



***How did we get here?
Some reflections on communicating fracking
across the EU and the nature of the social license to operate***

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We cannot afford to miss out on shale gas

Safe fracking will cut energy bills and create wealth without ruining precious countryside, writes David Cameron



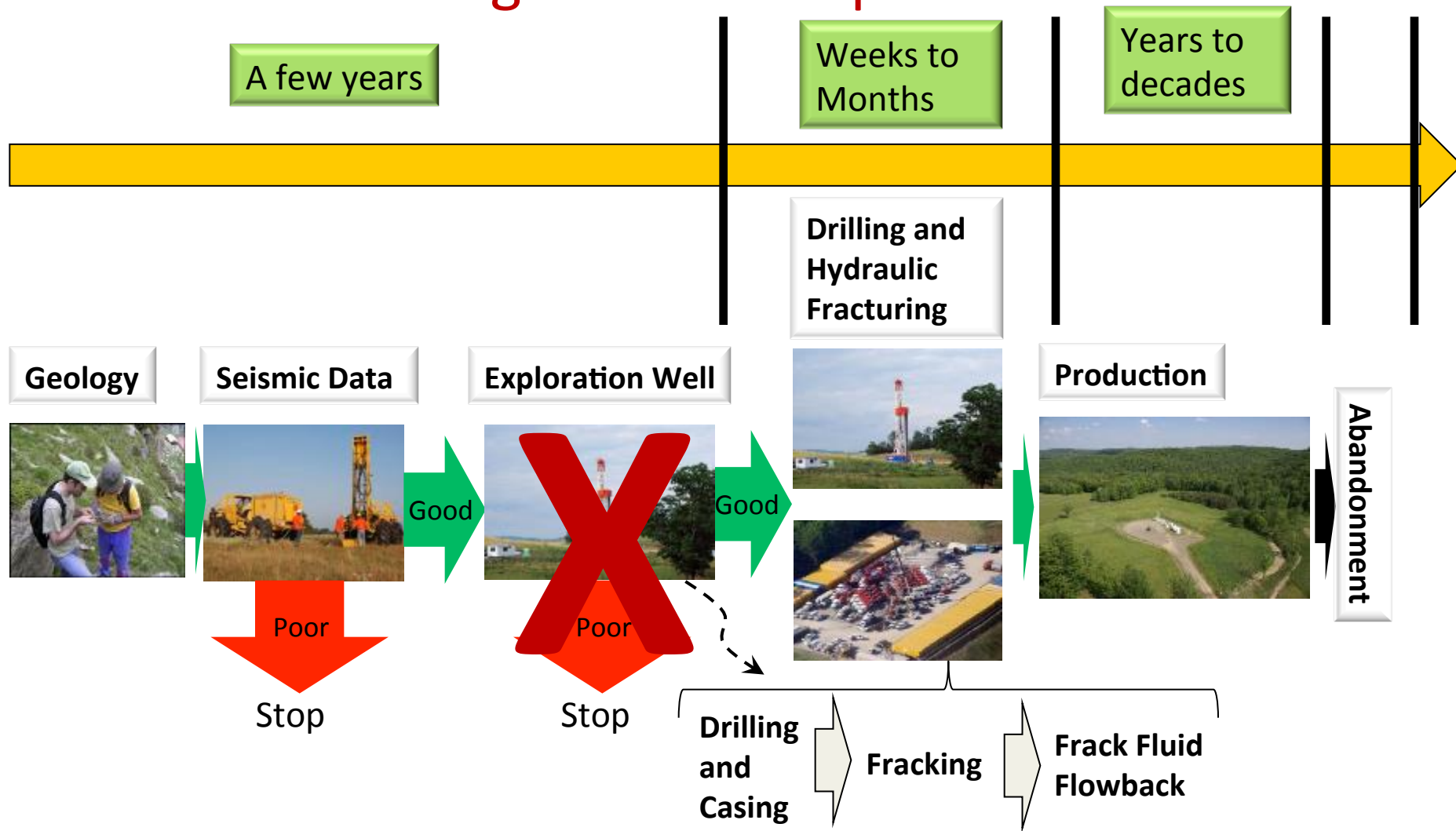
Britain has led the way in technological endeavour: fracking is part of this tradition Photo: AP

By **David Cameron**

10:04PM BST 11 Aug 2013

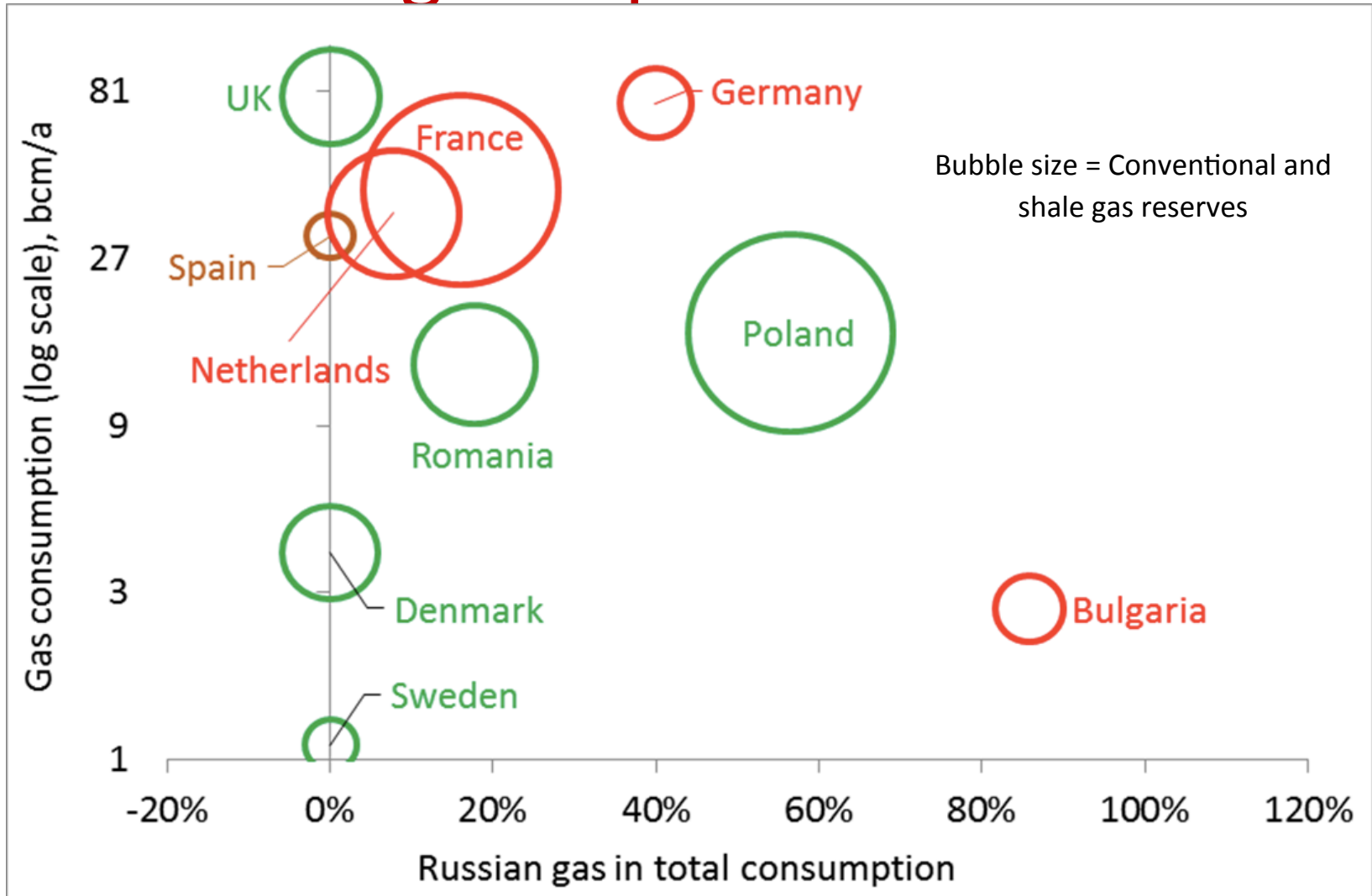
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You can't run if you can't walk: Stages of development



But situation in EU is so heated that cannot even begin to drill exploration wells – why?

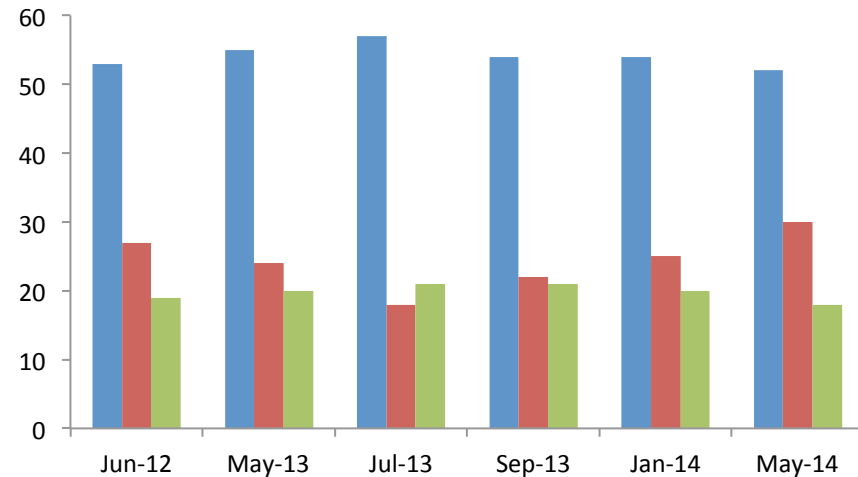
Gas Import dependence and national shale gas exploration status



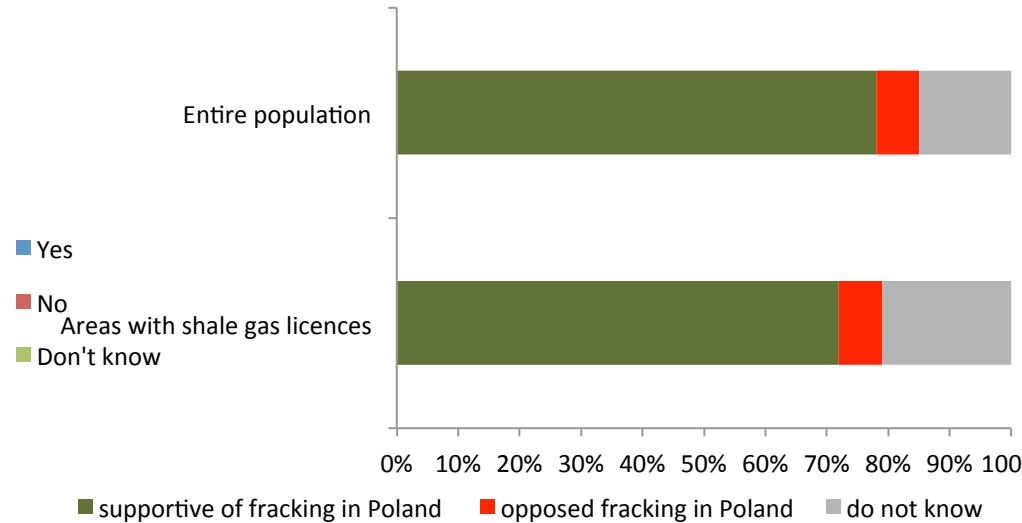
Chyong, CK and Reiner, DM (2015). Economics and Politics of Shale Gas in Europe, *Economics of Energy and Environmental Policy*, 4(1): . DOI: 10.5547/2160-5890.4.1.cchy

Public Support/Scrutiny in Poland v UK

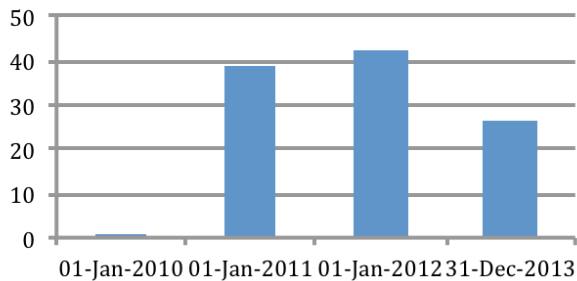
Should fracking be allowed in the UK?
[percentage of respondents]



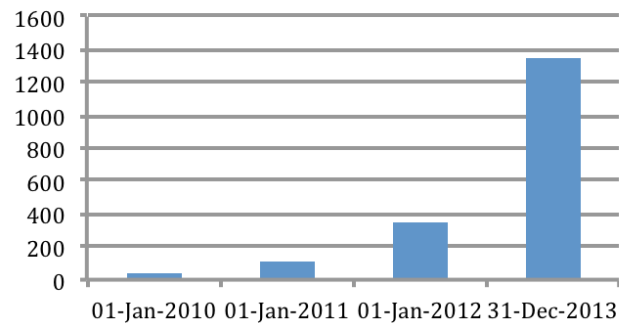
Support for shale gas in Poland [%]



Press coverage of protests in
Poland
[number of articles]

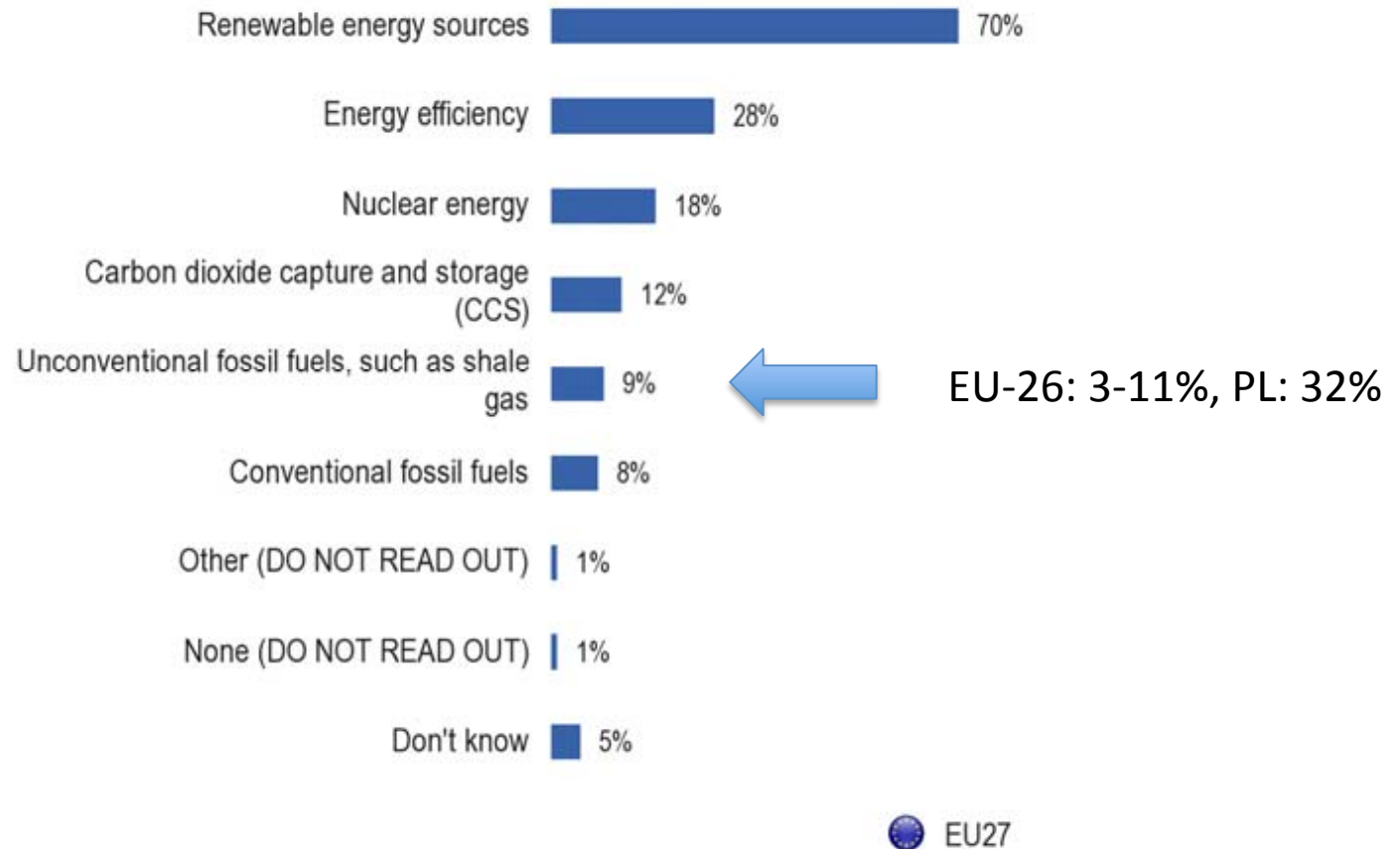


Press coverage of protest in the UK
[number of articles]



Weak Support for Unconventionals in EU-26

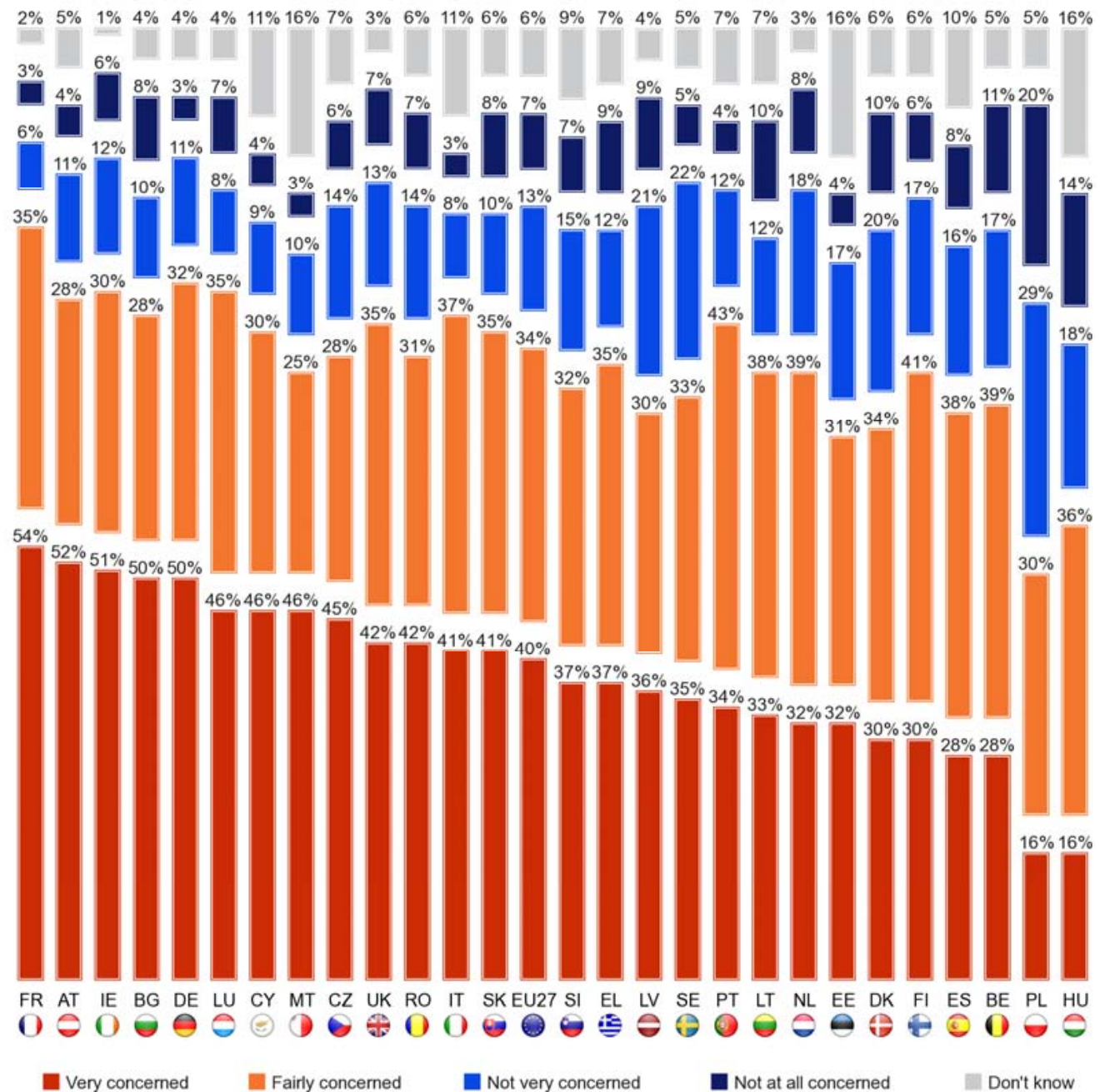
Q21. Thinking about the next 30 years, which of the following energy options do you think should be prioritised now in (OUR COUNTRY)?



(MAX. 2 ANSWERS)

Source: Flash Eurobarometer 360 “Attitudes of Europeans towards air quality”, Jan 2013

Q22. If a shale gas project were to be located in your neighborhood, do you think that you would be...



Local
opposition
strong
across
Europe



Eastern approaches

Ex-communist Europe



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Shale gas in Poland

Mad and messy regulation

Jul 10th 2013, 17:00 BY A.E. | WARSAW



POLISH dreams that shale gas would transform the country into a second Norway have been tempered in recent months. The geology is more difficult than anticipated and proposed regulation has been repeatedly delayed. After great initial enthusiasm companies such as ExxonMobil, Talisman and Marathon Oil threw in the towel and quit the country.

In a recent report investors complained that



Polish shale gas hits a dry well

The exit of the last major global energy firm this month could mean the death knell for the country's industry.

By **ANDREW KURETH** | 6/16/15, 5:30 AM CET | Updated 7/8/15, 3:21 PM CET

WARSAW — Hopes kindled just four years ago that Poland would become a gas exporter — a “second Norway,” in the words of then-foreign minister Radek Sikorski — have been doused by the decision of U.S. energy giant ConocoPhillips' Polish subsidiary to halt exploration.

The exit this month of the last global player from Poland's shale gas market, leaving just a few domestic and smaller foreign firms among whom drilling has come to a near halt, further undermines the case for fracking in the European Union, where Poland and the UK have been its strongest backers.

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“The appetite for drilling
has dried up.”

“The appetite for drilling has dried up,” said Tomasz Chmal, an expert on shale gas with law firm White & Case in Warsaw.

The industry's fall is hard to swallow for those who had hoped for 300 years worth of energy independence from Russia, where Poland gets just over half of its gas imports. Such predictions were being made in 2011, after the U.S. Energy Information Administration estimated Poland's shale gas reserves at 5.3 trillion cubic meters, albeit based on historical data rather than new exploration.





Fracking

Polish shale industry collapsing as number of licenses nearly halves

Prospects for fracking boom in Poland look remote as companies including state-owned gas firm ditch shale gas concessions in face of challenging geology

Arthur Neslen

Friday 9 October 2015
16.11 BST



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A Chevron drilling rig in Poland. Chevron and ConocoPhillips have this year joined Exxon, Talisman and Marathon in pulling out of shale drilling in Poland. Photograph: Stanislaw Wadas/Demotix/Commissioned for The Guardian

Poland's shale gas industry appears to be collapsing, just four years after the US government predicted that its reserves were abundant enough to fuel the country for [the next three centuries](#).

Concessions for exploratory shale drilling have nearly halved in the last year from 58 to just 32, according to [a new Polish government manifest](#) published to little fanfare on the environment ministry's website this week.

With rockbottom oil prices continuing to erode global fracking hopes, Chevron and ConocoPhillips this year joined Exxon, Talisman and Marathon in pulling out of the east European country.

Bad news! Your area could be fracked. Join the 56,880 people who have joined our legal block.



Map Key:



Land government is considering for oil and gas drilling, inc fracking



Land government isn't currently considering



"My husband and I are joining the legal block because we feel worried about what's going on. We're within our legal rights to refuse permission. Together we can stand up to these big companies. For me, it's not just about my life, it's my children's lives. More effort should be put into safer and longer-term energy sources."

Karen Ditchfield
Singleton, Lancashire



Your home is in one of the areas the government is considering for drilling and possible fracking.

Greenpeace lawyers have revealed it is unlawful for companies to drill under your home without your permission or a statutory right. Doing so would be trespassing.

Residents around the country are refusing permission for drilling and creating a legal block to fracking across the country. Add your name and say no to drilling under your home.

[Find out more](#)

☒ "I hereby declare that I do not permit fracking companies to drill under my home."

Email

Join

We'll keep you updated about Greenpeace campaigns.



Framing Fracking

- Strong opposition from much of the UK public despite general support for fracking from UK government.
- Citizens deliberations conducted in Preston, Lancs in April 2016
- 6-focus group study by Durham in UK in 2014 and 4 country study (4 UK, 2 Bulgaria, 2 Romania, 2 Poland) in 2015 by Cambridge both identified 4 key areas of concern:
 - Lack of understanding
 - Lack of trust/credibility
 - Lack of consultation
 - Lack of scope in assessing impacts



cc-by-sa/2.0 - by Robin Webster - geograph.org.uk/p/3607352

Key Point - Public concern is not limited to risk and feasibility. Trust and confidence in policy makers and other key stakeholders is a key concern.

Why Focus Groups and Citizens Deliberations?

- Focus groups can offer some ‘quick’ insights into how citizens think about and discuss a concept or technology such as fracking, but cannot provide statistically robust differences across or within groups
- Citizens deliberations provides an opportunity for citizens to engage with concepts in greater depth
- To ensure balance, need to ensure that participants vary by age, gender, level of education, but in no way should results be confused with those of a large-scale national sample – it is NOT intended to be representative

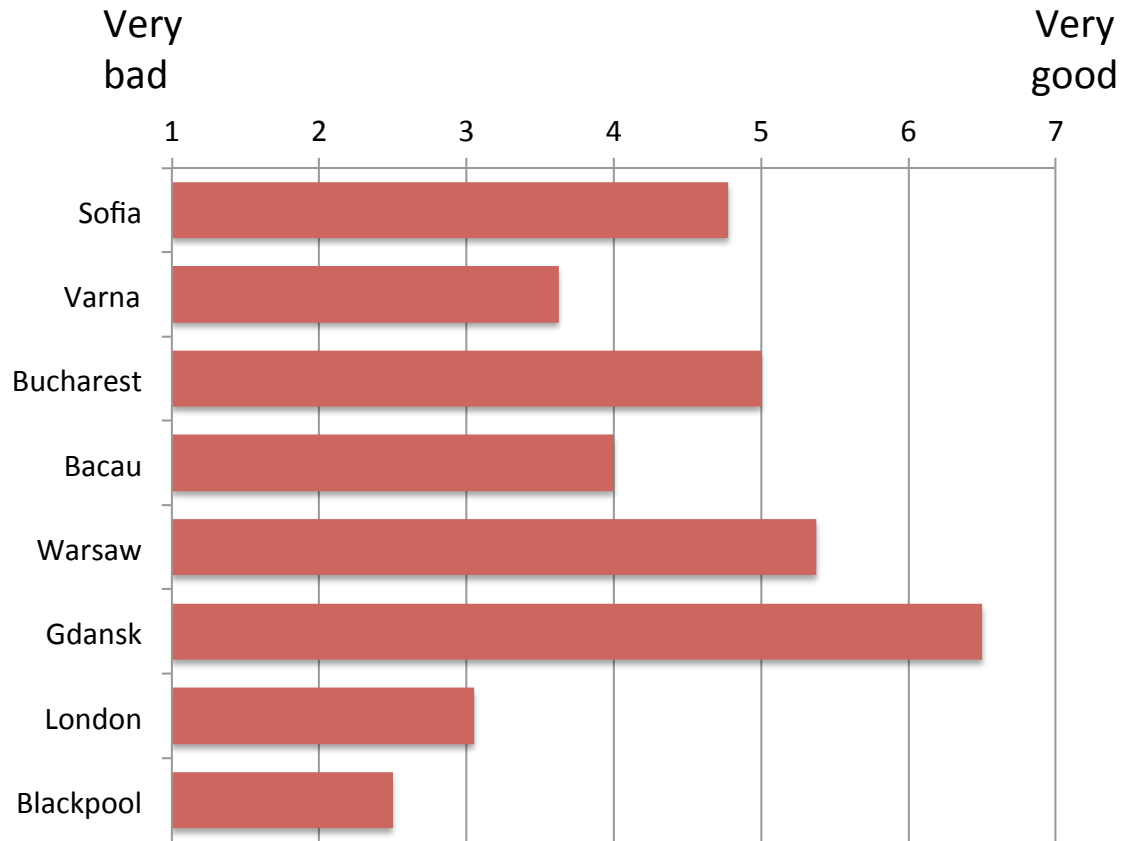
Focus Group Design

- In advance of focus groups we developed detailed moderator script and new EU energy brief to ensure consistent set of information and process is used across groups
- International market research firm helped organise, recruit participants, moderate focus groups in 4 countries
- Each focus group receives short presentation on EU energy (followed by discussion) and longer expert presentation on fracking (followed by discussion)
- All materials were translated as appropriate, group discussions were then recorded and transcribed for analysis
- In each country, focus groups were conducted in the capital city and in a region where shale gas exploration is being considered

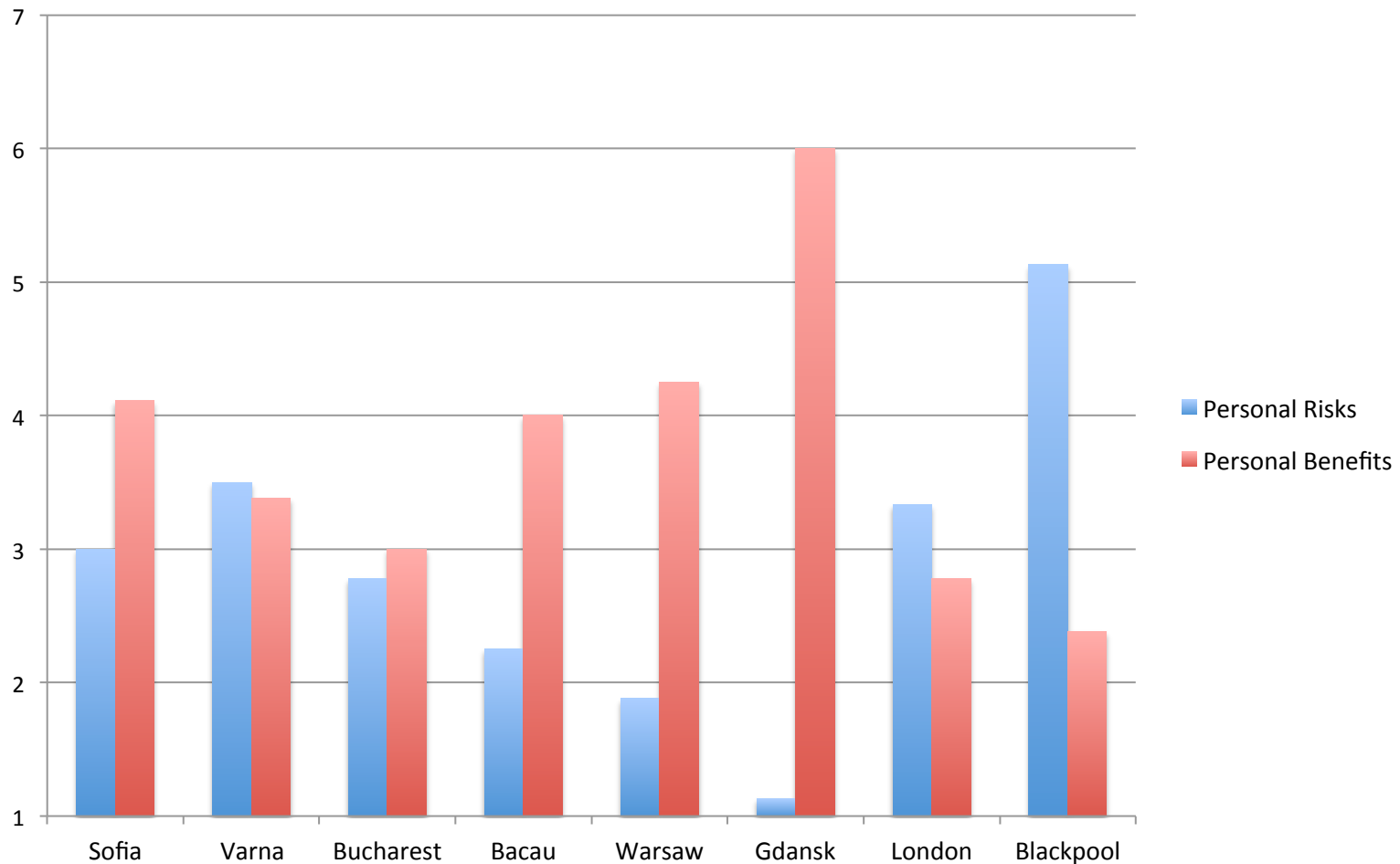
Experts & Focus Group Locations

- Bulgaria: Radoslav Nakov - Director, Geological Institute
 - Sofia 17th March & Varna 18th March
- Romania: Victor Mocanu - Dean, University of Bucharest
 - Bucharest 17th March & Bacau 19th March
- Poland: Andrzej Sikora: Energy Studies Institute/AGH U. Krakow
 - Warsaw 24th March & Gdansk 25th March
- UK: Liam Herringshaw– Durham University/ReFINE
 - London 1 & 2 12th March
 - Lancashire 1 & 2 15th April

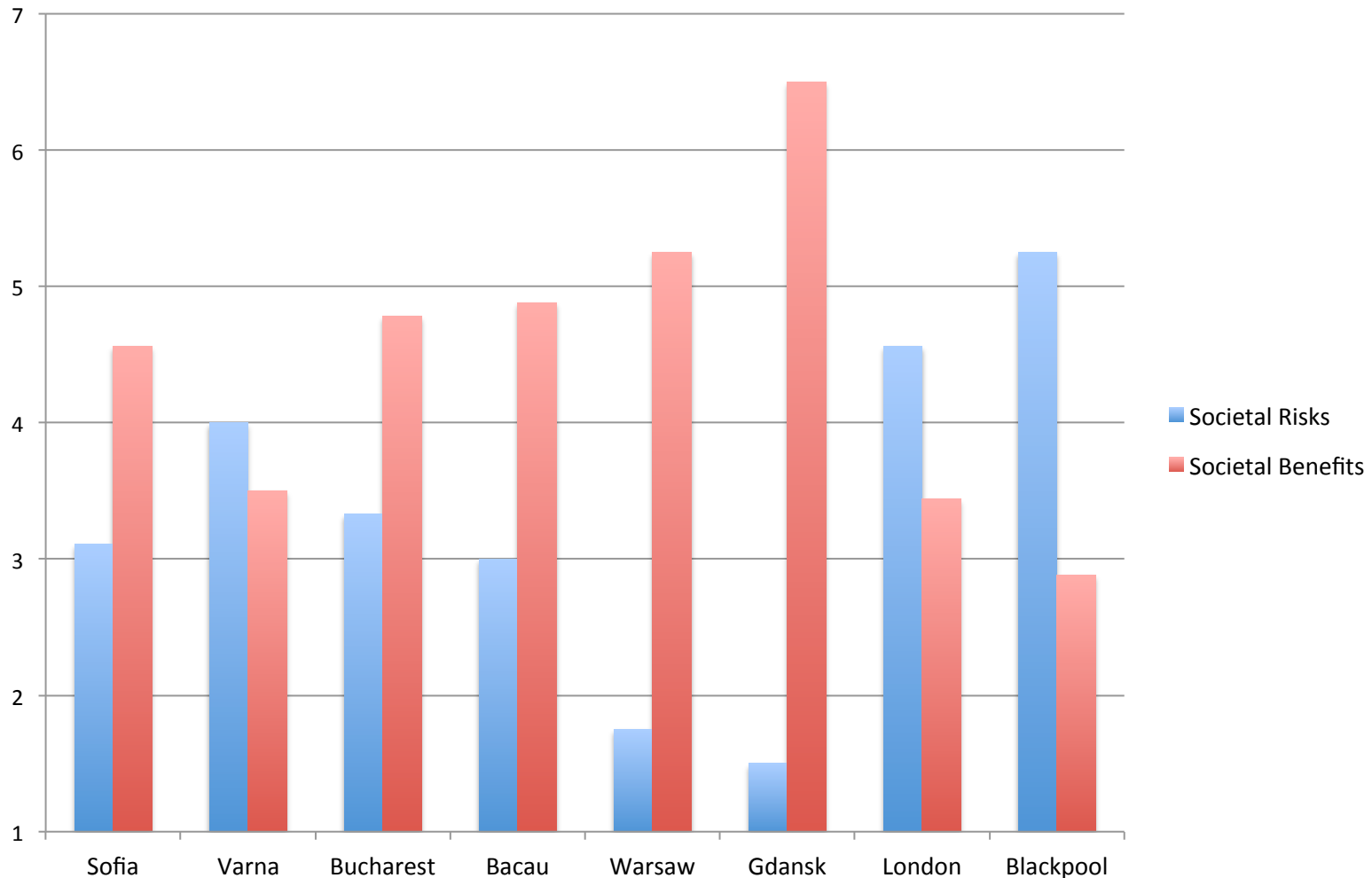
Overall Opinion of Implementing Fracking at National Level



Risks/Benefits to You and Your Family of a Proposal for Fracking/Shale Gas Exploration



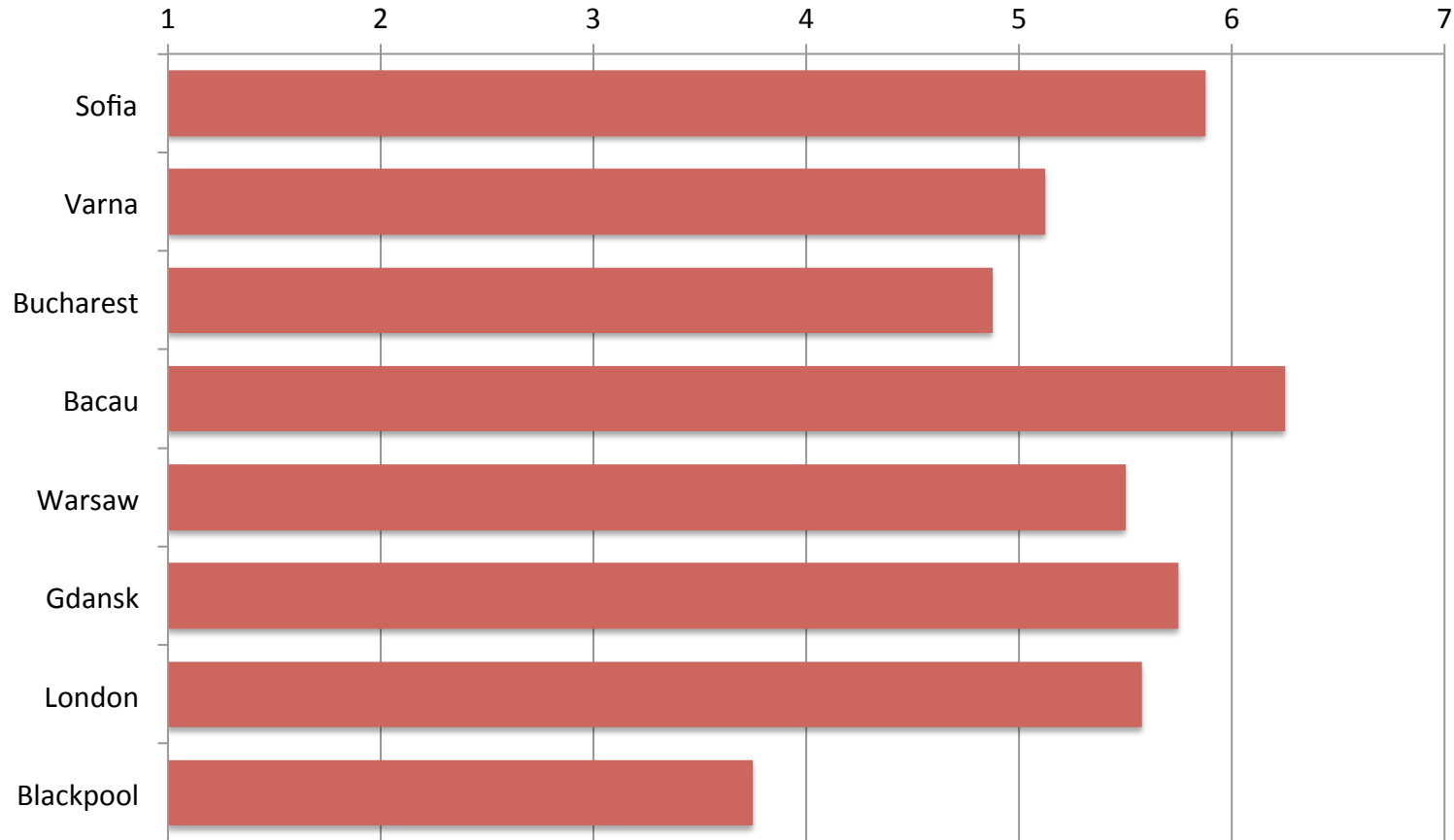
Risks/Benefits to Society of a Proposal for Fracking/Shale Gas Exploration



How Much of the Information Presented in the Focus Group was new to you?

Hardly anything
was new to me

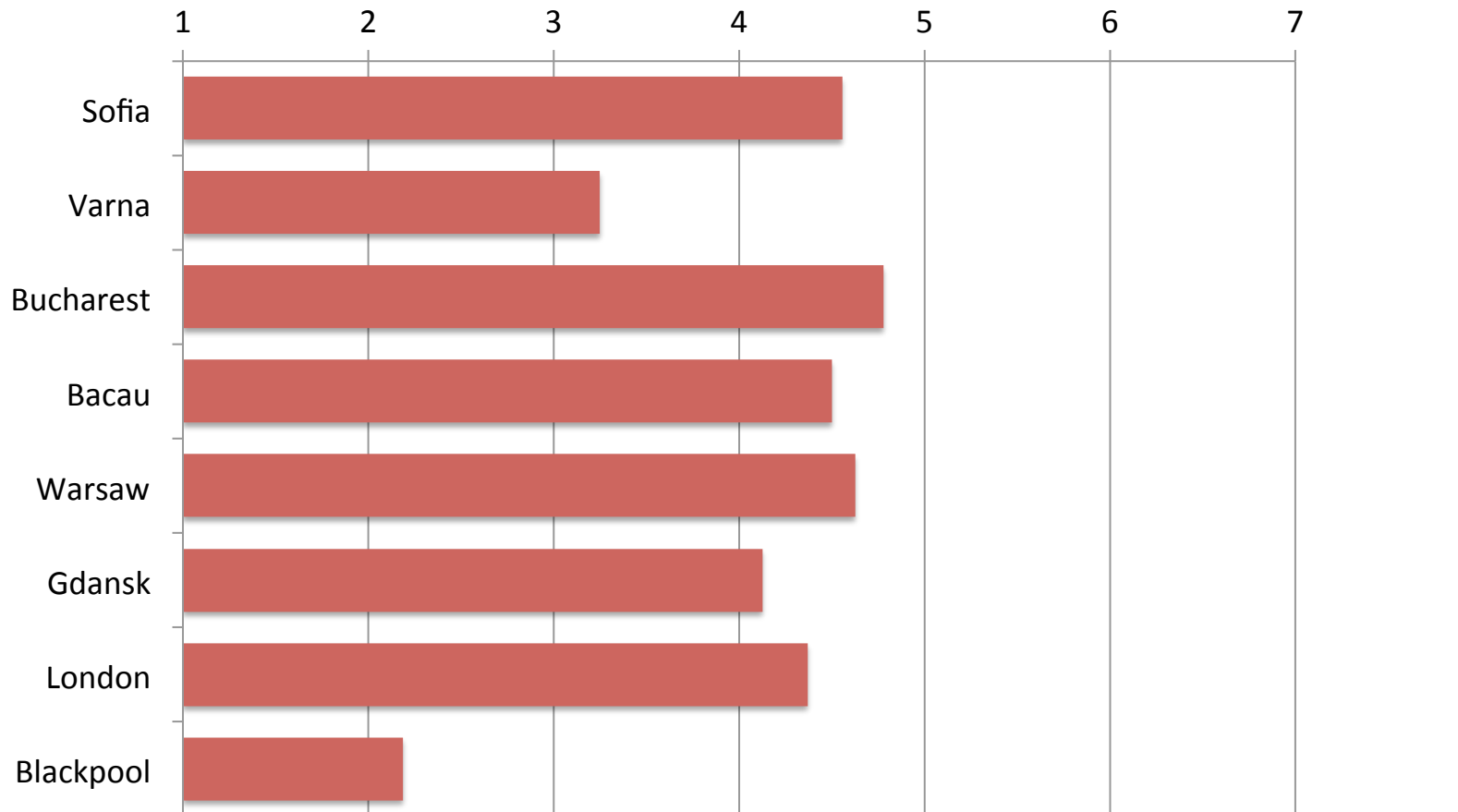
Almost everything
was new to me



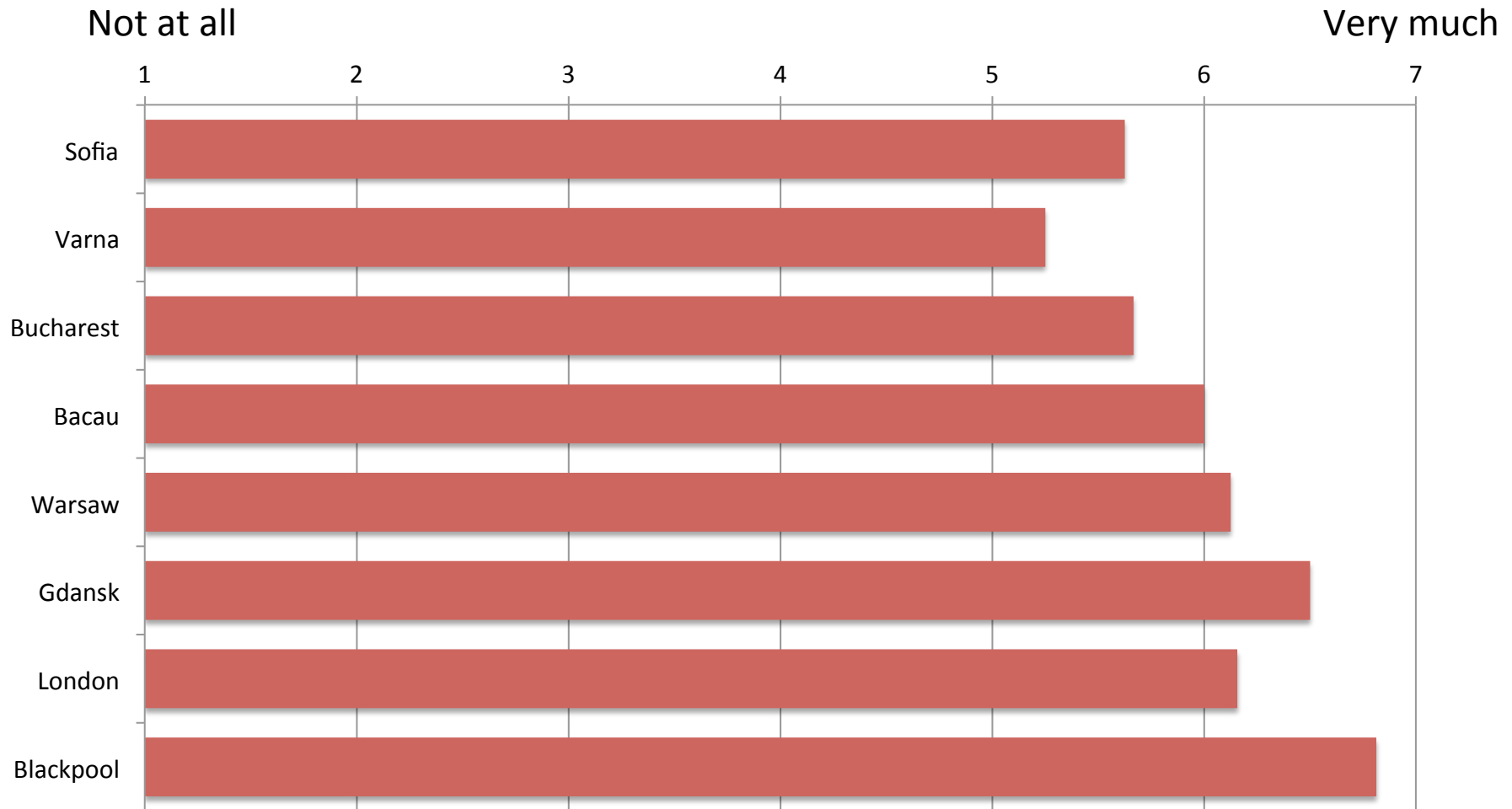
Expect your overall opinion could change in the future?

My opinion cannot
change at all

My opinion can
change entirely



Trust in ReFINE expert



Emerging Themes

- Several clear themes emerge from the questionnaires and the discussions held following the expert presentations including:
 - A negative framing which emphasises risks and the threats of fracking
 - A positive framing which focuses on possible benefits of shale gas
 - A more explicit tradeoff between risks & benefits
 - Concerns over trust (particularly lack of trust) in certain actors
 - Uncertainty and the need for more research

The case against fracking in Europe is overdetermined

1. **Geology is different:** deeper and smaller plays in Europe, data is scarce, most potential shale plays are quite poorly characterised
2. **Stricter Regulation:** US had “Cheney-Halliburton Loophole’ in CWA, whereas European countries imposed moratoria and would have stricter regulatory regimes (in part b/c of US experience)
3. **Incentives:** Tax credits in US plus mineral rights are owned by landowners
4. **Industry structure:** Shale revolution in the US driven by small firms, plentiful rigs, close proximity, strong services industry
5. **Market structure:** Many fewer actors in EU market, TPA instead of common carriage pipelines
6. **Public opposition:** Well-organised opposition builds on climate camps, local activist groups, and has become focal or proxy issue for NGOs (comparable to Keystone XL in US?)

US ownership of mineral rights and the lure of royalties to individuals

Natural Gas Royalty Estimate

Here is the data that you entered	
12.5	Your royalty rate.
\$4.00	Average wellhead gas price.
1.5	Average well production rate in millions of cubic feet per day.
1	Acres you own within the well's production unit.
1	Number of acres in the well's production unit.
\$22,500.00	Your expected royalty payment per MONTH (before expenses).

[Calculate another royalty](#)

Don't assume that you are rich yet. Learn about [natural gas well decline rates](#)

This information is provided by [Geology.com](#) for entertainment purposes. The amount of your actual royalty can differ significantly from what is shown above. The royalty payment above is based upon the information that you provided. It includes assumptions which might not fully represent the conditions of your lease/royalty agreement and market conditions at the time your gas goes to sale.

Additional nails in shale's coffin

- Add to these serious impediments :
 - Voiced suspicions of the role of Russia in supporting NGOs opposed to fracking in Bulgaria and elsewhere (Rasmussen)
 - One of first exploration wells in UK produced a tremor
 - Poor initial results in Poland the strongest supporter of fracking with the greatest number of exploration wells (65)
 - The low current gas price environment
- In some ways, it is actually surprising that fracking is not completely dead.

What could have been done differently?

- The zeal of high-level government support initially reassured investors but this (a) may have been misleading and (b) undermined gov't credibility
- Social license to operate cannot simply be granted by government and the absence of any serious dialogue on compensation has been striking and exploration has been treated as a beach head (camel's nose effect)
- Consultation v 'consultation': Genuine public engagement, though undoubtedly difficult, has been remarkably poor and has merely heightened suspicions
- Only EC-level consultation exercises have been purely technical, which has frustrated many key stakeholders



Thanks!

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