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BGR sees no environmental threat from shale gas extraction in Germany

Rafał Bajczuk

On 3 January 2013, the economic daily *Handelsblatt* informed that the Federal Institute for Geosciences and Natural Resources (*Bundesanstalt für Geowissenschaften* und Rohstoffe; BGR) developed an analysis for the Ministry of Economics. The analysis states that shale gas extraction using the hydraulic fracturing method does not pose an environmental threat. The document has not yet been published.Its findings are expected to challenge the conclusions of the analysis prepared by the Federal Environment Agency (Umweltbundesamt; UBA) for the Environment Ministry in September 2012, in which experts expressed a negative opinion on the possibility of extraction, precisely due to the environmental impact. According to the Institute for Geosciences, the Environment Agency's opinion was scientifically imprecise. For example, the terms 'groundwater' and 'potable water' are used in it interchangeably. In the opinion of BGR experts, potable water is extracted from much shallower rock layers than shale gas. BGR has also challenged UBA's conclusions regarding possible threats linked to the chemicals used in the hydraulic fracturing process.

Commentary

- BGR's opinion is the second official document this institute will have issued stating the acceptability of the hydraulic fracturing method and the lack of threat for potable water. This was mentioned for the first time in this institute's survey entitled 'Shale gas resources in Germany (assessment as of May 2012)'. The contradictory conclusions in the analyses in this area are another expression of the difference of opinions on energy issues existing between the Environment Ministry and the Ministry of Economics. The two ministries also disagree on such vital questions as: the implementation of the energy transformation, the value of subsidies to be allocated for electricity received from renewable energy sources and Germany's climate policy.

- German public opinion is sceptical of shale gas extraction. At present, there are over thirty active associations opposing the hydraulic fracturing method [in Germany]. In November 2012, public resistance and the negative ecological opinion forced the US fuel giant, ExxonMobil, to postpone exploration drilling in Lower Saxony by half a year and to withdraw completely from gas exploration near the city of Osnabruck. Shale gas

extraction is among the hottest issues in the election campaign in Lower Saxony (the elections are scheduled for 20 January).

- The German government, regardless of public pressure and the resistance coming from the governments of individual federal states, has not decided to impose a ban on shale gas extraction. In December 2012, the Bundestag rejected the proposal from the Green Party, Die Linke and the SPD to introduce a temporary moratorium and stricter ecological requirements. The Bundesrat, where the opposition parties currently predominate, submitted a draft amendment of the Mining Act, which envisages the introduction of stricter requirements concerning environmental protection during shale gas extraction. Berlin is aware of the potential benefits of shale gas extraction – domestic gas supplies would make it less dependent on imports. With the present gas consumption level standing at 84.4 billion m³ annually, shale gas reserves would satisfy German demand for gas for at least twenty years. On the other hand, domestic gas production could adversely affect the profitability of Nord Stream, a project in which German corporations are engaged.