

**Notes of Meeting Between UKOPA, HSE and HSL To Discuss the Financial Impact of Introducing LUP Requirements for Gasoline Pipelines at HSL's Offices Buxton 26/07/11**

The notes below are a summary of the notes that I took at the meeting not formal meeting notes or minutes.

**Attending from UKOPA were:**

Neil Jackson  
Peter Davis

**Attending from the HSE were:**

Karen McDonough  
Tony Killen

Anna Barnes

**Attending from HSL were:**

Matthew Henry  
Timothy Aldridge

The HSE introduced the meeting by giving the background, i.e. the current intention to update the Pipelines Safety Regulations to include gasoline as a dangerous fluid. One of the major implications of this is that the pipelines would become notifiable and subjected to LUP restrictions. The Coalition government were now looking for robust justifications for any new legislation being introduced particularly where this would have an economic impact on industry. Karen was writing a paper for HSE senior Management that would be considered in the autumn, this paper would need to make recommendations and include a robust impact assessment

- The original regulatory impact assessment for gasoline pipelines was based on the risk assessment produced by W S Atkins in 1996. The regulatory impact assessment was updated in 2006.
- A lot more emphasis is now being placed on the impact assessment and HSL had been engaged to undertake a detailed study. This would be part of a wider piece of work being undertaken by HSL on the impact of LUP that included fixed installations. HSL explained that their study built on work that had been undertaken by consultants Nathaniel and Litchfield that had looked at 12 fixed sites. The HSL study focused initially on gasholder sites in the London area, as there were some specific development issues that were being addressed. The study is now looking at pipelines.
- The gasholder study had looked at LUP applications that had been affected by the presence of the gasholder and tried to assign a cost to these required changes.
- The pipeline study was looking backwards at developments over the past ten years that had been affected by LUP as well as take a forward look using Local Authority development plans.
- Peter Davis gave a summary of the current restraints around development in the vicinity of a gasoline pipeline and the potential impacts of the proposed LUP zones.
- UKOPA suggested that one approach may be to create a representative fictitious 100 km length of gasoline pipeline that was representative of the gasoline pipelines in terms the percentage of development land types that the pipeline passed through. This could then be used to test various development scenarios with their associated probabilities. The total cost could then be estimated by scaling up the cost for the 100 km length.
- HSE clarified that all costs would be counted in the impact assessments as costs to industry including any additional costs to developers and additional costs to pipeline owners/operators.
- It was agreed that the impact assessment also needed to accurately reflect the full benefits to industry of the proposed changes to the legislation as well as the costs.

- UKOPA agreed to support the ongoing project where they could including information to support the benefits case.
- Overall the meeting was very positive, I was impressed by the amount of detail that HSE/HSL were going into to truly reflect the costs. The project appeared to be genuinely trying to assess the real impact and not, as is often the case with these assessments, back fit a justification to a decision that had already been made. This may have something to do with the expectation of a robust challenge by HSE senior management and government.

Neil Jackson (UKOPA Chairman) 27/07/11