
FIRST US SHALE GAS ARRIVES AT INEOS PLANT IN SCOTLAND

- 27.09.2016

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BBC

The first shipment of US shale gas is arriving in Scotland amid a fierce debate about the future of fracking in the UK.

A tanker carrying 27,500m³ of ethane from US shale fields is due to dock at Grangemouth, the refinery and petrochemicals plant owned by Ineos.

The company said the gas would replace dwindling North Sea supplies and secure the future of the plant's workforce.

But many politicians and environmental groups have criticised the shipment.

The Scottish government - which has placed a moratorium on all fracking in Scotland while a study into its impact is carried out - said ministers were "unavailable to attend" the arrival of the shale gas shipment.

Jim Ratcliffe, Ineos founder and chairman, said: "This is a hugely important day for Ineos and the UK. Shale gas can help stop the decline of British manufacturing."

The company said the shipment aboard the carrier Ineos Insight was the culmination of a £1.6bn investment resulting in eight tankers forming a "virtual pipeline" between the US and the UK and Norway.

Ineos argues that with the North Sea's supply of ethane dwindling, plus costs, the shipments from the US are the only way of bringing in sufficient gas at low enough prices to maintain its olefins and polymers business at Grangemouth in the face of global competition.

It believes the US shale gas will provide sufficient raw material to run its manufacturing site at full rates, something that has not been possible for many years.

The Grangemouth facility is home to Scotland's only crude oil refinery and produces the bulk of fuels used in Scotland, with the site said to contribute about 3% of Scottish GDP.

It is also home to Europe's biggest ethane tank, which is capable of holding 60,000m³ of gas after it arrives by tanker.

Ineos has said the shale shipments should safeguard the future of Grangemouth's 1,300 workers.

The company has signed 15-year contracts with suppliers to pipe ethane from the shale fields in the US to purpose-built export facilities on the east and Gulf coasts of America.

From there, the gas will be shipped across the Atlantic in a fleet of eight specially-designed Dragon-class ships commissioned by Ineos.

Remains controversial

Ports in Norway, Portugal, and Spain have all received shale gas shipments this year following the lifting of a ban on the export of US oil and gas, but the arrival of the Ineos Insight will be the first to the UK.

Unconventional oil and gas extraction remains controversial in the UK, with the UK Labour Party following Scottish Labour in backing a ban on fracking if it wins the next general election.

Despite pleas from Ineos to embrace shale gas drilling, the Scottish government moratorium on the practice remains in place, in contrast to the pro-fracking stance of the UK government.

The Scottish Parliament voted to support an outright ban on fracking in June after SNP MSPs abstained.

The Scottish government said it had commissioned a series of independent research projects into unconventional oil and gas to examine potential environmental, health and economic impacts to inform its "evidence-led approach" to the issue.

A spokesman said these projects were due to report later this year, with the public consultation taking place during winter 2016-17.

He added: "The moratorium will remain in place throughout this process and the Scottish government will use the results of the consultation to inform its decision on the way forward."

Mary Church, head of campaigns at Friends of the Earth Scotland, said: "It is completely unacceptable to attempt to prop up Ineos's petrochemicals plants on the back of human suffering and environmental destruction across the Atlantic.

"The fact that Scottish public money is tied up in this project is disgraceful.

"Setting aside the devastating local impacts of fracking, the climate consequences of extracting yet more fossil fuels are utterly disastrous."

Kaynak/Source: