

Objection No. 3

Noeleen Keavey

From: Licensing Staff
Sent: 08 May 2015 14:05
To: Noeleen Keavey
Subject: FW: New Speical Body objection entered for Reg no: P0738-03. (Reference Number: P0738-03-150508011219)
Attachments: 20150508_ EPA Letter Shell License An Taisce.pdf
Importance: High

From: Ian Lumley
Sent: 08 May 2015 13:13
To: Licensing Staff
Subject: New Speical Body objection entered for Reg no: P0738-03. (Reference Number: P0738-03-150508011219)
Importance: High

Objection submitted on: 08/05/2015 13:12

Title: Mr

First Name: Ian

SurName: Lumley

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Objector Type: Speical Body

Oral Hearing: No

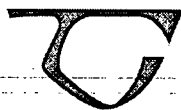
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An Taisce

The National Trust for Ireland

8 May 2015

20150424-22-P073803

Noeleen Keavey
Office of Climate, Licensing & Resource Use
Environmental Protection Agency
PO Box 3000
Johnstown Castle Estate
Co Wexford

Ref: P0738-03
App: Shell E&P Ireland Limited
For: Review of the Industrial Emissions Licence
Site: Bellanaboy Bridge Gas Terminal, Bellanaboy Bridge, Bellagelly South, County Mayo.

Dear Madam,

We wish to object to this proposed licence determination on the following grounds:

- 1. The EPA has not complied with the requirements of the EIA Directive and has not addressed European Court judgement C 50-09 in the determination for the application and**
- 2. The status of the applicant as "fit and proper person" to hold a licence under Section 83(5)(xi) EPA Act 1992 as amended 2003 has not been properly assessed and determined.**

Please see attached documentation for detailed grounds.

Ian Lumley

Built Environment & Heritage Officer
An Taisce - The National Trust for Ireland

An Taisce is a membership-based charity. Join at www.antisce.org/membership
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Directors: J Harnett, J Leahy, M Mehigan, D Murphy, B Rickwood (UK), C Stanley Smith (UK), A Uí Bhroin, B McMullin, P Maguire, J Meldon, G Conroy

Detailed grounds are set out as follows:

1. The EPA has not complied with the requirements of the EIA Directive and has not addressed European Court judgement C 50-09 in the determination for the application.

We submit that the EPA has not complied with the requirements of the EIA Directive in assessing the direct and indirect effects of the project namely the ongoing operation of a terminal to process a carbon sink of subsea gas from the carboniferous era and to distribute that gas for combustion and consequent release of carbon into the atmosphere.

In this case the content of the inspector's report and proposed decision have failed to address the direct and indirect climate impacts of the project. The downstream greenhouse gas emissions generated by the combustion of the gas processed by the project have not been assessed in the EIS or the inspector's report and therefore the EPA is not acting as a competent licensing body in the determination of the licence.

Any energy project has direct and indirect (including upstream and downstream) impacts. In this case, apart from the operation of the refinery, there is the impact of the extraction of subsea gas upstream and the downstream impact of the use of the gas for energy and consequent greenhouse gas emissions all of which need to be assessed.

An application for the licence review of an EIA Directive threshold project must review the impact of the operation with regard to any change of circumstances since the original licence or project consent was granted.

The EPA should note that An Taisce has taken a Judicial Review against the decision of An Bord Pleanála to grant permission for the continued operation of the Bord na Mona peat-fired power plant in Edenderry on the basis of failure to perform an EIA including an assessment of the upstream impact of the peat extraction source to power the project.

Similar consideration applies to Bellanaboy in relation to the downstream impact of the processing of gas on the site.

The EPA also failed to assess the strategic integration of the project with Ireland's current energy needs in the context where the government has committed to a low-carbon Roadmap. The overriding imperative is for Ireland to address global climate science and integrate all policy and decision-making within the constraints of the carbon budget as elaborated below.

Rapid global warming and resulting climate change now taking place has a simple cause: every addition of carbon dioxide (CO₂) due to human causes traps a corresponding additional amount of solar energy in Earth's atmosphere and oceans. This warming due to the accumulation of CO₂ is irreversible on human timescales - once emitted the CO₂ levels remain raised. Therefore, limiting adverse climate change impacts will require 'substantial and sustained reductions of greenhouse gas emissions' (<http://www.ipcc.ch/report/ar5/syr/>) from now on. At some point net



emissions will need to be zero to stop further warming. The agreed 2°C limit to global warming (above pre-industrial temperatures) therefore requires an absolute limit on the nett carbon emissions that can ever be emitted globally. This remaining total amount of CO₂ which may be emitted while staying within the 2°C threshold is called the 'global carbon budget'.

Even such a small change in the Earth's average surface temperature can have profound changes on the climate, geography, and biosphere that are the basis for all life and for modern society, including the supply of crops for food. During the last ice age the average global temperature was only about 5°C colder than today, yet sea level was 120m (400ft) lower and many areas populated today were deep under ice. In the last 10,000 years a very stable climate, due to very steady natural CO₂ levels, enabled agricultural civilisation to emerge and to thrive.

The problem for modern human civilisation which depends on large-scale burning of fossil fuels for energy and thereby the release of anthropogenic CO₂ is that at current, increasing rates of annual emissions, **the remaining 2°C global carbon budget will be entirely exhausted within as little as 15 to 30 years.** Moreover, there is enough carbon stored in proven reserves of peat, coal, oil and gas to result in extremely dangerous global warming of 6°C or even more.

Due to greenhouse gases from fossil fuel burning, livestock agriculture and deforestation, about 0.8°C of warming has occurred since industrialisation. Due to continually rising CO₂ and also due to other greenhouse gases, especially methane - oceans and atmosphere are warming rapidly by accumulating very large amounts of additional solar energy. Continuing the current pathway of ever-increasing emissions would mean that a rise of 4°C is entirely possible by 2100. This is a very dangerous rate of warming, faster than any known rise, even faster than during geological extinction events. On this dangerous track it is quite certain that within ninety years every part of the world will be entirely changed and will continue to change, with very serious negative consequences for human civilisation and for all ecosystems.

The only certain way for humanity to limit dangerous climate risk is to limit emissions within the available carbon budget. This means that rapid and major changes in consumption patterns and energy production are needed. To do this at least cost means starting very soon and proceeding very quickly. The consequent outstanding challenge for humanity, therefore, is how to divide the 2°C carbon budget equitably between nations and future generations. There is no doubt that the greatest responsibility to act for change, and act fast, lies with wealthy nations and institutions. This group includes Ireland.

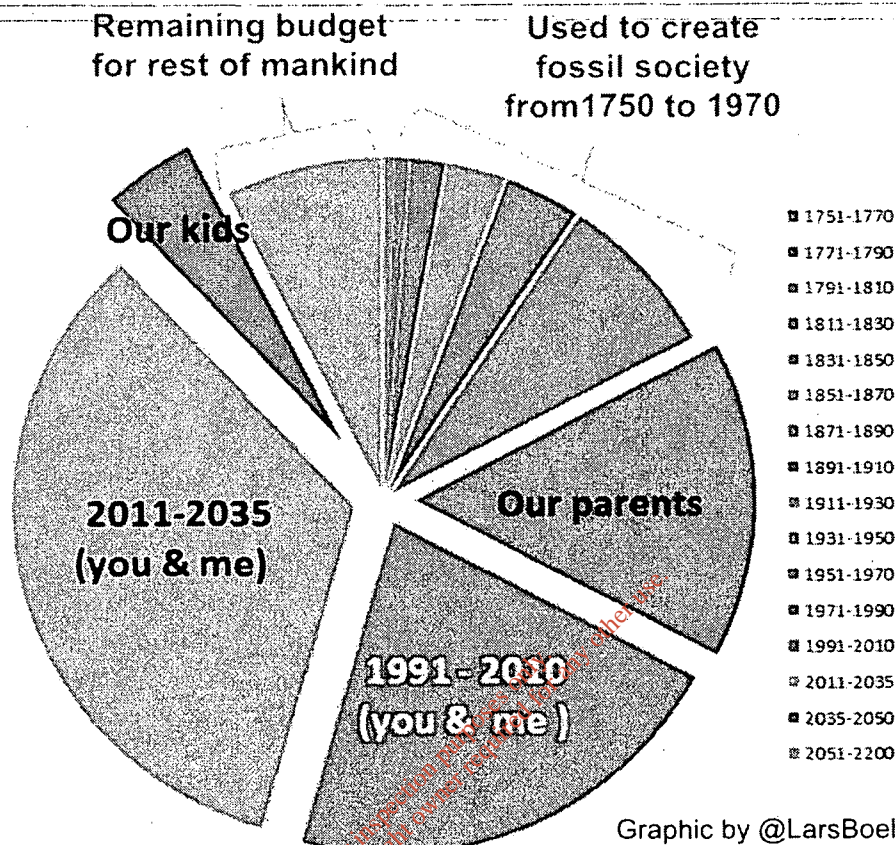


Figure 1 - Carbon Budget per Generation for 2°C: more than a third of emissions have been since 1970. The available remaining budget to limit warming to 2°C is being exhausted rapidly.

Ireland is now committed to a low-carbon roadmap to 2050, in conjunction with current legislation before the Oireachtas. See:
<http://environ.ie/en/Publications/Environment/Atmosphere/FileDownload,37827,en.pdf>

The meeting of Ireland's commitments to the UNFCCC negotiations in Paris later this year requires:

- The immediate discontinuation of the use of peat for electricity generation;
- The phasing-out of the use of coal for power generation by 2020;
- The phasing-out of peat and coal for domestic heating within the optimum achievable time-frame and
- The efficient and strategic use of fossil gas in the transition to zero-carbon energy.

If Ireland is serious about developing a low-carbon energy Roadmap it is essential that the extraction and distribution of gas from the Corrib gas-field be consistent with the criteria outlined above

The gas from the Corrib field which the terminal proposes to process is a major strategic national asset.

We submit that the downstream use of gas processed by this facility must be evaluated and managed within the constraints of the portion of Ireland's carbon budget allocated to energy. This application fails to provide for the sustainable or efficient use of the gas processed as part of the required national energy strategy.

2. The status of the applicant as "fit and proper person" to hold a licence under Section 83(5)(xi) EPA Act 1992 as amended 2003 has not been properly assessed and determined.

The Corrib gas field is owned by Shell (45pc), Vermillion (18.5pc) and Statoil (36.5pc). The Bellanaboy gas processing terminal is in the name of a company Shell E&P Ireland in which the major shareholder is the multinational conglomerate the Royal Dutch/Shell Group.

We request that the EPA assess and review the status of the applicant as a fit and proper person in view of changed circumstances since the previous application was lodged.

There has been a succession of Intergovernmental Panel on Climate Change reports with the most recent being the 5th Assessment Report (AR5) <http://www.ipcc.ch/report/ar5/syr/>

There is now a scientific consensus that at least c. 70% of existing known fossil fuel reserves need to be left in the ground, and that a rapid phase-out of coal and gas combustion is required, with strategic use of existing gas fields in the transition to a decarbonised economy.

'Referring to the latest climate science Mary Robinson said the Fifth Assessment Report of the IPCC makes it clear that world needs to reach zero carbon emissions by 2050 to maximise the chances of staying below 2°C. To do this, two thirds of the known fossil fuel reserves must be left in the ground and alternative sources of clean energy embraced.' Grantham Institute lecture, April 16th, 2015.

Shell's global operation is irresponsibly promoting additional oil and gas exploration which is contrary to the achievement of the global carbon budget as detailed in point 1 above.

Shell has knowledge of and access to global climate science and the current scientific consensus on the level of emissions capable of being released into the atmosphere compatible with stabilising climate at no more than 2 degrees above preindustrial levels. Shell now knows that much of their fossil fuel reserves will have to stay in the ground - to avoid runaway global warming.

There is an unmistakable parallel to be made between the action of tobacco companies in the mid- to late 20th century which were aware of medical research on the health impact of their products but continued to market and profit from them, and the current action of the world's leading fossil source-based energy companies.

We wish to raise concern with the global corporate governance of Shell with specific reference to a recent speech on the public record delivered in London by Shell CEO and chemical engineer, Ben van Beurden.

Detailed critiques of Shell's and van Beurden's positions are contained in the following commentaries:

Adriaan Kamp, former Shell employee now in consultancy for Energy for One World,

<http://www.energypost.eu/adriaan-energy-one-world-kamp-ex-shell-strategy-oil-companies-doomed-failure/>

In March 2015 John Ashton the former UK's Diplomatic Envoy on Climate Change, based in the Foreign Office gave a speech delivered to the Conseil Français de l'Énergie in the form of an open letter to Ben Van Beurden in response to the Shell CEOs London speech.

<http://www.rtcc.org/2015/03/16/shells-climate-change-strategy-narcissistic-paranoid-and-psychothatic/>

The EPA inspector's evaluation of The Fit & Proper Person test requires three elements to be examined:

Technical Ability:

The evaluation states "SEPIL has significant experience and technical capability and employs people with the necessary technical competence, qualifications and experience. The application includes information on the on-site management structure and responsibility for environmental management. The Royal Dutch/Shell Group of companies operates an on-shore gas refinery in Scotland, which indicates their technical competence in the carrying on of the activities."

We do not consider this evaluation sufficient. Shell has not demonstrated the technical competence to manage the Irish gas or global fossil fuel deposits under its control, to ensure that the global Carbon Budget is met.

Legal Standing:

It is stated that "Neither the licensee nor any relevant person has relevant convictions under the Environmental Protection Agency Act 1992, as amended, the Waste Management Act 1996, as amended, the Local Government (Water Pollution) Acts 1997 and 1990, the Air Pollution Act 1987 and the Air Pollution Act 1987 (Environmental Specifications for Petrol and Diesel Fuels)(Amendment) Regulations 2004."

This is a matter of record and therefore no issue arises.

Financial Standing:

It is stated that "The Royal Dutch/Shell Group of companies had sales of \$27 billion in 2012 indicating their financial capability in meeting the requirements of a licence. SEPIL has public liability insurance which will cover property damage by sudden and accidental pollution events up to USD\$500 million. Condition 12.2.3 requires the licensee to make financial provisions to cover any liabilities associated with the operation by 1 May 2015. Condition 12.2.5 requires the licensee to have regard to the EPA (2014) Environmental Protection Agency Guidance on assessing and costing environmental liabilities and, as appropriate, Guidance on Environmental Liability Risk Assessment, Residuals Management Plans, and Financial Provision (2006) when implementing Conditions 12.2.2 and 12.2.3."

This does not address the financial capacity of Shell and the adequacy of the contingency which it has put in place to compensate for the damaged caused by greenhouse gases generated by the use of oil and gas extracted and or refined by Shell from Bellanaboy.

Accordingly we do not consider that that the EPA inspector is justified in stating "It is my view that the licensee can be deemed a Fit & Proper Person for the purpose of this licence review."

Given the strategic and moral compass under which Shell operates globally its continued involvement as license holder for the processing of gas in Ireland needs to reviewed in view of the changed circumstances.

Ian Lumley

Built Environment & Heritage Officer

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