



North Sea
Transition
Authority

Draft OGA Plan to reduce greenhouse gas UKCS emissions



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Introduction



North Sea Transition Authority



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Consultation on draft OGA Plan to reduce UKCS GHG emissions

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Pauline Innes
Director of Supply Chain and
Decommissioning



Dr Russell Richardson
General Counsel
and Company Secretary



Tom Wheeler
Director of Operations



Hedvig Ljungerud
Director of Strategy

Central Obligation

2. *Relevant persons must, in the exercise of their relevant activities, take the steps necessary to:*

a. *secure that the maximum value of economically recoverable petroleum is recovered from the strata beneath relevant UK waters; and, in doing so,*

b. *take appropriate steps to assist the Secretary of State in meeting the net zero target, including by reducing as far as reasonable in the circumstances greenhouse gas emissions from sources such as flaring and venting and power generation, and supporting carbon capture and storage projects. (Emphasis added)*

- The Strategy also references *reducing greenhouse gas emissions as far as reasonable in the circumstances* in the Supporting Obligations:
 - 9. c. Development;
 - 10. b. Asset Stewardship;
 - 13. b. Technology.
- The NSTA has undertaken to set out the steps necessary for emissions reductions pathways in key areas, in the form of an OGA Plan.

Paragraphs 18 to 20, provides for the NSTA to be able to produce a Plan to set out the NSTA's view of how any of the obligations in the Strategy may be met:

18. Subject to paragraph 20, the OGA may produce a plan or plans which set out its view of how any of the obligations in this Strategy may be met. Such plans may address circumstances particular to a single or small group of relevant persons or may address circumstances at a regional level.

19. Where any relevant person intends to carry out activities in a manner which is inconsistent with any current plan produced by the OGA under paragraph 18 that person must first demonstrate to the satisfaction of the OGA how their alternative meets the obligations of this Strategy.

20. Where the OGA intends to produce a plan under paragraph 18, it must first seek the views of such relevant persons as it considers are likely to be affected by the proposed plan.

Investment and Efficiency requirements



1. For each asset produce an Emissions Reduction Action Plan ('ERAP') which among other things, summarises and assesses applicability of available emissions abatement and emissions monitoring opportunities and technologies, and sets out planned emissions reduction initiatives, including for logistics emissions. The ERAP should be accompanied by a Supply Chain Action Plan.
2. Implement and execute in a timely manner the ERAP produced in accordance with requirement one above.
3. Select, plan and execute, for each asset, appropriate emissions reduction and monitoring initiatives which are aimed at reducing the emissions intensity of that asset over a reasonable timescale.
4. In all cases secure substantial and consistent total emission reductions, such reductions to be reported into the government's Environmental and Emissions Monitoring System ('EEMS').
5. Accompany any investment proposal to recover new resources with a commitment to deliver an appropriate emissions reduction opportunity from the asset's ERAP, including, where appropriate, through participation in regional electrification projects.

To support the above, the NSTA will share a summary of key insights from ERAPs and best practice. To support the above, and building on ongoing work, the NSTA will provide further instructions on the reporting requirements for ERAPs.

These requirements build on and are consistent with the NSTA's existing Net Zero Stewardship Expectation 11 .

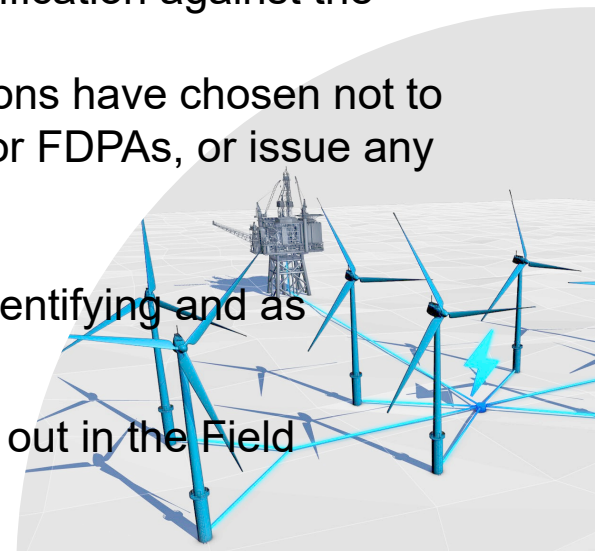




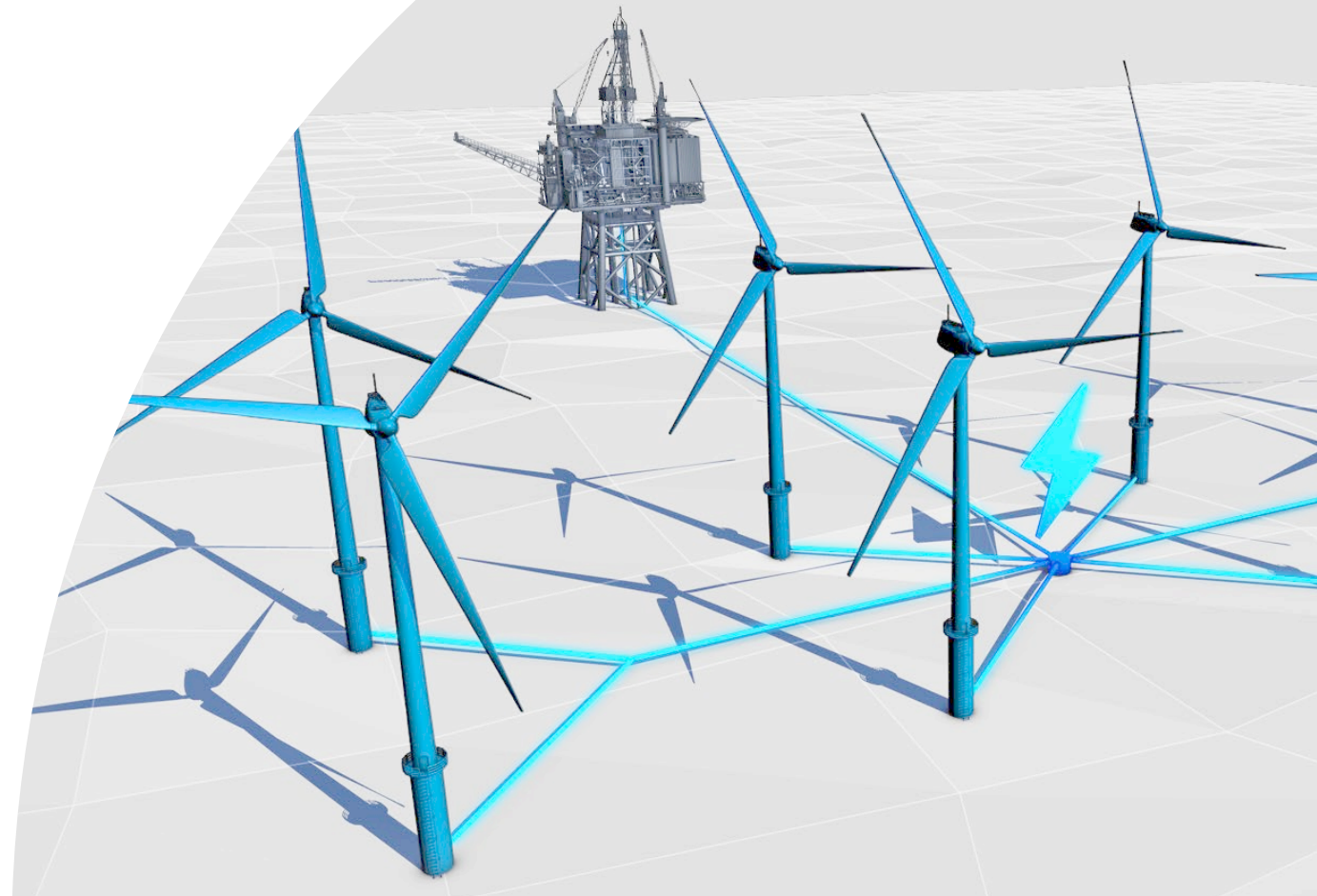
1. New developments with a first oil or gas date after 1 January 2030 must be fully electrified. For tie-back developments that will mean only tying back to fully electrified hosts.
2. New developments with a first oil or gas date before 1 January 2030 should generally at a minimum come online electrification ready.
3. Relevant persons must provide a comprehensive technical and economic assessment of all potentially available electrification schemes and associated emissions reductions before submitting their FDPs/FDPAs Concept Select. Where two or more development proposals are available, the NSTA will normally favour a lower emitting development proposal.
4. All assets intending to produce oil or gas beyond 2030 must have ERAPs that include a comprehensive technical and economic assessment of both full and partial electrification options, including a full assessment of potential emissions savings from relevant regional electrification schemes (based on the societal cost of emissions). That assessment must identify all reserves and resources (risked) that may be developed through that asset.
5. Financial investments must be made to electrify all assets where it is reasonable to do so. In assessing whether electrification is reasonable, relevant persons must weigh the total remaining value of reserves and resources (risked) that will or may be developed through that asset and the expected emissions reductions from electrification against the expected cost of electrification.
6. Where the NSTA considers that it is appropriate to electrify an existing asset, but relevant persons have chosen not to electrify, those relevant persons should have no expectation that the NSTA will approve FDPs or FDPAs, or issue any further consents on that asset.

To support the above, the NSTA will continue to engage with other regulators and government in identifying and as appropriate addressing barriers.

These requirements build on and are consistent with the NSTA's existing net zero expectations set out in the Field Development Plan guidance.



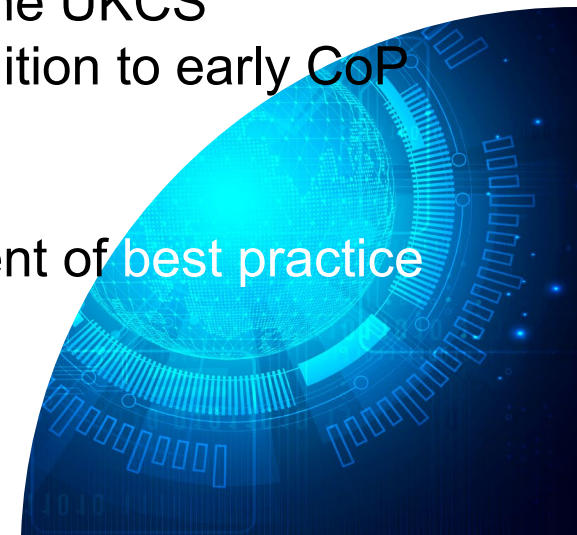
Discussion 2 – Platform electrification and low carbon power



1. Where GHG emissions intensity is 50% over the basin average, relevant persons must set their appropriate company CoP dates using societal carbon values.
2. For assets within a six-year glidepath to the fixed company CoP date, relevant persons should have no expectation that the NSTA will grant a production, or other relevant, consent beyond that date, subject to considering such an application on a case-by-case basis.
3. Declaring and provisioning for a company CoP date must be accompanied by early and fit-for-purpose decommissioning planning to avoid potentially costly decommissioning delays and unnecessary emissions being incurred post-CoP.
4. Relevant persons must declare early CoP, company CoP and late CoP dates for their assets to the NSTA.

To support the above and streamline reporting, the NSTA will from 2024 update the UKCS Stewardship Survey to allow reporting of company CoP date for all assets, in addition to early CoP and late CoP dates.

To support the above the NSTA will work with industry to support their development of **best practice** for setting CoP date.



Discussion 3 – Inventory requirements



Flaring and venting requirements

1. Relevant persons shall, as from June 2024, provide a documented method of the split of projected flaring and venting figures into categories (A, B, and C) with their flare and vent consent applications, to support delivery of zero routine flaring and venting from 2030.
2. Relevant persons shall, as from June 2025 at the latest have plans, with associated budgets, to deliver continuous improvements in flaring and venting reductions and then secure, at the basin-level, year-on-year GHG emissions reductions.
3. All assets consented to on a zero routine flare and vent basis must operate as such.
4. All new developments, including tiebacks to existing hosts, should be planned, designed and developed on the basis of zero routine flaring and venting.
5. All assets must deliver zero routine flaring and venting by 2030.
6. Relevant persons shall deliver year on year continuous reductions of fugitive emissions.

To support the above, from 2024, the NSTA will publish a list of assets with Category A flaring on an annual basis.

This builds on and is consistent with the NSTA's existing flaring and venting guidance and the industry's existing commitments to emissions reductions in the OEUK Methane Action Plan.



Discussion 4 – Flaring and venting requirements



Thank you for your feedback

Please send your formal comments and feedback on the consultation to planconsultation@nstauthority.co.uk by **30 November**

<https://www.nstauthority.co.uk/news-publications/consultation-on-draft-oga-plan-to-reduce-ukcs-greenhouse-gas-emissions/>