North Sea Transition Authority

Technology Deployment

Stewardship Expectation 8

July 2019

1. Expectation

The OGA expects that operators deploy existing technology where it generates MER UK benefits.

1.1 This Expectation focuses on the following areas:

- Technology planning;
- Embedding technology in the business cycle; and
- Widespread deployment of technology in a timely manner.

1.2 The OGA has a role across the whole technology spectrum. Over the last two years the Technology Plans Stewardship Expectation has largely delivered on the need for technology planning and this updated Expectation now focusses on the deployment of existing technologies.

2. Reason for the Expectation

2.1 Technology is a key enabler of MER UK. However, deployment remains inconsistent, leaving untapped value across the UKCS.

2.2 Deploying existing technology strengthens the market for further innovative technologies.

2.3 The pace at which technologies are adopted needs to increase to optimally support UKCS hydrocarbon exploration, development, asset operations and decommissioning.

2.4 This Expectation supports the MER UK Strategy[1] in particular the Central Obligation (paragraphs 7, 18 and 19) and paragraphs 27 and 28.

3. Delivering the Expectation

A: Technology planning

A.1 Operators are expected to continue to update, or to develop, a UKCS Technology Plan.

A.2 The Technology Plan should identify technology solutions across an operator's asset base and determine how best to develop/deploy such technologies and collaborate with other companies.

A.3 Feedback on industry's Technology Plans is published annually through the OGA Technology Insights report[2,3], highlighting those technologies with MER UK potential. Operators are expected to be familiar with the OGA Technology Insights reports.

A.4 Operators are expected to screen and select existing technologies from the OGA Technology Insights list (in the Technology Insights report) to deploy on their assets, and provide best fit to specific asset's needs.

B: Embedding Technology in the business cycle

B.1 Selected technologies from the existing Technology Insights list are expected to be included in operators' Asset Plans and budgets.

B.2 Each technology has measurable delivery stages (pilot, review, scale up), and these should be reflected in the Asset Plans and budgets.

C: Widespread deployment of technology in a timely manner

C.1 Operators are expected to make every effort to deploy technologies effectively in line with available industry experience.

C.2 The deployment of technologies included in Asset Plans and budgets are expected be tracked.

C.3 Lessons learned from technology deployment are expected be captured and shared with industry.

4. Demonstrating delivery

4.1 The OGA currently engages with licensees and operators on a number of levels and in a number of ways, and information obtained from those engagements will help inform the OGA of the extent to which a licensee or operator may be delivering this Expectation. These include, for example:

Annual Stewardship Survey

4.1.1 The OGA's Annual UKCS Stewardship Survey collects a range of data from licensees and operators for each production licence in the UKCS. The OGA may request additional information or reports. The OGA generally uses its powers under section 34 of the Energy Act 2016 to obtain such survey data and additional information.

Performance Benchmarking

4.1.2 The OGA may produce benchmarking data on a variety of metrics derived from the Stewardship Survey data and other information provided to it. These data will generally be presented to industry in aggregated form and used in Tier Reviews with companies to improve performance.

Tier Reviews

4.1.3 The OGA will request an operator's participation in Tier Reviews in accordance with the OGA's Stewardship Review Guidance[4]. That guidance provides further detail on the Tier Review structure, prioritisation, planning, execution and follow-up. The OGA will set the agenda for the Tier Review to focus on issues it considers present the greatest stewardship impact, and based on data received in the Annual UKCS Stewardship Survey, benchmarking and delivery against this Expectation.

5. References

1 The Maximising Economic Recovery Strategy for the UK

2 OGA Technology Insights (April 2018)
https://www.ogauthority.co.uk/media/4745/a5-technology-insights-online-april-2018.pdf

3 OGA Technology Insights (April 2019)
https://www.ogauthority.co.uk/media/5766/oga_technology_insights_report_2019.pdf

4 OGA Stewardship Review Guidance

5 UKCS Technology Network web page
https://www.ogauthority.co.uk/technology/ukcs-technology-network/

Contact us at:

oga.correspondence@ogauthority.co.uk

OGA Headquarters
AB1 Building
48 Huntly Street
Aberdeen
AB10 1SH

OGA London Office
4th Floor
21 Bloomsbury Street
London
WC1B 3HF

www.linkedin.com/company/oil-and-gas-authority
twitter.com/ogauthority

Oil & Gas Authority

Oil and Gas Authority is a limited company registered in England and Wales with registered number 09666504 and
VAT registered number 249433979. Our registered office is at 21 Bloomsbury Street, London, United Kingdom, WC1B 3HF

www.ogauthority.co.uk