



## MER UK Steering Group Meeting 20<sup>th</sup>

May 2019

### Welcome and Introductions:

- Andy Samuel opened the meeting, welcomed everyone and thanked them for their attendance.
- Andy thanked the Decommissioning and Supply Chain and Exports task forces for their input to the Decommissioning Call for Evidence.
- Jean-Luc Guiziou advised that Terri King is stepping down and Neil McCulloch will be taking over as the industry lead for the Decommissioning Task Force.

### Decommission Task Force Update

- It was highlighted that there is a good mix of representation on this task force including operators, trade associations and regulators.
- Goals for 2019 are:
  - Cost reduction delivery – The task group has been involved in setting up tier 1 KPI's and are now working on tier 2 KPI's.
  - Input to the Decommissioning Call for Evidence – This has been completed
  - Knowledge sharing and communication – Looking at the state of knowledge sharing and identifying blockers to achieving cost reduction delivery, a new task force sub group is being set up. Terri King will be speaking at the Decom Conference.
- Andy noted that in the Call for Evidence submission there was a desire for more transparency around the OGA data and benchmarking. OGA will need to seek permission from operators to provide this.
- Andy requested that the task group work with Nils Cohrs to identify what data is required from operators to allow the OGA to be specific in its requests to industry.
- Need to share positive outcomes and challenges to enable industry to learn from others experience.

### Asset Stewardship Task Force

- The Asset Stewardship task force has produced a short video to highlight the work they are doing. This can be viewed on the OGA website.

- The Asset Stewardship task force has 4 task groups:
    - Reserves Progression, 1 sub-group: Wells Optimisation
    - Asset Integrity
    - X Industry Learning
    - Production Efficiency, 4 sub-groups: TAR, Compression, Terminals and a new digitalisation group.
  - There is a good mix of members with strong engagement.
  - Highlights:
    - Asset Integrity task group
      - ✦ Strong level of industry commitment
      - ✦ A roadmap has been developed to underpin multi-year improvement efforts in this area.
      - X industry
        - ✦ Torness, Toyota – key learning summaries developed
        - ✦ Babcock helicopter visit
        - Production Efficiency Task Force
          - ✦ New platform digitalisation workgroup set up
          - ✦ TAR, Compression guidelines under review
          - ✦ Terminal working group developing cluster outage plans
    - Reserves Progression
      - ✦ 2018 workshop identified high-value opportunities
      - ✦ Guidance and self-assessment to be published summer 2019
      - ✦ Operator specific well interventions benchmarks
      - ✦ Progress restoring shut-in subsea wells/subsea wells surveillance
      - Early career/High potential professional influence
        - ✦ Task group member identifying early career professionals to join a new group, members of this group will be integrated into task groups.
- Task force to engage with Wells Delivery group to ensure there is no overlap.
- Need to ensure that all areas in the industry are aware of the work being done.
- Andy advised that the OGA has 2 meeting rooms booked at Offshore Europe and these could be used to showcase the work of the task forces. Task forces interested in doing this should contact Marian Bruce.

## Industry OGA feedback

### Engagement and dialogue with operators

- Engagement and dialogue with operators received unanimously positive feedback, with these being of high quality.
- The OGA has made significant progress in connectivity with operators through meetings and forums.
- Staff are knowledgeable and competent.

- Need to keep listening – small perception that there may be a lessened desire to listen.
- Make sure that the dialogue with OGUK remains positive and constructive.

#### Data driven meetings and forums

- Data driven meetings and forums (e.g. Tier 0) - operators find these useful, allows operators to be factual with staff.
- Meetings are rich in data and benchmarks, 1 or 2 thought meetings might have too much data.
- Suggestion to include learnings from across the spectrum of 'good' and 'not so good' performance, there can be learnings from both.

#### Regulation, facilitation and influencing role – commercial v technical

- The OGA regulatory remit and powers are clear, understood and respected.
- Regulation and enforcement – What does good look like? Need to have the right balance between the necessity to enforce and the speed at which to enforce.
- Good alignment between OGA priorities and the operator's priorities, with a suggestion to balance more the commercial priorities and the technical priorities – TLB and OGA emphasis on technical deployment is a very good move.
- Sometimes 'UK centric'.
- Energy transition/vision 2035 – how does OGA see its role?
- Shorten license rounds time cycle.
- Increase engagement with HSE and BEIS.

#### Supply Chain

- Supply chain see benefit from the OGA's influence on operators, best way to support the supply chain is through the operators – stewardship, MER UK objectives.
- Supportive of the OGA's effort to standardise.
- It would be difficult for the OGA to be more involved in the supply chain without moving into commercial territory.
- The OGA could perhaps help more on technology – find a way to incentivise operators to go from 'race to be second' into 'willingness to be first'.
- The OGA should be mindful of the case studies and trends it wants to champion.

#### Evolving UKCS Operators Profile

- The OGA could be perceived as providing leverage to new entrants.

### **MER UK – Agenda**

- Suggested topics for the next MER UK Forum meeting:
  - Performance – Tier 0 highlights
  - Energy Transition
  - Inclusion and Diversity
  - Exports
- Performance is key, positive stories including decommissioning – set in context of energy transition.
- OGUK should be in a position to give an update on energy transition, where the industry is going and what it hopes to achieve.

- Two messages – ongoing competitiveness and contribution and the shift to energy transition – support for the climate change report.
- It was agreed that O&GUK would give thought on how inclusion and diversity could be covered.

## Wells Update

### OGA Update

- Important to keep focus on wells, 40% of both development and decommissioning costs are on wells.
- The OGA wells insights report is being updated and will be published in Q3.
- The wells strategy has 3 core areas:
  - regulatory compliance
  - performance improvement
  - well activity
- There is a workshop being held on 25<sup>th</sup> May for the Stewardship Expectation. Revised expectations should be rolled out on the OGA website in July and engagement sessions will be held during Offshore Europe.

### Competitive Well Delivery Task Group

- Work has been carried out across a number of workstreams with some good examples of improved performance
- The group has been refreshed and priorities have been identified which are consistent with the OGA wells strategy.
- Focus for the task group are:
  - Right scoping principles
  - Operator and supply chain principles
  - Lean execution and perfect performance
- Work has started on leading and lagging KPI's
- Regular events are being held and participation is welcome.
- Thanks, were given to Katy Heidenreich, OGUK, for the work she has undertaken with this group.
- It would be good to identify when key milestones will be delivered and see these communicated to industry.

### AOB

- Andy Samuel thanked Neil Sims for his hard work and dedication over the last few years as the industry co-chair of Supply Chain and Exports Task Force.
- Andy also thanked everyone that lead or participated in task groups as he realised this was over and above their 'day jobs'.
- Date of next meeting: 22<sup>nd</sup> August, 9am – 11am.

