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Naturiol
Cymru**
**Natural
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William Powell AM
Chair, Petitions Committee,
National Assembly for Wales,
Cardiff Bay,
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CF99 1NA

20 May 2014

Dear William,

Thank you for allowing Natural Resources Wales the opportunity to respond to the issues raised by Gareth Clubb about environmental regulation of onshore oil and gas activities in Wales. Our detailed responses to the issues are set out in the attached document.

Our regulation and enforcement roles help to ensure that onshore oil and gas operations in Wales are managed in a way that protects public health and the environment. We are clear on our approach to regulation of exploratory activity and the range of permits, consents and licences required by developers (see annexes 1 and 2 of the attached document). We have written to the 10 companies who hold the 24 PEDL licences across Wales to confirm our regulatory approach. Over the winter we have met most of these companies to discuss our approach, as well as understand their plans for developing sites in Wales over the next 18 months.

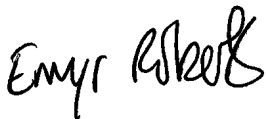
Discussions with developers have indicated that only 2-3 exploratory permit applications are likely to become active over the next 18 months. It is important to recognise that in Wales we have only received **one** application for a permit in relation to onshore oil and gas **exploratory activity**. This application is still in the process of determination.

Natural Resources Wales is a learning organisation, committed to using the best evidence to inform our decision making. In England and Scotland, the pace and extent of exploratory activity into the different forms of onshore oil and gas is much greater than in Wales. We are committed to learning from their experiences to inform our approach in Wales. We will adapt our approach as new and relevant evidence emerges, within the confines of the relevant EU Directives and UK legislation. We continue to work with Welsh Government, the Environment Agency and SEPA as well as the Office of Unconventional Oil & Gas at DECC to ensure that we are aware of any emerging issues that may require a change in our regulatory approach or even new legislation.

At this time, we are confident that the current approach to environmental regulation is appropriate for protecting public health and the environment from the risks associated with **exploratory** onshore oil and gas activity in Wales. As the industry develops and moves to feasibility testing and full scale commercial production other issues may emerge which may require revisions to our approach or new legislation.

I hope the information I have provided with this letter assures you that Natural Resources Wales is clear on its role, remit and approach to environmental regulation of onshore oil and gas development in Wales. If you have any further queries please do not hesitate to contact me, or Ceri Davies the Director of Knowledge, Strategy & Planning who leads on this technical area for me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Emyr Roberts'.

Emyr Roberts

**Prif Weithredwr
Chief Executive**