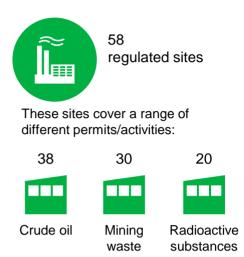
Oil and Gas Sector 2016



Overview

Permitted sites



Industry facts



fracturing permits have been issued

baseline

monitoring



New standard rules permits introduced for drill and core activities

Sector technical guidance published in 2016

Performance

Pollution incidents Permit breaches Compliance ratings Α 85% В 15% С 0% Serious 0 D 0% Minor 1 Ε 0% F 0% No persistently poor performing sites **Annual emissions**

Hazardous

15%

Non-Hazardous

Principal emissions to air*

1,028 t of methane



11% recovered

71% recovered

14% disposed

4% disposed

Industry focus



Cubic metres production: 1.09 million oil; 242 million gas

Serious 0

12

Minor



The proportion of the natural gas used in the UK which is produced by onshore sites

*Above the Pollution Inventory reporting threshold

4.100 tonnes

85%

LIT 10696

Oil and Gas Sector



Corporate outcomes 2016 to 2020

Our objective is for:

- · A cleaner, healthier environment which benefits people and the economy;
- A nation better protected against natural threats and hazards, with strong response and recovery capabilities;
- A higher visibility, stronger partnerships and local choices

Our approach	How we will put this into practice
We will make sure more permit holders are complying with the regulations and we will take tough action if they don't. We want to see more businesses performing at a consistently high level.	We will concentrate our resources on the activities and businesses that pose the highest risk. Among other methods, we will measure success by monitoring the reduction in the number poor performers.
We will help businesses comply with regulatory requirements.	We will process applications for new permits, variations and transfers on time.
	We will complete our permit review of sites that were operational prior to October 2013. We will do this by bringing these historically permitted sites in line with regulatory requirements. To do this we will follow our Regulatory Technical Guidance 2016.
	We will initiate a programme of improvement conditions in our permits. We will set up a timeline of when permit holders must deliver their improvements. We will ensure this programme of improvements is delivered over the next 4 years.
	We will develop and maintain guidance to ensure permit holders, operators, industry and trade associations have the latest information. We will continue to publish all our guidance on gov.uk.
We will work with permit holders and other organisations to manage our natural resources in the environment.	We will identify the best ways to manage extractive wastes and the conservation of oil and gas. We will deliver this by implementing best practice guidance for our permit holders.
	We will develop working relationships with industry, trade associations and permit holders to develop new areas of thinking on how we can better protect the environment. We will develop new guidance on best practice and publish on our gov.uk website.
We will continue to develop the knowledge and skills of our staff in regulating on shore oil and gas.	We will manage our staff and their technical knowledge to ensure we have the necessary technical skills and knowledge to regulate onshore oil and gas exploration and production techniques.
We will make sure permit holders are more resilient to climate change.	We will provide advice and guidance on mitigating the effects of climate change.
We will continue to work within current EU legislation until such time new legislation is implemented after the European Union exit.	We will keep industry, permit holders and trade associations updated on how they may be affected.
We will implement the outputs of the Strategic Charges Review to ensure we recover the correct charges to fund our regulatory work.	We will keep industry, permit holders and trade associations updated on how they may be affected.
We are transforming our information systems and supporting guidance to be more customer-focused to support businesses and make it as easy as possible for them to do the right thing.	We will listen to those we regulate and communicate clearly with them making our guidance and advice clear and easy to understand. We are digital by default, to make transactions with us as easy as possible, while recognising that some businesses prefer more traditional approaches.

The Oil and Gas sector usually encompasses construction minerals and metal ore mines and quarries activities. For clarity, these activities and accompanied performance data are not included in this sector strategy.

Data Sources:

The Environment Agency holds records for the number and type of regulated sites, the number of pollution incidents and permit breaches, and the compliance rating for each regulated site. The number of serious pollution incidents include both permitted and unpermitted sites in this sector.

Substance release and waste transfer data is collected from sites that operate under a Part A(1) environmental permit and form part of the Environment Agency's Pollution Inventory. See the 2016 datasets that support this report.

Industry data has been collected from a variety of sources including industry trade organisations and publicly available resources.