



Underground Access Factsheet

What is the consultation about?

The consultation concerns the advancement of two industries that are at an early stage of development in the UK. The Government believes that shale gas and oil may have the potential to provide the UK with **greater energy security, growth and jobs**. Government and local authorities are also putting their support behind geothermal district heating networks as an important **part of the transition to low carbon heating**.

What is the issue with the existing system?

The current process **is time consuming, uncertain and costly**. If a landowner refuses access, in the case of geothermal energy that project cannot continue as planned, however for oil and gas, the operator can refer the case to the court to establish whether compulsory acquisition of access should be granted.

If we did nothing to address this issue, the commercial exploitation of shale gas and oil in Great Britain is unlikely to develop to a significant scale in a timely manner, or at all, and the deep geothermal industry is extremely unlikely to develop.

The consultation does not cover the following existing processes

- The granting of initial licence (Petroleum or Water Abstraction).
- Planning permission from the relevant planning authority.
- Permits from the relevant environmental regulator.
- Scrutiny by the Health and Safety Executive (for Petroleum)
- Drilling consent from Government (for Petroleum).

What is the proposal?

Our proposal would **significantly simplify the existing procedure**, whilst ensuring that key features (such as payment) are retained.

1. Right of underground access

Granting **underground access to land below 300 metres (nearly 1000 feet) from the surface** to companies exploring and/or extracting oil, gas or geothermal energy.

2. Payment in return for Access

We believe that people living above underground drilling should receive a payment from the company in return for the right of access. Industry has put forward a voluntary offer for a payment system. This will involve a **£20,000 one-off payment** for each unique lateral (horizontal) well that extends by more than 200 metres laterally. Where lateral drilling vertically coincide payment will be made only once. The payment will be made at a **community level**.

3. Notification system for the community

The community would be informed via a **voluntary public notification**, under which the company would outline matters such as the **relevant area of underground land, coupled with details of the payment** that will be made in return for the access.

What else might be below your house?

Communication cables, oil & gas pipes, electricity cables and water pipes all typically run just a few metres from the surface. The deepest tube station is at around 32 metres (around 100ft) below the surface. Our proposal only relates to access from 300 metres (nearly 1000ft) down.

Other industries use a variety of methods to gain access to underground land, including statutory compulsory purchase of land and compulsory rights procedures (which can include court proceedings and may be accompanied by a compensation code).

A similar underground access route to the one we are proposing is the method used for the extraction of coal. Given that deep coal mining has a number of similarities to the extraction of shale gas and deep geothermal energy, we have considered this in detail when developing our policy.

How communities can engage on projects

Shale Gas and Oil Projects with Fracking

Geothermal Energy

Pre-Application Engagement

Industry has committed to engage with local communities prior to submitting any planning application that involves hydraulic fracturing in the case of oil and gas extraction. Geothermal developers have committed to engage with communities before drilling.

Environmental Risk Assessment

ERA is an early stage comprehensive review of all environment risks. Industry will engage with local communities on the content of their ERA.

Pre-planning notices

Prior to a planning application being submitted; shale gas/oil companies will publish a notification and geothermal energy companies will write to the known landowners and publish a notification; to inform landowners/residents of their intentions and provide an address for comments to be submitted.

Planning Authority Consultation

Following submission and validation of the planning application, the planning authority will launch a period of public consultation.

Environmental Impact Assessment

Oil & Gas: Industry has committed to undertake an EIA for all wells that will be fractured, and this will be included in the public consultation on the planning application. Geothermal: The company with the planning authority will determine whether an EIA is required and who to consult (this may include consulting the community).

Environmental Permitting

It is likely that shale oil/gas projects will require environmental permits. The environmental regulator will publish permit applications and seek public views on these. The environmental impact of proposed deep geothermal boreholes will often be assessed by the Environment Agency (in England) as part of the water abstraction licence. As part of this process the developer will engage with the local community.

What does underground drilling look like?

