

North Sea Transition Steering Group meeting

15th November 2022

Welcome/introductions

- Andy Samuel opened the meeting and welcomed old and new participants.
- Jean-Luc Guiziou thanked Andy Samuel for his leadership and support of the Steering Group over the last 7 years as this will be his last meeting.

Task Force Updates

CCS

- First meeting was held 20th October. Task Force representation includes operators, trade associations and NSTA.
- It was agreed to change the task force name to CO2 Transportation and Storage Task Force as this reflected the task force's role more appropriately.
- Three areas of focus were identified
 1. Monitoring of active stores
 2. Shortening the timeframe from licence award to first injection
 3. Resilience – This will be a longer-term focus area
- The group plan to meet quarterly with the next meeting being in January.
- OEUK will shortly be launching 'The Decommissioning for CO2 storage guidelines'
- The question was asked what the touchpoint was for carbon capture? – This would be through the CCSA.

Supply Chain and Exports

- This task force has focus on:
 - Lack of visibility around major projects
 - Early investment in the Supply Chain – looking at gaps in manufacturing capability and identifying how these could be filled and de-risked.
- Supply Chain Action Plans (SCAPS) will have a key role in tracking and monitoring UK content.
- Payment terms are also taking up a lot of time and it is felt that is an area that has gone backwards. Some examples of the worsening situation were provided to the group.
- NSTA are looking at what can be done within existing powers and processes.
- If these behaviours continue this could impact on the energy transition and security of supply as businesses may move overseas.
- It was asked if this was something that could be picked up by OEUK board. OEUK have requested further information from industry.
- It was highlighted that there are Supply Chain principals, but it did not seem like Supply Chain principal 10 was working.

- The group advised it would be good if examples could be shared at operator CE level. This would have to be done in a way that could maintain supply chain confidentiality.

Wells

- Three things have made the Wells Task Force successful:
 - Participation/Community – There is good participation across the industry
 - Narrative – There is a calendar of events where the task force will share their narrative. Simon Roddy will give the keynote speech at the ICOTA conference
 - Measures – Decommissioning, closed-in wells and net zero/waste.

Exploration

- Focus has been on making the case for Responsible Investment in Exploration.
- There has been a constructive dialogue with the climate change committee.
- There was a great deal of work done on the Climate Compatibility Checkpoint.
- Focus is now on the licensing round.
- Papers have been published on progressing CCS exploration.
- Progressing work on the geoscience skills for the energy transition.

Asset Stewardship

- The Asset Stewardship task force has gone through a year of decline mainly due to competing priorities within industry.
- However, several areas have been progressed
 - Resource Progression TG – RP Toolkit now incorporates Net Zero questions and there is a plan to launch this with industry
 - PETF – PE Good practice guide is in final draft and also working through a launch plan with OEUK
 - NZTG - Short Term Decarbonisation Landscape Project kicked off focussing on technology with aim to Identify existing and emerging technologies.
- There will be a re-launch of the task force with a workshop/learning event early next year. The Steering Group were asked to support this event.

Decommissioning and Reuse Task Force

- The target set in 2016 was to reduce decommissioning costs by 35% by the end of 2022. This was based on a probabilistic model.
- Good progress has been made; the latest forecast shows a 25% reduction.
- A new target is being set.
 - The target must be simple, measurable and achievable
 - Must enable NSTA to hold industry to account
 - Must be owned by industry and NSTA

- In calculating the new target:
 - Cost figures based on 'best' estimate removing the probabilistic risk.
 - To achieve the new target industry will need to achieve the cost-basis that is currently in the NSTA's top quartile.
 - Eight supporting metrics have been agreed.
 - Shift focus from estimates to actuals.
- The new target will be shared with industry at the OEUK Decommissioning conference and will be used from January 2023.

Industry Winter Resilience

- OEUK gave an overview of the work they have been doing on industry winter resilience in terms of operational and security aspects.
- They have been working with industry and government to ensure that control measures both current and future are in place including:
 - Preventative – how to stop an incident occurring.
 - Containment – minimise the impact if it does occur.
- Issue regarding blend gas was discussed. It was agreed to share the current consequences with NSTA.

NST Forum Agenda

- The next NST Forum meeting will take place on 30th November.
- It was agreed to revisit the agenda after the Chancellor's autumn statement.

AOB

- An action from the last Steering Group meeting, was that OPITO should draft a statement of commitment that industry can sign up to, in support of the Skills Passport and recognition of aligned standards. The statement was shared with the group as a pre-read. It was agreed with a slight wording change that this could be supported.