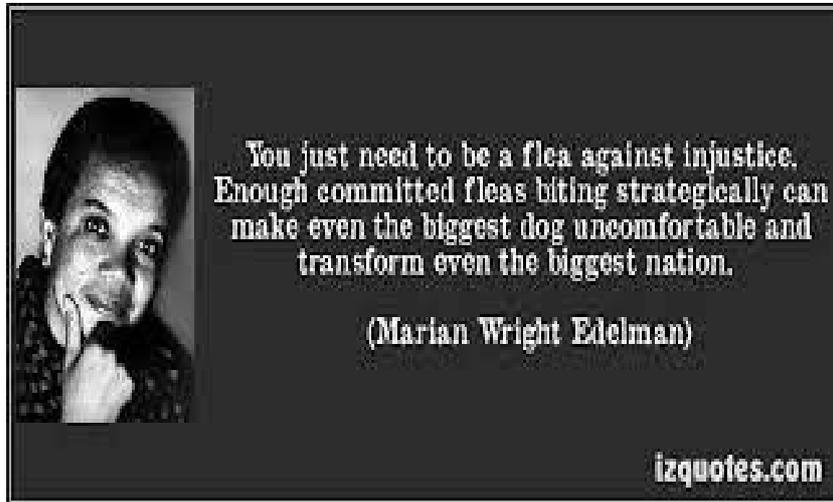




**BAN FRACKING IN IRELAND!**



**WEB FRACKING FREE IRELAND:** [www.frackingfreeireland.org](http://www.frackingfreeireland.org)

**web FFI and Fracking Matters Newsletter:** contact: [ineke@frackingfreeireland.org](mailto:ineke@frackingfreeireland.org)

**FACEBOOK :** [NO FRACKING IRELAND](#)

[No Fracking Northern Ireland](#)

**TWITTER:** [@Notofracking](#)

[@BANfrackingNI](#)

**WEB: FRACKING IRELAND:** <https://sites.google.com/site/frackingireland/>

**WEB GEAI:** <http://goodenergiesalliance.com/>

**FFAN:** <http://www.frackaware.com/wordpress/>

**LOVE LEITRIM:** [www.loveleitrim.org](http://www.loveleitrim.org)

**Not for \$Shale:** <http://www.notforshale.com/>

**FACEBOOK BRUSSELS:** <https://www.facebook.com/pages/Fracking-Free-Ireland-Brussels/164779630344250?fref=ts>

For an overview of **all groups/networks, websites and contact details** visit:

<http://frackingfreeireland.org/contact/contact-local-group>

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## UPCOMING EVENTS - National

ALL upcoming national events on: <http://frackingfreeireland.org/upcoming-events/>

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**Campaign meeting day 6 July, organised by Fracking Free Clare, contact Becky [clarefrack@gmail.com](mailto:clarefrack@gmail.com)**

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## CAMPAIGN NEWS – NATIONAL

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NI – Stormont – What are they planning? (see Irish news)

**SHALE GAS IRELAND BULLETIN** has not a tiny url <http://tinyurl.com/shalegasbulletin>  
**ISSUE – 10** <https://sites.google.com/site/shalegasbulletinireland/>

### Guaranteed – Keep Ireland Fracking Free

There is a subgroup in Clare that has connected with a 5 star hotel, a butcher and a spring water company. They are in the early stages of meeting but their aim is to attract other business owners to the campaign also

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## **UPCOMING EVENTS – INTERNATIONAL**

**ALL international upcoming events on:**

<http://frackingfreeireland.org/upcoming-events/global-conferencesmeetings/>

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### **GLOBAL FRACK DOWN DAY – 19 OCTOBER 2013**

Friends,

Its now just under 4 months until the Global Frackdown, and already excitement is building around it. Over 80 organizations have already signed on as partners for the Global Frackdown and in the next couple weeks, we will be adding the list of 2013 partner organizations to the website.

If you signed on as a partner in 2012 and haven't signed on in 2013 already, can you please fill out this quick form? Here it is: <http://www.globalfrackdown.org/org-endorsement-form/>

Soon we will have a mechanism for posting events (hope you are starting to think about yours!) and will begin ramping up social media with #globalfrackdown.

Last year's Global Frackdown was amazing. This year's will be epic.

Look forward to working with you towards the October 19 day of action.

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## **CAMPAIGN NEWS INTERNATIONAL**

3,000+ New Yorkers Converge on Albany for Anti-Fracking, Pro-Renewables Rally

<http://ecowatch.com/2013/new-yorkers-converge-albany-anti-fracking-pro-renewables-rally/>

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## **TAKE ACTION**

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### **TAKE ACTION**

#### **Received from our campaigners in Brussels**

Dear all,

Regarding the upcoming vote (July 4) on the review of the EIA Directive in the Environment Committee of the European Parliament, please see below a message from Antoine of Friends of the Earth Europe and a letter he has put together for us to send to our MEPs.

It is really important that the amendment calling for an EU-wide mandatory Environmental Impact Assessment to apply to all unconventional gas projects (see exact wording of amendment in letter below) gets passed by the Environment Committee. The gas industry has been lobbying intensely against a mandatory EIA, as it would represent greater expense for them and delay their plans to drill.

#### **Who do we need to lobby?**

Irish campaigners: The only full Irish member on the Environment Committee is Nessa

Childers ([nessa.childers@europarl.europa.eu](mailto:nessa.childers@europarl.europa.eu)). Mairéad McGuinness is only a substitute member, which means she would only vote if full members were absent. I wrote to McGuinness yesterday requesting a meeting with her but was informed that it is highly unlikely in this instance that she will be voting, so there is no need to contact her. **However, considering the events which have been unfolding in Northern Ireland over previous days, with Sinn Féin paving the way for fracking**, I would advise everyone in the Republic to also lobby Martina Anderson ([martina.anderson@europarl.europa.eu](mailto:martina.anderson@europarl.europa.eu)) who is a full member of the Committee.

**Northern Irish campaigners: Please lobby Martina Anderson and, for good measure, all of the UK MEPs (quite a few on this committee )**

Where possible follow up your letter with a phone call or a meeting in person.

Please disseminate this message as widely as possible, to any of your contacts in the Ireland East constituency especially. Like I say, if this amendment doesn't pass, the industry will have won a major battle.

I have posted some background reading highlighting the importance of an EU-wide mandatory EIA at

<https://www.facebook.com/events/500720476665231/>

And for those not on Facebook, please read the following article:

<http://www.friedlnews.com/article/omv-gives-up-fracking-plans>

Fracking Free Ireland – Brussels, Geraldine

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## **Review of the Environmental Impact Assessment Directive - CALL FOR ACTION**

**Please read request and info outlined below, received from Antoine Simon, Friends of the Earth Europe.**

**Template letter and email addresses included** (and on various fracking websites, see below)

Dear all,

A month and a half ago, I contacted you to keep you posted about the review of an important EU legislation called the **Environmental Impact Assessment Directive**.

This Directive is absolutely essential as it notably defines why, when and how an Environmental Impact Assessment (EIA) should be made in order to better understand the potential environmental impacts of industrial projects and to mitigate these impacts as much as possible.

However, as mentioned by several legal studies, the EIA Directive is currently not adapted for unconventional oil and gas projects and, therefore, cannot guarantee a systematic EIA before the beginning of a new shale gas, shale oil or coal bed methane project. The consequence of this shortcoming could generate dysfunctions similar to those observed in the US:

- No baseline data and therefore no possibility to prove the causal links between drilling activities and accidents
- No participation of the local communities in the decision process.

Together with my colleague Geert, from Food and Water Europe, we have suggested amendments to add the shale gas/shale oil/coal bed methane specificities in the document. So far, our recommendations have been followed by the MEP leading the review of the text.

However, this MEP had to agree with other political groups on a number of compromises which slightly water down our initial proposal. It is however still acceptable to our eyes, but we know

**the amendment will be challenged during the first vote in the Parliamentary committee working on environment issues that will take place on the 4th of July** (end of last week).

Therefore, **we need your help to contact your MEPs, members of the ENVI Committee, before the 4th of July, and ask them to support the Amendment imposing a systematic EIA for shale gas, shale oil and coal bed methane projects.** The more letters each MEP will receive, the better, and don't hesitate to do some follow-up by phone if time allows you.

You will find below a **template letter** and the **contact details of MEPs from the ENVI Committee**

If you have any question, regarding this amendment or regarding the reviewing process of this Directive, please contact me.

All the best,

--

Antoine Simon  
Economic Justice Programme  
Extractive Industries Campaigner

Friends of the Earth Europe  
TEL: +32 2 893 1018  
FAX: +32 2 893 1035  
[antoine.simon@foeeurope.org](mailto:antoine.simon@foeeurope.org)  
Skype: antoine.foee

[www.foeeurope.org](http://www.foeeurope.org)  
[www.facebook.com/FoEEurope](https://www.facebook.com/FoEEurope)  
[www.twitter.com/foeeurope](https://www.twitter.com/foeeurope)

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### **Template letter to Irish ENVI MEP's**

To: Nessa Childers - [nessa.childers@europarl.europa.eu](mailto:nessa.childers@europarl.europa.eu)

**Nessa Childers is 'on board, so post your letter to NI and/or all ENVI MEP's (addresses see below)**

Dear MEP [NAME], member of the Environment, Public Health and Food Safety Committee, I am writing to ask you to support an inclusion of all unconventional fossil fuels (UFF) activities in the Environmental Impact Assessment (EIA) Directive that is currently being reviewed. On Thursday the 4<sup>th</sup> of July, the Environment, Public Health and Food Safety Committee of the European Parliament will vote on the proposals made by MEP Andrea Zanoni. His proposals aim to adapt the EIA Directive to a number of new realities, which notably include a potential development of UFF activities in Europe.

I respectfully ask you to:

- Please support the compromise amendment adding the production (exploration and exploitation) of unconventional fossil fuels (shale gas, tight gas, shale oil, coal bed methane) in the Annex I of the Directive:
  - "14a. Exploration, involving deep drilling and /or the application of hydraulic fracturing, and extraction of petroleum and/or natural gas trapped in strata of gas shales or other sedimentary rock formations with similarly low or lower permeability and porosity, independently of the quantity extracted.  
14b. Extraction of natural gas from coal seams, independently of the quantity extracted."

This Amendment follows strong and clear recommendations, which received broad political

support in the vote on last year's European Parliament's resolutions on shale gas:

- In the own-initiative report on the "[Environmental impacts of shale gas and shale gas oil extraction activities](#)", the European Parliament called "*for the **inclusion of projects including hydraulic fracturing in Annex I** of the Environmental Impact Assessment Directive*" (§24).
- In the own-initiative report on the "[Industrial, energy and other aspects of shale gas and oil](#)", the European Parliament recommended "***mandatory environmental impact assessments***" in the licencing and authorisation process (§31) which is the "*best way of ensuring the meaningful and timely **engagement of local communities***" (§34).

This amendment is crucial as the current version of the legislation doesn't guarantee such systematic and mandatory EIA before new UFF projects:

- Because they have a maximum daily production rate of between 115.000 and 250.000 m<sup>3</sup>, they will never meet the 500.000m<sup>3</sup>/day threshold mentioned in the existing legislation. As a consequence, no mandatory and systematic EIA for UFF projects can currently be guaranteed.
- Because deep drilling and hydraulic fracturing techniques are used all along the process, including during the exploration phase, not only the extraction operations should be targeted, but also the exploration activities.

The poor environmental records of the development of this industry in the US have taught us that:

- It is essential to engage in a systematic gathering of baseline data – with samples of air, water and soil quality – in order to prove the causal link between UFF operations and air and/or water contamination around drilling sites.
- Such industrial developments cannot take place without properly consulting the communities living around potential drilling sites.

If large-scale UFF operations are allowed to go ahead in an unregulated way, this industry will repeat the same mistakes as in the US, with the same dramatic impacts for the climate, environment and public health. I believe it is absolutely vital that this recommendation receives strong support, and I look to you to represent my views in this matter for the good of our constituency and of the rest of Europe.

Yours sincerely,

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### **Who do we need to lobby? Full members of the Environment Committee**

**Republic of Ireland:** Nessa CHILDERS ([nessa.childers@europarl.europa.eu](mailto:nessa.childers@europarl.europa.eu)).

**Northern Ireland:** Martina ANDERSON ([martina.anderson@europarl.europa.eu](mailto:martina.anderson@europarl.europa.eu))

**UK:** Martin CALLANAN [martin.callanan@europarl.europa.eu](mailto:martin.callanan@europarl.europa.eu)

Chris DAVIES [chris@chrisdaviesmep.org.uk](mailto:chris@chrisdaviesmep.org.uk)

Jill EVANS [jill.evans@europarl.europa.eu](mailto:jill.evans@europarl.europa.eu)

Nick GRIFFIN [nick.griffin@europarl.europa.eu](mailto:nick.griffin@europarl.europa.eu))

Linda McAVAN [linda.mcavan@europarl.europa.eu](mailto:linda.mcavan@europarl.europa.eu)

Paul NUTTALL [paul.nuttall@europarl.europa.eu](mailto:paul.nuttall@europarl.europa.eu)

Glenis WILLMOTT [glenis.willmott@europarl.europa.eu](mailto:glenis.willmott@europarl.europa.eu)

Marina YANNAKOUDAKIS [marina.yannakoudakis@europarl.europa.eu](mailto:marina.yannakoudakis@europarl.europa.eu)

And there are quite a few right-wing, pro-fracking German MEPs and their votes will make the difference whether the amendment passes or not.

### **GERMANY-**

[christa.klass@europarl.europa.eu](mailto:christa.klass@europarl.europa.eu); karl-

heinz.florenz@europarl.europa.eu; holger.krahmer@europarl.europa.eu; peter.liese@europarl.europa.eu; horst.schnellhardt@europarl.europa.eu; thomas.ulmer@europarl.europa.eu; anja.weisgerber@europarl.europa.eu;

### More info and MEP addresses on:

#### WEB FFI:

[www.frackingfreeireland.org](http://www.frackingfreeireland.org)

<http://frackingfreeireland.org/campaign-news/take-action/>

<http://frackingfreeireland.org/contact/contact-irish-politicians/>

#### WEB FI

<https://sites.google.com/site/frackingfreedocumentsireland/letter-to-eu-envi-committee-environmental-impact-assessment-eia-directive---unconventional-fossil-fuels-uff>

#### WEB GEAI

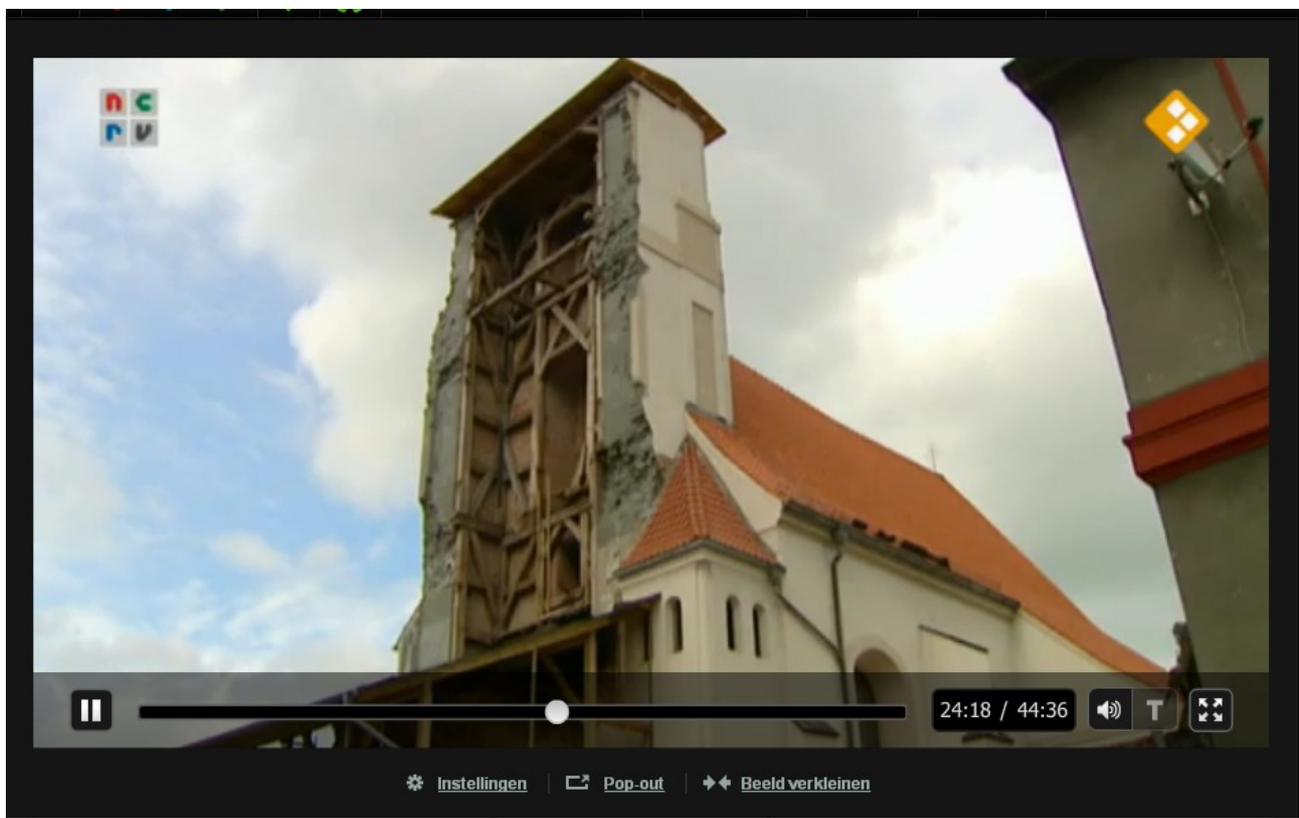
<http://goodenergiesalliance.com/2013/06/27/lobby-meps-to-vote-for-mandatory-environmental-impact-assessment-2/>

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## DID YOU KNOW THAT?

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### In Poland churches are collapsing due to seismic MEASURES?!



It was broadcasted on the Dutch television (In English and Dutch.)

<http://altijdwat.ncrv.nl/nieuwsblogs/schaliegas-wat-zijn-gevolgen>

(first video)

<http://gemi.st/15728158> (after the commercial)

### Marian Harkin has a newsletter?

Here is the link to a newsletter I want to share with you:

<http://marianharkinmep.newsweaver.com/newsletter/1ox7mjlgxsz>

## THOUGHTS – OPINION – BLOGS

**The Stone Age did not end because we ran out of stone!**

<https://lackofenvironment.wordpress.com/?s=Nick+Reeves>

**Fracking hell!** -

<http://www.impartialreporter.com/news/roundup/articles/2013/06/21/401401-fracking-hell/>

(...)People of Fermanagh, you and your beautiful county will essentially be used as one massive guinea pig and you were never even given a choice. These decisions at government level in the UK and In the Republic could never be taken without input and consultation with the Health ministry and the Environmental ministry. The reasons they have delayed drilling until better evidence is available are totally environment and health based. Due to the fractured nature of inter-departmental structure at Stormont however **these two departments in Northern Ireland don't have to be and never have been consulted about fracking in Fermanagh.** The decision is being taken by the Department of Enterprise Trade and (...)

**RUSSIA** (Full article at the bottom of the newsletter)

**Spooked by shale** - <http://www.economist.com/news/business/21580131-shale-gas-revolution-unnerves-russian-state-capitalism-spooked-shale>

A SPECTRE is haunting Russia: the spectre of shale gas. It is seeping into the salons of power, discomfiting Russia's leaders and their *bizniz* cronies. Energy companies account for half of the value of the Russian stockmarket, and a single, state-backed firm, Gazprom, produces 10% of the country's exports. Russian politics are also built on conventional oil and gas: Vladimir Putin is in essence the CEO of Russian Energy Inc. The revolution in unconventional gas production from shale beds, which began in the United States and is now spreading around the world, is shaking Russian state capitalism to its foundations.

(...)The revolution in unconventional gas production from shale beds, which began in the United States and is now spreading around the world, is shaking Russian state capitalism to its foundations.

All the powers of Mr Putin's Russia have joined in a holy alliance to exorcise this spectre: president and prime minister, oligarchs and bureaucrats, trendy environmentalists and Kremlin police-spies. **Mr Putin has denounced shale for costing too much and ruining the environment.** Alexey Miller, the boss of **Gazprom, has described the revolution as a "myth" and a "bubble that will burst soon". "We are sceptical about shale gas," he says. (...)**

(...) The shale revolution is changing the balance of power between the Russian bear and its European customers. (...)

(...)Supplies of Middle Eastern liquefied gas that America no longer wants are now being offered to Europeans. This week a consortium was chosen to pipe gas from Azerbaijan to western Europe, further reducing dependence on Russian supplies. Europeans are finding they have bargaining power: Bulgaria recently negotiated a 20% price cut in its new ten-year contract with Russia. Others are also determined to free themselves from their dependence on a country that has used energy as a weapon of foreign policy. (...)

(...) The European Commission is contemplating forcing Gazprom to sell its pipelines, and to pay antitrust fines of up to \$14 billion.

## MOVIES- SONGS- VIDEO'S - PRESENTATIONS

**Stanford University**

<http://www.youtube.com/watch?v=MAYvoqIN6Fk&feature=em-subsvrecc>

(January 20, 2010) John Curtis, Professor of Geochemistry and Director of the

Potential Gas Agency at the Colorado School of Mines, discusses a broad range of perspectives on the state of U.S. shale gas reserves and resources along with the industries and technologies that are involved in extracting and bringing these energy resources to market.

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**Josh Fox Talks Fracking and Gasland Part II on The Daily Show -**  
<http://ecowatch.com/2013/josh-fox-fracking-gasland-part-ii-daily-show/>

Watch The Daily Show's John Oliver interview *Gasland* Director [Josh Fox](#) on his new film, *Gasland Part II*, which elaborates on the government's role in promoting the fossil fuel industry's practice of hydraulic fracturing (or [fracking](#)) for natural gas and oil. Exposing the grave warning signs coming from U.S. "energy sacrifice zones," Fox warns of the systemic corruption with regard to our regulatory agencies and industry influence. He also discusses the technical and engineering problems of the fracking process and the effects of [methane emissions](#) being worse for [climate change](#) than [coal](#).

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#### **POLAND**

**Shale gas in Poland- Dutch documentary ( in Dutch, English and Polish) with Polish activist Marek Kryda.**

<http://www.uitzendinggemist.nl/afleveringen/1352610#0>

(after the commercial)

[http://gemi.st/WO\\_NCRV\\_374360](http://gemi.st/WO_NCRV_374360)

**Altijd Wat** - <http://altijdwat.ncrv.nl/nieuwsblogs/schaliegas-wat-zijn-gevolgen>

<http://gemi.st/15728158>

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## **POLITICAL NEWS – EU/IRELAND**

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### **EU says it will not privatize water after popular uproar**

Brussels (dpa) - Drinking water will not be privatized in the European Union, the bloc's executive said Friday, giving in to the first citizens initiative to gain widespread support since the system was introduced.

Right2Water, an organization fighting for water and sanitation to be recognized as a human right, has collected 1.5 million signatures amid fears that the EU was secretly planning to privatize water. ...

=> [http://en.europeonline-magazine.eu/eu-says-it-will-not-privatize-water-after-popular-uproar\\_287093.html](http://en.europeonline-magazine.eu/eu-says-it-will-not-privatize-water-after-popular-uproar_287093.html)

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### **Statement by President Barroso and Climate Action Commissioner Connie Hedegaard on President Obama's Climate Action Plan:**

[http://europa.eu/rapid/press-release\\_MEMO-13-612\\_en.htm](http://europa.eu/rapid/press-release_MEMO-13-612_en.htm)

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### **A practical guide to the strategic environmental assesment directiv -**

<http://frackingfreeireland.org/wp-content/uploads/2011/08/practicalguidesea.pdf>

## IRISH NEWS

NI

### Northern Ireland exploration (by Rathlin Energy)

<http://www.rathlin-energy.co.uk/content/northern-ireland-exploration>

<http://www.rathlin-energy.co.uk/sites/default/files/Rathlin-Energy-Aerograv-080212.pdf>



### Rathlin license -

[http://frackingfreeireland.org/wp-content/uploads/2011/09/rathlin\\_energy\\_pl3\\_10\\_original\\_licence\\_document.pdf](http://frackingfreeireland.org/wp-content/uploads/2011/09/rathlin_energy_pl3_10_original_licence_document.pdf)

**Rathlin Map of the area** - <http://frackingfreeireland.org/wp-content/uploads/2011/09/rathlin-map.jpg>

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### MLAs back DUP and SF economic planning zone proposals -

<http://www.bbc.co.uk/democracylive/northern-ireland-23036447>

**MLAs voted in favour of a DUP and Sinn Fein amendment for the setting-up of economic planning zones, but the conclusion of the debate on the consideration stage of the Planning Bill was delayed, on 24 June 2013.**

The Planning Bill debate resumed after Question Time.

Peter Weir of the DUP criticised an Alliance amendment on world heritage sites. He saw this as an attack on the environment minister's granting of permission to develop a golf resort at Runkerry.

The site is just over a mile away from the entrance to the Giant's Causeway, in County Antrim.

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### Special economic planning zones proposals, backed by Stormont-

<http://www.bbc.co.uk/news/uk-northern-ireland-23036569>

**Stormont has approved plans to create special economic planning zones, to be designated by the Office of the First and Deputy First Ministers (OFMDFM). In effect, it would mean that OFMDFM would be in charge of planning policy in certain areas, rather than the Environment Minister, Alex Attwood.**

The proposals were opposed by Mr Attwood and green campaigners, but supported by the DUP and Sinn Féin.

In a heated debate, 60 MLAs backed the change, with 32 voting against.

The creation of "economically significant" planning zones was discussed in the assembly on Monday, as part of proposed **amendments to a new planning bill.**

### **'Sinn Féin-DUP junta'**

During the late night debate, Mr Attwood argued that OFMDFM did not have the operational ability to take on new planning powers.

He also said he had received legal advice that the new zones could run foul of European directives, as they did not exclude EU wild birds and habitats directives.

His SDLP colleague, Dolores Kelly, wanted to know why Sinn Féin and the DUP had not involved the environment minister in their discussions.

She said it was "another example of how the Sinn Féin-DUP junta does business" and that it was "all contrary to the Good Friday Agreement".

Ulster Unionist Danny Kinahan said that, like many other people, he was "shocked, horrified when we saw the amendment".

Basil McCrea of NI21 said that "they are at a single stroke going to do away with the Department of the Environment".

### **'Ambush'**

"War has been declared on this assembly," he said.

The TUV's Jim Allister likened the amendment to an ambush on the environment minister and said it had to be "the most audacious power grab this house has seen for a long time".

Mr Allister called on the parties opposed to the amendment to quit the executive" and force the issue of opposition in this house".

Anna Lo of Alliance, who chairs Stormont's environment committee, said she was "shocked" when she read the amendment to the planning bill.

She said the first time she had heard of the proposed changes was the previous week, and the committee had not had time to discuss it.

Ms Lo said it would give the DUP and Sinn Féin "the green light to approve fracking in Fermanagh" and said her party would oppose the amendment.

### **'Creating jobs'**

However, Sinn Féin's Cathal Boylan said it was a measure aimed at "growing the economy" and would not pave the way for fracking.

Mr Boylan said it was about creating jobs and "trying to keep our young people here".

The DUP's Simon Hamilton said the amendment represented "another arrow in the economic quiver of Northern Ireland".

He said his party had the right to bring an amendment at consideration stage.

Mr Attwood quoted from part of the economic pact agreed between Downing Street and OFMDFM earlier this month, which stated that: "The executive will establish a new process for economically significant planning applications and make new arrangements in relation to applications for judicial review of planning decisions".

The SDLP minister questioned whether London should be able to use Northern Ireland "as a place to sample and test new law when it comes to significant planning applications and JRs (judicial reviews)".

## Amend the bill

check out the new amendments which have been added at the last minute in the name of Mr Cathal Boylan (DUP) and Mr Peter Weir (Sinn Fein) which create **Economically significant planning zone schemes under the control of OFMDFM**. OFMDFM making planning decisions separately from the planners? How would this work? Why were such significant changes not introduced at an earlier stage to enable committee scrutiny. May be they wanted to avoid it? See:

<http://www.niassembly.gov.uk/Assembly-Business/Legislation/Primary-Legislation-Current-Bills/Planning-Bill/Planning-Bill-Marshalled-List-of-Amendments-Consideration-Stage-Monday-24-June-2013/>

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## EU -NEWS

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### THE UK SEEMS MORE AFRAID OF POWERCUTS THAN ANY OTHER 'INCONVENIENCE' THAT SHALE GAS BRINGS....

A lot of pro fracking articles...all economically based.....

#### UK

### Edward Davey speech and press releases on Energy Infrastructure and Shale gas estimates

#### New energy infrastructure investment to fuel recovery

New details of reforms vital to keeping the lights on and emissions and bills down

- Government action to unlock up to £110 billion energy infrastructure investment and support up to 250,000 jobs by 2020
- Capacity Market to be initiated in 2014 to bring on gas and other flexible electricity supply to meet future demand and reduce risks to security of supply from winter 2018
- Renewable Strike Prices to help renewables contribute more than 30% of total power by 2020

Full press release and documents are [available on GOV.UK](#)

#### Estimates of shale gas resource in North of England published, alongside a package of community benefits

Findings from the British Geological Survey into the potential volume of shale gas in the Bowland Basin and beyond

The Government has today announced findings from the first independent study conducted by the British Geological Survey, of the potential volume of shale gas in the Bowland Basin and beyond, which covers 11 counties in the North of England.

The full press release and documents are [available on GOV.UK](#)

#### The energy security challenge

Speech by Edward Davey, Secretary of State for Energy and Climate Change to the Economist UK Energy Conference:

"It's a great pleasure to be with you here this morning.

"This summit is taking place at a crucial moment because the Government has embarked on the most radical overhaul of the United Kingdom's energy infrastructure and markets since the 1980s and privatisation.

"A radical transformation that is not optional, but necessary.

"Necessary to meet the three objectives of our energy policy..."

**The full speech is available on GOV.UK**

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**FRACKING IN THE PICTURE** – **UK's offensive to get the minds pro fracking.**

**BBC news articles on fracking** - <http://www.bbc.co.uk/search/news/?q=fracking>

**1. Connecting up the energy future** - <http://www.bbc.co.uk/news/uk-scotland-scotland-business-23092450>

[black stuff. Gas prices have been high, meaning producers have cut back on gas-burning capacity. Fracking bonanza That one in 12 years doesn't...](#)

**2. UK shale gas resources bigger than thought** - <http://www.bbc.co.uk/news/business-23077087>

(video)

A very pro fracking video, assuming that the anti fracking campaign get money from Russia

UK shale gas resources may be far greater than previously thought, a report for the government says.



**3. UK shale gas resources greater than thought** - <http://www.bbc.co.uk/news/business-23069499> (article)

UK shale gas resources may be far greater than previously thought, a report for the government says.

The British Geological Survey estimates there may be 1,300 trillion cubic feet of shale gas present in the north of England - double previous estimates.

Meanwhile the government **has announced measures to enable shale gas drilling as part of its infrastructure plans.**

**4. At a glance, infrastructure projects** - <http://www.bbc.co.uk/news/uk-politics-23080965>

(...)Enabling up to **£110bn** of private sector energy investment, including possible tax incentives, **to boost private sector shale gas production, or "fracking" in the Bowland Basin region, which stretches from Cheshire to Yorkshire**

**£800m** on boosting the Green Investment Bank and **£75m** for innovative renewable energy projects

Underwriting investment in new nuclear power plant Hinkley Point C, in Somerset.

**Underwriting investment to convert the UK's biggest coal-fired power station at Drax, in East Yorkshire, to burn biomass. (...)**

**5. Fracking payouts no compensation** - <http://www.bbc.co.uk/news/uk-england-lancashire-23086695>

Proposed benefits packages for areas around fracking sites would "go nowhere near compensating" those affected, a Lancashire campaign group has said.

Shale gas drilling areas will get £100,000 in "community benefits" and 1% of revenues, under new guidelines.

**6. What is fracking and why is it so controversial?** - <http://www.bbc.co.uk/news/uk-14432401>

article and video)

A short video shot on a fracking pad from Shell, control centre in Houston, 3D animation and how 'clean' the pad is after fracking.

**7. Fracking must benefit local communities** - <http://www.bbc.co.uk/news/business-23078638>

UK shale gas resources may be far greater than previously thought, a report for the government says.

Ministers are set to announce financial benefits for communities where fracking - the controversial extraction technique - takes place.

Chancellor George Osborne said that local communities should get, for example, "at least £100,000 for every fracking well that is created".

**8. How will Lancashire shale gas impact the GB energy market?**

<http://www.poyry.com/sectors-services/management-consulting/poyry-point-view/shale-gas-influence-gb>

[http://www.poyry.com/sites/default/files/imce/files/shale\\_gas\\_point\\_of\\_view\\_small.pdf](http://www.poyry.com/sites/default/files/imce/files/shale_gas_point_of_view_small.pdf)

**9. UK sitting on the top of at least 50 years of shale gas** -

[http://www.euractiv.com/energy/norway-overtakes-russia-biggest-news-528854?utm\\_source=EurActiv%20Newsletter&utm\\_campaign=d224f275e5-newsletter\\_energy&utm\\_medium=email&utm\\_term=0\\_bab5f0ea4e-d224f275e5-245707909](http://www.euractiv.com/energy/norway-overtakes-russia-biggest-news-528854?utm_source=EurActiv%20Newsletter&utm_campaign=d224f275e5-newsletter_energy&utm_medium=email&utm_term=0_bab5f0ea4e-d224f275e5-245707909)

**10. Get fracking: MPs back the dash for UK's shale gas** -

<http://www.independent.co.uk/news/uk/home-news/get-fracking-mps-back-the-dash-for-uks-shale-gas-8676040.html>

Friends of the Earth energy campaigner Tony Bosworth said: "Shale gas is not the solution to the UK's energy challenges. Its potential has been hugely over-hyped and there's little evidence it will drive down fuel prices."

# FIGHT THE FRACK!

## A. **Fracking: some inconvenient truths**

**Any joy at Britain's possibly huge shale gas reserves should be tempered by the toxic chemicals and carcinogens they will**

**bring** <http://www.guardian.co.uk/commentisfree/2013/jun/27/fracking-inconvenient-truths-shale-gas>

## B. **UK Earmarked for Fracking, Massive Public Backlash On Horizon -**

<http://ecowatch.com/2013/uk-fracking-massive-public-backlash/>

Greenpeace UK

According to [Greenpeace](#) research almost [two-thirds of England has been earmarked](#) for potential [fracking](#), and local opposition, particularly in Conservative constituencies, is expected to be fierce. Local hostility in Balcombe, West Sussex is already delaying the fracking process, with the [Campaign to Protect Rural England](#) warning of a massive backlash if large areas of countryside are "[transformed into industrial sites.](#)"

## C. **UK gas find sparks fracking controversy**

British government faces protests from environmentalists after discovery of shale gas fields - <http://www.aljazeera.com/video/europe/2013/06/201362716349225126.html>

## D **Jim Armitage: Don't expect shale gas to cause economic explosions on this side of the Pond [The Independent]-**

<http://www.independent.co.uk/news/business/comment/jim-armitage-dont-expect-shale-gas-to-cause-economic-explosions-on-this-side-of-the-pond-8677719.html>

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## THE NETHERLANDS

**Europe is singing the same hymns....**

### **The developments re. EPA, TOR, decision making looks similar to Ireland.**

An advice group (Arcadex, Fugro and another engineers consultancy company) did make a (draft) EPA report for the minister of Economic Affairs.

Two of the three groups have strong connections with shale gas in the US

NGO and campaign groups organised ('submission group') and did send in one submission for the TOR, with 52 questions. Some questions were not taken on board (what are the costs of fracking, what are the costs of renewable energy)

The Dutch draft version of the EPA is ready, but was not send to the Ngo/campaign group, although it was agreed. No answer was given why.

The final report should be finished in July

Today the 'submission group' was invited to receive the (draft) version ( but they had to sign that they wouldn't tell anything about it (so it was/is a secret document)

The NGO/Campaign group('submission group') and various local Provinces decided not to sign and are now kicked out of the consultation process.

The public will not be informed.

In the meantime 55 professors have written a document why there is no place for shale gas in the Netherlands and 47 towns/villages have declared shale gas free.

The minister seems to ignore all these protests.

So: only the minister for Economic Affairs and the Gas (lobby) companies are now finalizing the report.

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**55 Professors against shale gas**

Hoogleraren Schaliegas is voor Nederland niet interessant.

<http://www.trouw.nl/tr/nl/4332/Groen/article/detail/3463474/2013/06/22/Hoogleraren-Schaliegas-is-voor-Nederland-niet-interessant.dhtml>

**Proefboren naar schaliegas is wel degelijk nodig -**

<http://www.trouw.nl/tr/nl/4332/Groen/article/detail/3463589/2013/06/22/TNO-proefboren-naar-schaliegas-is-wel-degelijk-nodig.dhtml>

Altijd Wat - <http://altijdwat.ncrv.nl/nieuwsblogs/schaliegas-wat-zijn-gevolgen>

<http://gemi.st/15728158>

**From the Dutch Newsletter**

**Beste mensen,**

Gisteren is een rel ontstaan over de geheimhouding die minister Kamp (Economische Zaken) wil leggen op het onderzoeksrapport over de risico's van schaliegaswinning. Dit treft leden van de klankbordgroep, met daarin allerlei belanghebbenden die een geheimhoudingsverklaring moeten ondertekenen.

<http://www.bd.nl/regio/brabant/rel-over-geheim-schaliegasrapport-1.3884693>

Vandaag komt de Provincie Noord-Brabant met een persbericht.

**Persbericht provincie Noord-Brabant - Provincies stappen uit klankbordgroep schaliegasonderzoek**

Ook SchalieGASvrij Haaren heeft geweigerd de geheimhoudingsverklaring te ondertekenen die minister Kamp van leden van de Klankbordgroep van het "onafhankelijke onderzoek" heeft geëist om inzage te krijgen in een deel van de uitkomsten van dit onderzoek. Ook de provincies Brabant, Limburg, Zeeland, Milieudefensie, de gemeentes Noord-Oost Polder, Boxtel en Haaren hebben dit geweigerd, zodat alleen EZ en de gaslobby nog om de tafel zitten.... Raden wat er uit dit literatuuronderzoekje komt?

Namens de Stichting "SchalieGASvrij Haaren"

<http://www.schaliegasvrij-haaren.nl>

Schaliegasvrij Nederland : <https://www.schaliegasvrij.nl/>

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**FRANCE**

**Gaz de schiste : et si la législation française s'effondrait...**

[http://www.lemonde.fr/planete/article/2013/06/27/gaz-de-schiste-la-loi-jacob-sur-la-sellette\\_3437830\\_3244.html](http://www.lemonde.fr/planete/article/2013/06/27/gaz-de-schiste-la-loi-jacob-sur-la-sellette_3437830_3244.html)

C'est une victoire pour la compagnie pétrolière américaine Schuepbach  
It's a victory for the American petrol company Schuepbach.

The fracking ban is under threat...

Apparently the American company Schuepbach, whose permits were cancelled when the French government banned fracking, is challenging the constitutionality of the ban

## BELGIUM

Hello Everyone,

Good news from Belgium where we have our first gas free community after residents collected enough signatures to get the motion put on the local council agenda.

It's a symbolic act, in that the planning decisions are taken on a regional level, but it gives a clear signal that coal bed methane drilling is not welcome in the area, and we hope that it will encourage people to do the same in their municipalities.

Best wishes from Brussels,

Nicola

# As wil geen gaswinning

## Gemeenteraad unaniem tegen proefboringen naar steenkoolgas

AS

De voltallige gemeenteraad van As heeft zich gisteravond principieel uitgesproken tegen proefboringen naar steenkoolgas in haar gemeente. Het besluit over de steenkoolgaswinning werd op de agenda gezet na een burgerinitiatief van Jong Groen Limburg dat via een petitie 150 handtekeningen verzamelde.

In As, de gemeente waar André Dumont in 1901 de eerste Kempense steenkool ontdekte, zal men niet zonder slag of stoot het eerste methaangas uit die steenkool naar boven halen. Limburg Gas, een samenwerking tussen LRM en het Australische Dart, heeft van milieuminister Schauvliege een exploratievergunning gekregen om de haalbaarheid van gaswinning uit de Kempense steenkoollagen te onderzoeken.

Vooraf de milieubeweging verzet zich daartegen en heeft nu ook de bestuurders van As overtuigd.

### Verzakkingen

“We hebben te weinig garanties over de impact op de omgeving en de natuur om onze goedkeuring tot proefboringen te geven”, zegt schepen van Milieu Tom Seurs (Voluit!). “We vragen eerst een degelijk milieu-onderzoek vooraleer er proefboringen komen. Die borin-

gen zouden uitgevoerd worden door LRM met de Australische firma Dart Energy. 80 procent wordt door Dart betaald. Het wekt bij ons argwaan als er zoveel geld neergeteld wordt voor proefboringen.”

“WE ZIJN EEN GROENE GEMEENTE IN EEN GROENE PROVINCIE EN WE MOETEN ER ALLES AAN DOEN OM DAT TE BEHOUDEN

Schepen van Milieu Tom Seurs

“Specifiek voor As hebben we twee grote bekommernissen” zegt Seurs. “In de tijd van de mijnen hadden mensen last van verzakkingen en schade aan hun huizen. Als de mijn-gangen opnieuw gaan geëxploiteerd worden om het gas naar boven te halen, wie garandeert ons dan dat we niet opnieuw schade krijgen? Bij de exploitatie wordt met water van ongeveer 30 graden gewerkt, dat

vervuild terug naar boven komt. Welk effect gaat dat hebben op ons waterwinningsgebied? We zijn een groene gemeente in een groene provincie en ik vind dat we er alles aan moeten doen om dat te behouden. We hopen dat onze ‘njet’ wel een impuls voor de andere gemeenten kan zijn om dit standpunt te volgen”, aldus nog schepen Seurs. Groen Limburg, de partij die in Lummen en Tongeren al tevergeefs geprobeerd heeft de steenkoolgaswinning op de gemeenteraad te krijgen, hoopt toch nog andere gemeentebesturen te kunnen overtuigen. Vraag is wel of een principiële beslissing van de gemeenteraad veel effect gaat hebben, want de vergunningen worden niet door de gemeente afgeleverd. “Als meer gemeenten er alles aan doen om geen gaswinning op hun grondgebied toe te laten, kan dat het project dwarsbomen”, voorspelt Niele Geypens, voorzitter van Jong Groen Limburg.

Barbara CREEMERS  
Guy THUWIS

## NORWAY

### Norway overtakes Russia as EU biggest gas supplier

[http://www.euractiv.com/energy/norway-overtakes-russia-biggest-news-528854?](http://www.euractiv.com/energy/norway-overtakes-russia-biggest-news-528854?utm_source=EurActiv%20Newsletter&utm_campaign=d224f275e5-newsletter_energy&utm_medium=email&utm_term=0_bab5f0ea4e-d224f275e5-245707909)

[utm\\_source=EurActiv%20Newsletter&utm\\_campaign=d224f275e5-](http://www.euractiv.com/energy/norway-overtakes-russia-biggest-news-528854?utm_source=EurActiv%20Newsletter&utm_campaign=d224f275e5-newsletter_energy&utm_medium=email&utm_term=0_bab5f0ea4e-d224f275e5-245707909)

[newsletter\\_energy&utm\\_medium=email&utm\\_term=0\\_bab5f0ea4e-d224f275e5-245707909](http://www.euractiv.com/energy/norway-overtakes-russia-biggest-news-528854?utm_source=EurActiv%20Newsletter&utm_campaign=d224f275e5-newsletter_energy&utm_medium=email&utm_term=0_bab5f0ea4e-d224f275e5-245707909)

## POLAND

### Auschwitz to be drilled for gas

<http://frack-off.org.uk/auschwitz-to-be-drilled-for-gas/>

## TURKEY

### Turkey teams with Shell to exploit huge fracking potential

ANKARA Turkey has intensified exploration for shale energy.

Officials said the Turkish Energy Ministry has been drafting plans for intensified exploration and development of shale.

The officials said several areas of Turkey were already determined to contain large amounts of shale in cooperation with Royal Dutch Shell.

We have already undertaken a series of shale gas exploration activities around Turkey, Turkish

Energy Minister Taner Yildiz said. For example we have been drilling below 3,000 meters with Shell in the eastern city of Diyarbakir, and planning such activities in the Thrace Basin. On June 18, Yildiz said Shell was working with the state-owned Turkish Petroleum Corp. in exploring for shale gas in Saribugday-1 natural gas field in September 2012. He cited a huge potential of shale gas reserves in the central Anatolian cities of Ankara, Konya and Nevsehir.

<http://www.worldtribune.com/2013/06/21/turkey-teams-with-shell-to-exploit-huge-fracking-potential/>

## GLOBAL NEWS

### CANADA -

(thanks to Jessica Ernst)

Visit EcoWatch's **FRACKING** page <http://ecowatch.com/p/energy/fracking-2/>

<http://ecowatch.com/2013/groups-call-foul-epa-hands-fracking-contamination-investigation-to-state/>

**Fracking company Encana suspected of contaminating ground water at Pavillion Wyoming, takes control of investigation, EPA refuses to finalize study blaming fracking for water pollution**

<http://www.ernstversusencana.ca/fracking-company-encana-suspected-of-contaminating-ground-water-at-pavillion-wyoming-takes-control-of-investigation-epa-refuses-to-finalize-study-blaming-fracking-for-water-pollution>

### US

**News, information and opinion about fracking, drilling and politics in the Marcellus Shale region**

<http://www.shalereporter.com>

**EPA Pushes Back Fracking Impact Study to 2016** - <http://ecowatch.com/2013/epa-pushes-back-fracking-impact-study-2016/>

**Halliburton and ALEC Push Industry-Friendly Fracking Legislation in North Carolina**

- <http://ecowatch.com/2013/halliburton-alec-push-fracking-legislation-north-carolina/> (27 June 2013)

North Carolina senators are taking an [American Legislative Exchange Council](#) (ALEC) style approach in their efforts to push through legislation that allows oil companies a loophole in regulations requiring disclosure of the chemicals used in hydraulic fracturing, or [fracking](#), operations.

**During Record Drought, Frackers Outcompete Farmers for Water Supplies**

<http://ecowatch.com/2013/record-drought-frackers-outcompete-farmers-water/>

The impacts of [2013's severe drought](#) are apparent across the nation in forests, on farms and on once snowy peaks. Meanwhile, the oil and gas industry is demanding unprecedented amounts of [water](#) for hydraulic fracturing, better known as [fracking](#).

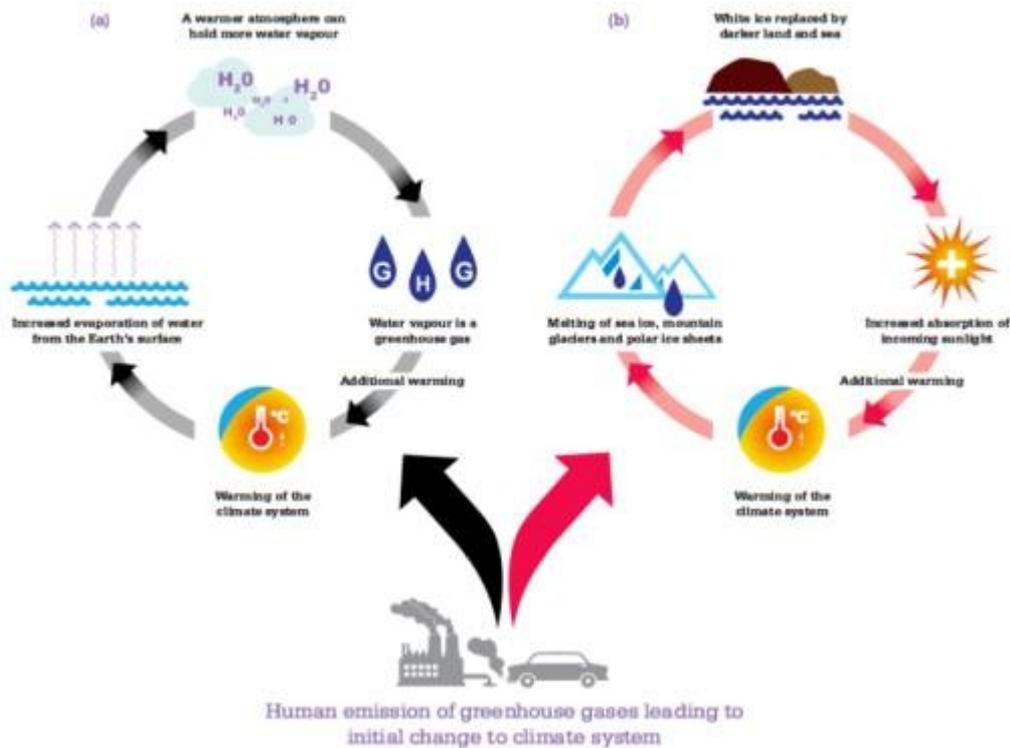
**Official says unfounded water complaints can be considered an act of terrorism**

<http://www.usatoday.com/story/news/nation/2013/06/21/official-says-water-complaints-act-of-terrorism/2445071/>

**Climate Change Fails to Make G8 Agenda, Report Finds 80 Percent of Fossil Fuels Need to Stay in the Ground** (17 June)

<http://ecowatch.com/2013/report-finds-80-percent-fossil-fuels-need-stay-in-ground/>

But a **new report** has been released by scientists that once again reveals the total folly of carrying on our fossil fuel dependence.



**Josh Fox Talks Fracking and Gasland Part II on The Daily Show**

<http://ecowatch.com/2013/josh-fox-fracking-gasland-part-ii-daily-show/>

**Gasland II Director Josh Fox Responds to President's Climate Speech "Fracked Gas Isn't a Bridge Fuel – It's a Gangplank"**

*Natural gas is a gangplank not a bridge- Josh responds to the President's speech"*  
June 26, 2013

It's amazing to watch the bully pulpit, with all the power of this president's ability to command words, focus on the greatest crisis of our generation. I applaud the President for tackling climate change in his speech today. It's the most important issue we face. Reducing coal pollution, increasing energy efficiency, stimulating more renewable energy -- it's about time. Especially because Dr. Hansen and other climate scientists have shown that time is running out.

However, all the good that President Obama will do with his reductions in CO2 from power plants will be undone by his embrace of fracked gas. It is clear that he does not have the right information on fracked gas. His administration has allowed the gas industry to influence far too much of this process. In March, the President called a meeting to discuss his pending climate plan. The group of 14 energy-industry leaders – nine were CEOs of energy companies – included the head of the oil & gas giant Anadarko; Southwest Gas;

Edison Electric Institute; FedEx, which pushes a switch to gas vehicles; and former Colorado Gov. Bill Ritter, a longtime booster of gas.

As a result, this plan has become a wholesale endorsement of increased natural gas use in America and abroad. For all the correct emphasis on the dangers of climate change, the plan is: frack now, frack here and frack all over the world- far too much on fracking for gas (that's what the President means by natural gas). Fracked gas isn't a bridge fuel – it's a gangplank.

The President's Climate Action Plan says methane is 20 times more powerful a greenhouse gas than carbon dioxide. This is incorrect, it's far more than that – for the first 20 years, methane is 80 to 105 times more powerful, than CO2 as a warming agent in the atmosphere. This means you need between 80 to 100 pounds of CO2 to equal the warming potential of 1 pound of methane. So even limited methane leaks from fracked wells (not to mention compressors and pipelines) can make fracked gas worse for climate than coal. And the leaks aren't minimal or easily solvable. And methane is leaking like crazy. A series of peer reviewed studies have now put the leakage rates at between seven and 17%. Above one to three percent, the science tells us that developing fracked gas is worse than coal for the atmosphere.

Additionally there is the large problem of water contamination from drilling and fracking. A large percentage of the wells leak – as industry's own documents and other studies show. These documents come from drilling giant Schlumberger, Archer Oil & Gas, Southwestern Energy, and the Society of Petroleum Engineers, to name just a few. A leaking well can't be prevented, and it can't usually be repaired thousands of feet below the earth. The great pressures under the earth, shrinkage, vibrations from nearby drilling, temperature changes – these all crack the cement that protects the well from leakage.

Coal is abhorrent. Coal production and use needs to be curtailed immediately, no new coal plants should be built and those that exist now need to be shut down. But the same is true for natural gas fired power plants. We do not want to see greenhouse gas emissions go down in the coal sector at the power plants only to rise from leaking gas in the gas fields, in the transmissions systems and the delivery systems in our major cities.

I'm glad the President is going to study methane leakage – what he will find will make fracking impossible. See Gasland Pt. II if you want to see huge clouds of methane billowing out from fracked wells. It airs on HBO July 8th.

Exporting fracked gas is even worse. It takes more energy to convert the gas to liquid for shipment, negating any greenhouse advantage even more. And meanwhile, with the high percentage of well cement that cracks and leaks, and no way to prevent it given the pressures under the earth, the President's plan will ruin drinking water for many families without any climate advantage. What's the sense of that?

I am glad the President is increasing energy efficiency investments. But the scale could be so much larger. We could save far more energy than we will ever produce fracking by just insulating all the buildings in America. This will create far more jobs than fracking as well, and save consumers money forever. Let's do this instead of fracking hundreds of thousands of leaky wells in populated areas.

The President should meet with the families whose lives have been ruined by fracking, as depicted in Gasland Pt. II. He should meet with Dr. Tony Ingraffea of Cornell and other long-time oil and gas experts not currently in the pay of industry to learn the truth. We respect his sincere desire to do something about climate change. Fracking for gas will not help and it may just make the accelerate climate change beyond the current status quo.

### **Ohio injection well operator loses state appeal**

[http://www.shalereporter.com/industry/article\\_006ef52a-dd5a-11e2-abf7-001a4bcf6878.html](http://www.shalereporter.com/industry/article_006ef52a-dd5a-11e2-abf7-001a4bcf6878.html)

## REPORTS- RESEARCH

### **Renewables to surpass gas by 2016 in the global power mix**

<http://www.iea.org/newsroomandevents/pressreleases/2013/june/name,39156,en.html>

Power generation from hydro, wind, solar and other renewable sources worldwide will exceed that from gas and be twice that from nuclear by 2016, the International Energy Agency (IEA) said today in its second annual ***Medium-Term Renewable Energy Market Report (MTRMR)***.

According to the *MTRMR*, despite a difficult economic context, renewable power is expected to increase by 40% in the next five years. Renewables are now the fastest-growing power generation sector and will make up almost a quarter of the global power mix by 2018, up from an estimated 20% in 2011. The share of non-hydro sources such as wind, solar, bioenergy and geothermal in total power generation will double, reaching 8% by 2018, up from 4% in 2011 and just 2% in 2006.

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### **Reporter: Antoine**

**A new study lead by the Duke University**, peer-reviewed and published in the PNAS was published yesterday.

That study basically shows that several aquifers in the Marcellus shale area were found polluted by a type of methane, ethane and propane that could only come from or be the (direct or indirect) result of fracking operations. **It particularly shows that the risk of contamination increases within time because of the failure of gas wells' integrity.**

If the conclusions are not as radical as we could have expected considering their findings, it is another peer-reviewed study implicitly showing the links between fracking and contamination of aquifers and other drinking water reserves.

You can find the study here: [www.eenews.net/assets/2013/06/25/document\\_ew\\_01.pdf](http://www.eenews.net/assets/2013/06/25/document_ew_01.pdf) and a good article here: <http://ecowatch.com/2013/duke-study-gas-water-wells-marcellus-fracking/>

### **Robert Jackson (Duke U) study on methane in Pennsylvania water**

<http://www.usatoday.com/story/news/nation/2013/06/24/water-fracking-pennsylvania/2452023/>

#### **Abstract:**

<http://www.pnas.org/content/early/2013/06/19/1221635110.abstract>

#### **Full text:**

<http://www.pnas.org/content/early/2013/06/19/1221635110.full.pdf+html>

### **Technically Recoverable Shale Oil and Shale Gas Resources: An Assessment of 137 Shale Formations in 41 Countries Outside the United States**

<http://www.eia.gov/analysis/studies/worldshalegas/>

Here is that report that has not been implemented that calls for the EPA's immunity to be removed.

A review of the EPA (may 2011)

<http://www.environ.ie/en/Publications/Environment/Miscellaneous/FileDownload,26491,en.pdf>

## FULL ARTICLES

### The Economist

#### Spooked by shale

The shale-gas revolution unnerves Russian state capitalism

Jun 29th 2013 | From the print edition

A SPECTRE is haunting Russia: the spectre of shale gas. It is seeping into the salons of power, discomfiting Russia's leaders and their bizniz cronies. Energy companies account for half of the value of the Russian stockmarket, and a single, state-backed firm, Gazprom, produces 10% of the country's exports. Russian politics are also built on conventional oil and gas: Vladimir Putin is in essence the CEO of Russian Energy Inc. The revolution in unconventional gas production from shale beds, which began in the United States and is now spreading around the world, is shaking Russian state capitalism to its foundations.

All the powers of Mr Putin's Russia have joined in a holy alliance to exorcise this spectre: president and prime minister, oligarchs and bureaucrats, trendy environmentalists and Kremlin police-spies. Mr Putin has denounced shale for costing too much and ruining the environment. Alexey Miller, the boss of Gazprom, has described the revolution as a "myth" and a "bubble that will burst soon". "We are sceptical about shale gas," he says. "We don't see any risks [to us] at all." But more recently the ruling clan's position has become more nuanced. Mr Putin now admits that there might be a "real shale revolution" after all. He has declared that he is monitoring the revolution carefully, and urged Russia's energy companies to "rise to the challenge" of shale.

The same ambivalence could be found at the annual St Petersburg International Economic Forum, held on June 20th-22nd. The forum projected its usual image of Russia as a country that has come in from the cold and joined the global business community. Almost 3,700 businesspeople and officials gathered to discuss the sort of things that such people discuss whenever they get together: reducing corruption, reigniting growth, freeing trade.

The forum had not a single public session on shale. But like Banquo's ghost, it haunted the banqueting rooms. It kept arising in conversations in the Pepsi-Cola café and the Mercedes-Benz Star Bar, with phrases like "game changer" and "disruptive innovation" thrown about. It was the subject of a closed-doors session chaired by Daniel Yergin, an American energy consultant, and including the bosses of a dozen of the world's biggest energy companies. Alexander Novak, the energy minister, told the panel there would be tax reforms to promote unconventional oil and gas. But Mr Putin, reverting to anti-shale mode, said at the forum that it was uncompetitive, causes "blackness" in drinking water and sets off lots of "explosions".

The shale revolution is changing the balance of power between the Russian bear and its European customers. In the past Russia was so confident of its producer power that it felt able to bully clients: it cut off gas supplies to Ukraine in both 2006 and 2009 during contract negotiations. But America's shale-driven transformation from a declining energy power to the world's biggest gas producer, and a potential big exporter, is pushing down the price of gas on the world market. Supplies of Middle Eastern liquefied gas that America no longer wants are now being offered to Europeans. This week a consortium was chosen to pipe gas from Azerbaijan to western Europe, further reducing dependence on Russian supplies. Europeans are finding they have bargaining power: Bulgaria recently negotiated a 20% price cut in its new ten-year contract with Russia. Others are also determined to free themselves from their dependence on a country that has used energy as a weapon of foreign policy. Poland and Ukraine are intent on developing their own supplies of shale for strategic as well as economic

reasons.

Gazprom is a wounded giant these days, and shale is one of the things that has hurt it most. In 2008 it had a market capitalisation of \$367 billion, and Mr Miller speculated that it would become the world's first trillion-dollar company. Now it is worth just \$78 billion and its business model—pumping money into the Kremlin in return for protection against competition—looks bust.

### **Putting Gazprom on the spot**

More agile companies, such as Norway's Statoil, have adapted to the gas glut by offering customers "spot" prices instead of ones indexed to the oil price. The European Commission is contemplating forcing Gazprom to sell its pipelines, and to pay antitrust fines of up to \$14 billion. And domestic competitors such as Novatek are asking why a company that "slept through" should still enjoy a monopoly on gas exports.

Novatek's share price has risen by 60% since 2008, whereas Gazprom's has fallen by three-quarters. It has huge ambitions, including a partnership with Total of France to build a gas-liquefaction plant in north-western Siberia to ship gas to Asia and Europe. Novatek is a new kind of company, built from scratch rather than from Soviet leftovers, but it is no virgin. Gennady Timchenko, one of Mr Putin's allies, increased his shareholding to 23% in 2009. It also enjoys the support of other energy giants such as Rosneft, Russia's biggest oil producer, which plans to double its share of the domestic gas market by 2020, in part by tapping shale. But getting rid of Gazprom's monopoly of gas exports would nevertheless mark a step in the right direction.

Some analysts point out that Russia is well able to survive the energy upheaval. It has its own potentially huge reserves of shale gas and oil, as Mr Putin likes to brag when he flips into a pro-shale mood. It can look east as well as west, to energy-hungry markets such as China. Perhaps, like so many fictional ghosts, the spectre of shale has come to deliver a timely warning: that if you invest your profits in fattening monopolies rather than promoting innovation you are likely to be humiliated. Messrs Putin and company need to abandon their futile attempt to exorcise the spirit of shale and listen instead to what it is trying to tell them: what is good for Gazprom is not necessarily good for Russia.

Economist.com/blogs/schumpeter

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Financial Times, June 26, 2013 8:09 pm:

### **Emerging economies lead switch to renewable energy**

Renewable energy will provide more of the world's electricity than gas-fired power plants by 2016, the International Energy Agency has said, as sources such as hydro, wind and solar power grow rapidly in emerging economies, especially China.

The IEA, a think-tank backed by rich countries' governments, said it had raised its forecast for growth in renewable energy from last year's estimate and now expects renewables to provide about 24 per cent of the world's electricity in three years, just ahead of gas and roughly twice as much as [nuclear power](#).

Maria van der Hoeven, the IEA's executive director, said two forces were driving the growth of renewable energy: its spread beyond Europe and the US to emerging economies in Asia, Latin America and the Middle East, and the continuing decline in costs that made it competitive with fossil fuels in some places.

She warned however that, in spite of the growth in renewables, coal-fired power plants would continue to threaten global warming unless their greenhouse gas emissions were curbed.

"If we don't do that, then coal-fired plants will continue to be there, and will still be as polluting as they are now," she said. She welcomed the [plan set out by President](#)

[Barack Obama](#) on Tuesday to curb emissions from US power plants, saying “we endorse and fully support [it].”

The IEA expects a slowdown in the expansion of renewable energy in Europe, where countries face challenges including integrating large amounts of power from variable wind and solar sources into their grids.

However, emerging economies, which have faster-growing electricity demand and more need to invest in new capacity are expected to pick up the pace.

China alone will account for about 40 per cent of all the growth in renewable generation capacity during 2012-18. It will be developing hydro, wind and solar power to meet demand for energy, to fight urban smog caused by coal and oil, and to curb imported-fuel bills, IEA said.

Renewables and gas are allies. The one enemy is coal: the most polluting energy source

- Maria van der Hoeven, IEA executive director

China’s industry has faced problems, with about 20 per cent of its wind generation capacity not yet connected to the grid. However, the IEA is confident that Beijing’s commitment to renewables and low-cost capital for suppliers mean production will continue to grow fast.

In several countries renewable electricity is at or close to the point where it can compete on equal terms with fossil fuels, including Brazil, Turkey, Mexico, Chile and South Africa.

The IEA is the latest body to predict a bigger role for renewable power in the global energy mix, with others including energy companies BP and ExxonMobil, and Bloomberg New Energy Finance, the research group.

Their forecasts vary depending on how much further each group thinks renewable energy prices will continue to fall, or how much the cost of carbon energy production might rise.

Onshore wind turbine prices fell by about 20 per cent over 2009-12, while solar photovoltaic system costs fell by about 40 per cent during 2011-12 alone, according to Bloomberg.

Some analysts think the pace of price declines will fade, especially in the battered solar industry where a global glut of production has forced some companies out of business, and the [threat of EU tariffs on Chinese panels](#) has raised fears of price rises.

Others think more mature wind and solar equipment will continue to fall in price as economies of scale and technological improvements take effect.

Although the spread of shale production around the world could lead to a rise in the use of natural gas for power generation, the IEA does not expect that to derail the long-term growth of renewables. Gas-fired generation will be needed to back up variable renewable sources such as wind and solar power.

Ms van der Hoeven said: “Renewables and gas are allies. The one enemy is coal: the most polluting energy source.”

Financial Times, June 26, 2013 3:06 pm:

### **Wind turbines: the weathervane swings**

Reaction to Obama's speech highlights changes in sector dynamics

Thanks, Mr President. Ripples from the latest [Obama plan on climate change](#) – which would place controls on carbon dioxide-emitting power plants while boosting renewable energy production on federal lands – spread quickly. While the US coal industry wailed and related shares fell, there was an offsetting fillip for investors in Europe's wind turbine makers. Shares in Denmark's [Vestas](#), now number two globally behind General Electric, jumped over 5 per cent on Wednesday. Smaller peers, like Spain's [Gamesa](#) and Germany's [Nordex](#), also notched up gains.

All of which throws a timely spotlight on the extent to which this sector is turning round. Vestas, Gamesa and Nordex outperformed handsomely over the past year compared with general market indices – with [Vestas' stock tripling from July lows](#). Of course, such gains need to be seen in context. The sector, and investment in it, shrank dramatically in 2011 and 2012, due to collapsing subsidies in big markets, overcapacity, Chinese competition and ill-timed corporate expansion. Operating losses at Vestas and Gamesa combined, after special items, topped €1.2bn in 2012.

But that has spurred drastic restructuring, the costs of which contributed to 2012's red ink. Now all three groups are guiding towards positive free cash flow and operating margins (before special items) in 2013. True, global industry order flow was down by a third year-on-year in 2013's first quarter, according to HSBC. And while this has improved in recent months, 2013's decline overall could be about 15 per cent. But industry forecasts anticipate a strong rebound in 2014, helped by the 2013 extension to the production tax credit in the US. Investors may understandably fight shy of a sector driven by political whims (and budgets). But money can be made – and some of the winds, at least, are looking more favourable.

The day before Obama is holding his long awaited [Global Warming Speech](#) (Tuesday) we can read this here:

Financial Times, Last updated: June 24, 2013 11:36 pm

### **Obama's greenhouse gas plans face court challenges**

By Ed Crooks in New York

[Plans for cutting US greenhouse gas emissions](#) to be launched by President Barack Obama on Tuesday face legal challenges that mean the fate of his climate policy is ultimately likely to be decided in the courts.

Lacking support in Congress for climate legislation, Mr Obama will on Tuesday set out proposals for using regulation to [curb emissions of carbon dioxide and other gases](#) that scientists say contribute to the threat of man-made global warming.

For the first time, he will propose to limit the carbon dioxide output of existing power plants, pushing US electricity generation away from coal and towards gas and renewable sources such as wind and solar power. Burning coal to generate power creates roughly twice as much carbon dioxide as burning gas.

The success or failure of those proposals will hinge on the interpretation of the Clean Air Act. The law gives the administration the authority to act on greenhouse gases as a result of a 2007 Supreme Court ruling that carbon dioxide qualified as an "air pollutant".

Business groups have already signalled they intend to fight against new emissions

regulations.

"We don't think that the Clean Air Act is the right way to do this. Climate policy should be decided by Congress, and in co-operation with other nations," said Ross Eisenberg of the National Association of Manufacturers.

"Ultimately this is a law suit."

Mr Obama's plans, which will also include measures to encourage energy efficiency and renewable energy production on federal lands, have been welcomed by environmental groups.

Kevin Kennedy of the World Resources Institute, a think-tank, said: "President Obama feels that part of how he will be viewed in the future depends on what action he is able to take on the climate issue."

The details of how the regulations might work have not yet been decided. The Environmental Protection Agency, the US regulator, has not been working on proposals, its officials have said.

Jeff Holmstead, a former head of the air pollution office at the EPA from 2001-05, now at Bracewell & Giuliani, a law firm, said: "I think there is a misconception out there that the president is going to set out a detailed programme. I think what he is going to do is say what he wants and maybe set out some goals, and that will have to be developed into an actual regulatory programme."

Plans that the EPA has already set out give a sense of the legal challenges involved. Last year [the regulator proposed new rules for limiting the carbon dioxide emissions from new power plants](#), which would have the effect of making it impossible to build a new coal-fired plant without costly and untested carbon capture equipment.

Those proposals have been challenged by business groups, including the NAM, which argue that the EPA is exceeding its authority under the Clean Air Act by favouring gas-fired over coal-fired generation.

Until now, the EPA has used regulation to demand the lowest possible pollution from each type of plant, rather than ruling out a particular technology altogether.

The issue of new plants will have to be resolved before the EPA can go on to the even trickier issue of regulating existing ones.

Mr Holmstead said that would probably mean the EPA issuing guidelines to the states, which would still have considerable freedom over how the rules were applied.

"The states can decide that if the rules are too expensive, they can be made significantly less stringent," he said.

The Natural Resources Defense Council, an environmental group, argues that setting states' objectives for emissions reduction, and allowing them to choose their own ways to do that by shifting from coal to gas for power generation, investing in renewables, increasing energy efficiency, or using other technologies, would be a low-cost way to control greenhouse gases.

Mr Holmstead said the NRDC plan would probably exceed the EPA's authority under the Clean Air Act.

However, Dan Lashof of the NRDC said: "Section 111 of the Clean Air Act gives EPA broad authority to establish carbon pollution standards for both new and existing power plants."

He added: "The EPA's proposed rule for new power plants is well within its discretion, as is the approach NRDC has suggested for existing power plants."

In a foretaste of possible future legal battles over carbon dioxide, the Supreme Court on Monday said it would examine EPA rules aimed at reducing power plant emissions that cross state lines. Its decision was a victory for environmentalists.

A court of appeals last year quashed the cross-state air pollution rule, which targeted soot and smog caused by coal-fired power plants.

The Supreme Court will now revisit the lower court's decision.

*Additional reporting by Anna Fifield in Washington*

