

Fracking chief pledges billions to villages

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THE founder of the controversial shale-gas explorer Cuadrilla Resources wants to hand towns and villages billions of pounds from fracking what he calls “the people’s gas”.

In his first interview in Britain, Allan Campbell, the Australian behind Cuadrilla, claimed his company has discovered “another North Sea”, but bemoaned the lack of political will to develop it.

“I’ve got a great admiration and fondness for this country from whence my ancestors came, but the regulatory and planning system here is just bullshit,” he said.

“There is no leadership, there is no oomph.”

The company claims to have discovered 200 trillion cubic feet of gas thousands of feet underground in Lancashire — sufficient to meet typical British demand for more than 50 years — but has been hamstrung by mounting opposition to fracking.

Last year the government lifted a ban imposed after Cuadrilla caused two small earth tremors when drilling near Blackpool in 2011.

Fracking, a hydraulic fracturing process, involves pumping millions of gallons of water and chemicals underground to blast apart previously untappable geological formations.

In America it has transformed an energy shortage into a century’s reserve. The gas price has plummeted to less than half the cost in Britain and is credited as a driver of the country’s economic recovery.

Campbell claimed Britain’s shale-gas resources could be just as transformative. The 58-year-old hopes the promise of huge paydays will break the logjam hindering development. “This isn’t our gas, it’s the people’s,” he said. “If we have just rediscovered the North Sea — which we believe we have — we deserve to collect an economic rent for having the balls to spend the money to commercialise it.

“But there is so much gas that we can give the supernormal profits to the people it belongs to — the people of Great Britain.

“We want to give away billions. It’s pretty radical stuff, right? I’m a bit of a pinko.”

In the new year, the company hopes to kick off a “big conversation” on fracking. This would take the form of 40-odd town-hall meetings in collaboration with the government and campaign groups who do not have the vested interests of the industry.

The hope is to dispel the worst fears over fracking, such as ground water being poisoned by it, and thousands of drilling rigs blighting Britain’s rural landscape.

Campbell said: “I am not opposed to the opposition; I think it’s a really good thing. But this has got to be an informed decision, and at the moment there is a vacuum of information being filled with hyperbole that has no foundation in facts.”

He wants to reward communities in two ways. First, like other drillers, Cuadrilla has pledged to give 1% of the turnover generated by each well to the local communities — two thirds of which would go to parishes and the rest to the county council.

Each drilling site — a typical one would be about the size of a football pitch — would use a few entry points above ground for as many as 40 individual wells that would fan out underground in all directions. Each one of these would be a separate source of revenue.

Campbell has also proposed to carve out a chunk of the tax that the Treasury stands to collect from shale wells, and set it aside for investments in green technologies, or for a strategic investment vehicle such as Norway’s £500bn state pension fund.

He said: “The tax system is not strategic. This is our gas. So how can you, the government, be so arrogant as to dictate how we should invest it? Or piss it away on middle-class tax allowances or some such bullshit?

“We should reinvest it smartly for the benefit of your kids and their kids and their kids . . . whether that’s in skills or new technologies or whatever. And that should be for the people to determine in accordance with an agenda for their own self-sustainability.”