [2021 Production Gap Report](#) concluded that *“The world’s governments plan to produce around 110% more fossil fuels in 2030 than would be consistent with limiting warming to 1.5°C, and 45% more than consistent with 2°C”*.
9. The recent [Production Phase Out report](#) from Tyndall states *“To comply with the carbon budget for a 50:50 chance of not exceeding 1.5°C of warming requires immediate and deep cuts in the production of all fossil fuels. There are no exceptions; all nations need to begin a rapid and just phaseout of existing production. The report makes absolutely clear that there is no capacity in the carbon budget for opening up new production facilities of any kind, whether coal mines, oil wells or gas terminals. A transition based on principles of equity requires wealthy, high-emitting nations to phase out all oil and gas production by 2034 while the poorest nations have until 2050 to end production”*.

**While the UK continues to use fossil fuels during the transition to net zero, how significant is the environmental or carbon benefit of exploiting domestic oil and gas reserves compared to importing fuels from other major suppliers?**

10. There is a lack of conclusive evidence that increasing UK oil and gas production will reduce imports and hence, depending on where the imports come from and how they are transported, potentially lead to fewer lifecycle emissions.
11. For example, with regards to oil, in [2020](#) the UK produced 49 million tonnes of crude oil, exported nearly 40 million tonnes and imported 39 million tonnes. The import/export ratio of oil is linked to the type and quality of crude oil we extract in the UK, our refinery capacity, what products our refineries can produce (e.g. petrol, diesel, jet fuel etc.) and what we need. For instance, UK refineries are configured to produce more petrol but less diesel and aviation fuel than is required by UK consumers. Excess petrol is exported whilst imports of diesel and jet fuel are needed to make up the shortfall.
12. In addition, the oil and gas extracted from beneath the UK is not owned by us but by companies who then have the freedom to sell these resources via the international market to the highest bidder. In short, unless oil and gas were nationalised the UK government has no control over where UK produced oil and gas is used.

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