



SELECT COMMITTEE ON ECONOMIC AFFAIRS

CALL FOR EVIDENCE

The Economic Impact on UK Energy Policy of Shale Gas and Oil

The Economic Affairs Committee has chosen for its next inquiry the economic impact of shale gas and oil on UK Energy Policy. The focus of this inquiry is not climate change and we take as given the Government's commitment to reduce carbon emissions.

The British Geological Survey results published in June 2013 have confirmed that the UK has substantial onshore shale gas resources in the Bowland area of the North and the Midlands. Further reports covering other regions have yet to be published. The precise scale and commercial feasibility of these resources is not yet known.

Despite this uncertainty, recent experience in the United States suggests that shale gas can be developed using existing technology and make a material economic impact both in the local areas where production is possible, and to the national energy economy.

The Committee would welcome written evidence on any or all of the issues set out below, or on any other relevant aspects, by 30 September.

The inquiry will seek to answer questions such as:

1. How much scope is there for shale gas and oil - from domestic and overseas sources - to be used in the UK? Over what timeframe?
2. How will the costs, including those on the environment, of accessing the UK's shale gas and oil deposits compare to those of other sources of energy?
3. What is the potential impact of shale gas and oil on the local economies in areas where development is possible?
4. What will be the impact of shale gas on the cost of electricity generated at gas-fired power plants and how will it compare to other forms of generation including coal, nuclear and renewable?
5. Will the UK electricity market be easily able to incorporate shale gas in future or will generators be locked into long-term contracts with other energy sources? Are there any other potential barriers to the use of shale gas in electricity generation?
6. Which forms of electricity generation is shale gas likely to displace and by how much?
7. What impact will shale gas and oil have on household energy bills?

8. What effect will the use of shale gas and oil have on carbon emissions compared to other combinations of energy sources?
9. Will shale gas and oil increase UK energy security?
10. What infrastructure investment will be necessary to cope with the development of shale gas and oil? How far will it help to ensure sufficient UK energy supplies? How will this investment be financed?
11. What changes to public policies are necessary to maximise the potential of any shale gas development?
12. Will shale gas and oil lead the UK to be less dependent on energy from less reliable regions of the world such as the Middle East and Russia?
13. What lessons can be learnt from the US experience of shale gas and oil?

Please note:

Evidence provided becomes the property of the Committee, and may be published. Witnesses may publicise their written evidence themselves, but in doing so should indicate that it was prepared for the Committee.

Evidence should be clearly printed or typed on single sides of A4 paper, unstapled, and should be set out in numbered paragraphs. It should be signed and dated, together with a note of the author's name, address and status and of whether the evidence is provided on an individual or corporate basis.

Concise evidence of 6 pages or fewer is preferred; anything longer should include a single page summary. Annexes may be provided, but will not necessarily be published. Relevant material prepared for other purposes (such as reports or evidence to other inquiries and consultations) may be forwarded to the Committee for information, but will not be published. Witnesses who provide original written evidence may be invited to give oral evidence at Westminster; transcripts of such sessions are published.

The Committee would prefer to receive written evidence by email, with a signed, hard copy to follow. **(Written evidence can only be accepted in Word format, not PDF. Attachments or annexes to the evidence can however be in PDF format).**

Evidence and inquiries should be addressed to:

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