Opinion: final stage IA - EANCB validation

Origin: domestic

RPC reference number: RPC-3290(1)-DECC

Date of implementation: not provided



## Surface development restrictions for hydraulic fracturing

# Department for Energy and Climate Change

**RPC rating: validated** 

#### **Description of proposal**

The proposal will prohibit hydraulic fracturing (commonly known as 'fracking') from wells that are drilled from the surface in specified protected areas. This will be done through a licence condition in new petroleum, exploration and development licences (PEDLs) and through policy guidance for existing PEDLs.

The Government will apply the surface restriction to protected areas as defined in the Onshore Hydraulic Fracturing (Protected Areas) Regulations 2015. The equivalent annual net cost to business (EANCB) for those regulations was validated by the RPC on 11 August 2015. The surface restrictions will also apply to three additional geographical areas: sites of special scientific interest (SSSIs), *Natura 2000* (an EU-wide network of nature protection areas) and *Ramsar* sites (areas designated as wetlands of international importance in accordance with the *Ramsar Convention*). However, all terrestrial *Natura 2000* and *Ramsar* sites in England and Wales are, in any case, also designated as SSSIs.

## Impacts of proposal

Although the proposal may provide reassurance to the public, the measure is not expected to have an impact on business. It was already assumed in the previously validated impact assessment on protected areas that surface activities would also be prohibited. Regarding the three additional geographical areas covered by this proposal, existing planning and environmental protections mean that surface fracking activities are highly unlikely to be permitted anyway. Furthermore, these additional areas are typically small in size. In the unlikely event that surface fracking activity would be permitted, the impact would, therefore, be small, particularly as the relevant surface activity could more easily be moved to an adjacent area.

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### **Quality of submission**

The Department has demonstrated satisfactorily that this proposal is unlikely to impose any significant additional costs on business. The RPC can, therefore, validate the Department's assessment of the proposal as a qualifying regulatory provision with an EANCB of zero.

#### **Departmental assessment**

| Classification                                 | Qualifying regulatory provision (IN) |
|--|--------------------------------------|
| Equivalent annual net cost to business (EANCB) | zero                                 |
| Business net present value                     | zero                                 |
| Societal net present value                     | zero                                 |

#### **RPC** assessment

| Classification                      | Qualifying regulatory provision (IN)          |
|-------------------------------------|---|
| EANCB – RPC validated               | zero  |
| Business Impact Target (BIT) Score  | zero  |
| Small and micro business assessment | Not required (fast track low-cost regulation) |

Michael Gibbons CBE, Chairman