



Oil & Gas  
Authority

## North Sea Transition Steering Group meeting

16<sup>th</sup> February 2021

Meeting was held via MS Teams

### Welcome and Introductions

- Andy Samuel opened the meeting and welcomed everyone to the first Steering group meeting of 2021.
- Jean-Luc Guiziou highlighted that task force priorities for 2021 were already well established particularly net zero priorities.
- OPITO will not take a full-time seat on a specific task force, skills should instead be integrated in the work of each task force, with OPITO called upon to add expertise as and when required.
- Jean-Luc Guiziou highlighted concern regarding the timeline for Government support/regulation vs industry plans.

### Task Force Updates Asset Stewardship Task Force (ASTF)

- The key activities from the New Zero Task Group include:
  - Feedback from the industry on the new Net Zero Stewardship Expectation (SE11). Comments have been fed back to the OGA and SE11 is currently being finalised.
  - Case studies have been received; it is now being considered how best to communicate these to the wider industry.
  - An emission intensity target has been proposed and this will be shared with the Steering Group for approval.
- The Production Efficiency Group are focussing on re-energising the group to keep focus on and maintain the 80% target.
- ASTF are also working on a losses template and a data sharing methodology and are asking industry to contribute to this. Going forward the objective is to complete the data collection and advise on a new strategy, also to create a best practice guide.
- It was highlighted that there must be alignment when setting emission intensity targets.

## **Decommissioning**

- The Decommissioning Task Force is being rebadged to Decommissioning and Repurposing Task Force (DART). This is to reflect the enhanced role they will be undertaking in re-use and re-purposing.
- DART will work to identify a process that can characterise and rank re-use and re-purposing opportunities.
- They will also be looking at enabling a market for re-use of equipment and infrastructure. There are already some small-scale markets which could be scaled up.
- Another main task is to ensure that the regulatory pathway and guidance are in place by the end of this year. Engagement with industry on this will be conducted through 2021.
- The response to the Decommissioning Call for Evidence was published in December 2020. The areas highlighted in this that DART will take forward are:
  - Project visibility, activity stimulation
  - Benchmarking, KPIs.
  - Supporting the Supply Chain and Exports task force with Market intelligence and export strategy.
  - Supporting OGTC with improving technology.
  - Supporting the Well Task force with well P&A.

## **Efficiency Task Force**

- The Efficiency task force (ETF) has three key objectives:
  - Maximising the impact of existing good practice in operational efficiency and efficiencies within energy transition.
  - Promote the culture of collaboration and knowledge sharing
  - Facilitating the alignment of industry efficiency initiatives to maximise impact and penetration.
- This can be summarised as:
  - Share best practice
  - Promote a positive and progressive culture
  - Champion collaboration
- Going forward the ETF will host further roadshows.
- The Energy Efficiency Hub will also be updated, presently there are over 150 case studies. Steering Group members were asked to share case studies. Little feedback so far however on who is effectively using the hub.
- The EFT will also work on embedding the Supply Chain Principles and promote a collaborative culture.

## **Exploration Task Force (EXTF)**

- The Exploration Task Force's key priorities are:
  - Focus on BEIS licensing review, to get some certainty and predictability back into the system. Depending on the outcome of this the EXTF will propose some recommendations to the OGA on the Marks scheme and LARRY system.
  - Give feedback on the formation of guidance for CCUS.

- Look at the data being captured in the NDR to ensure that it is useful to the CCUS industry.
- Last year the EXTF compiled a pack which illustrated why continued exploration was needed in a low carbon future. Phase 2 of this work is now being worked on. When these packs are completed the Steering Group will be asked to share them across their organisations and more widely.
- Also, the EXTF collaborates with ASTF on maturation of resource opportunities

### **Supply Chain and Exports Task Force (SC&ETF)**

- One of the Supply Chain and Exports Task Force's key priorities for last year was to stimulate activity. A great deal of work has been done in this area. 17 operators are bringing forward well P&A work in 2021/22.
- Visibility of work was another key priority; 22 oil and gas projects have been identified and further 12 in energy transition are being shared across industry.
- The SC&ETF has also been working on frictionless tendering, 3 workshops have been planned for different levels of staff.
- The 30-day payment initiative has had good uptake, it is understood if companies can't commit to all aspects of this.
- The SC&ETF is currently creating a website where information can be shared.

### **Technology Leadership Board (TLB)**

- At the end of last year workshops were held to identify what the future role of the TLB should be. A lot of progress has been made since then. A new framework is now in place which is more structured, simplified and inclusive.
- Three priorities have been identified:
  - Accelerate deployment of technology
  - Data & digital
  - North Sea transition
- Going forward the TLB will work closely with the other task forces to ensure there is alignment with the industries technology needs.
- Communication and engagement remain very important, the TLB are participating in several events in the first quarter of 2021.
- The TLB have had two secondees working with them, one of these has returned to their company and the other is due to return in the summer. A request was made for Steering Group members to consider if there was anyone in their organisations that would benefit from being a secondee.

### **Wells Task Force (WTF)**

- Progress has been made in all areas.
- There has been good alignment with the Decommissioning Task Force on P&A. There is a lot of work going on with alternative barriers which is technology related, the WTF will ensure there is alignment with the TLB.
- Right Scoping review sessions and Waste Reductions improvement sessions have been implemented and are going well.

- One of the main priorities for this year will be to identify how best to share the output from these sessions with industry.
- A second priority is to get the Improving Partnership White Paper shared across industry.
- The task force is looking for a new member from a small/medium company to join the group.
- Future use of wells is causing a diversity of opinion and the group will look at this.

### **OGA Strategy Update**

- The OGA Strategy has come into force. To reflect the revised Strategy, the OGA is making necessary changes to a number of supporting documents and processes and is committed to engaging with industry to ensure the clarity of the guidance and documents.
- The task forces provide an important role in road-testing new guidance to avoid unintended consequences. This process has previously been very constructive.
- Over 50 pieces of guidance have been identified as requiring updating, an overview of what are considered priority were highlighted to the Steering Group.
- It was highlighted that it was important to get investment back into the basin and if anyone identified anything that was not investor friendly to please provide feedback to the OGA.

### **North Sea Transition Deal Update**

- The North Sea Transition Deal is a quid pro quo deal between industry and government and is a catalyst for Roadmap 2035 to move things on at pace.
- The UK North Sea Transition Deal will be the first by a G7 country, will accelerate energy transition, reduce UK emissions, and create new jobs across the UK.
- The Deal is currently going through the negotiations and could potentially change.
- The Deal is made up of 5 inter-related commitments:
  - Supply decarbonisation
  - Carbon Capture and Storage
  - Hydrogen
  - Supply Chain Transformation
  - People and Skills
- The proposal is that the North Sea Transition Forum and Steering Group will provide the governance for the Deal. How this will work will be discussed at the next Steering Group meeting in May.

- A discussion followed around challenges and concerns that had been identified around the regulatory landscape, timelines and delivery.

### **Stakeholder Engagement Project**

- This project was set up by OGUK last year, the aim of the project was to improve stakeholder engagement.
- From the data and feedback gathered during the first phase of the project, insights have shown that climate change and jobs are a main focus.
- Feedback has also identified that approximately 70% of people do want a mature conversation about energy and how the oil and gas sector can support the energy transition.
- The project carried out a campaign in Teesside to test some of the messages and test materials, feedback from this was very positive.
- This year the main focus will be on increasing the profile of the sector. It is planned to connect with the national media to raise awareness and also to carry out more local campaigns.

### **2021 Landscape/Forward look**

- The Steering Group were asked to consider if there were any topics/subjects that should be brought to the group for consideration. Suggestions should be sent to Andy Samuel, Jean-Luc Guiziou and Marian Bruce.
- Andy asked the group if there was anything, they thought should be brought to the OGA's attention to please highlight this.
- The Licensing review was raised as a concern.
- The question was asked if the OGA would have a role at COP26? The OGA will not have a presence in the own right but would we happy to join panels and provide help if asked.

### **AOB & Close**

- Andy Samuel and Jean-Luc Guiziou thanked everyone for their attendance and the meeting was closed.