

Memorandum of Understanding (MoU) between UKOOG and Water UK

Final– 26/11/2013

Overall intent

This MoU, being non-legally binding, sets the framework through which members of each organisation will engage and cooperate to ensure that any development of onshore oil and gas through hydraulic fracturing takes place in such a way that minimises impacts on water resources and the environment.

It is not to be taken as indicating either support or opposition by Water UK or its members to the exploitation of shale gas or other onshore oil and gas reserves.

The parties

The UK Onshore Operators Group (UKOOG) represents the onshore oil and gas operators to ensure open and transparent communications between industry, stakeholder groups and the communities in which they operate

Water UK represents water and waste water operators in the UK at a national and European level. Water UK is funded by its members to influence public policy and opinion to ensure a strong water industry in the interests of all stakeholders. Water UK does not have a remit to act in the eventuality of dispute at a local level

Background

Water is central to the process of onshore oil and gas exploration and production from the water needed to carry out the fracturing to the handling and removal of flowback and produced water.

UKOOG recognise that water companies are key stakeholders as well as potential supply chain service providers. Water UK have reviewed the risks involved in the process and acknowledge that, properly enforced, the regulatory framework in the UK should offer sufficient protection.

Water companies have a statutory duty to assess current and future risks to water quality and water resources in Drinking Water Safety Plans and Water Resource Management Plans. These plans are typically reviewed every 5 years, and can link

to company investment strategies. As with any type of development, shale gas will be assessed as part of these plans.

Notwithstanding the statutory and regulatory duties to comply with environment and planning requirements governed by the EA and local authorities, UKOOG and Water UK will expect their members to enter into dialogue as early as possible to identify and resolve potential issues around water or waste water service availability. Key areas of interest for these discussions will include:

- Baseline monitoring requirements to assess impacts on the quality and quantity of local water resources;
- Plans relating to site water management, especially in relation to water reuse to improve understanding of local impacts;
- Shale gas company development plans including scenarios for expansion of exploration and development within a local area and what this means for short and longer-term demand for water at specific locations;
- The expected volumes and chemical and biological composition of waste water as well as preferred disposal routes.

This dialogue will allow water and waste water service providers to make informed decisions about potential solutions, as well as risks and any mitigation measures required to ensure that the provision of services to shale gas companies does not adversely impact water resources or the natural environment more generally.

Signatures

For Water UK

For UKOOG



Pamela Taylor
Chief Executive



Ken Cronin
Chief Executive Officer