

North Sea Transition Steering Group Meeting

9th May 2023

Opening Remarks

- Stuart Payne and Simon Roddy opened the meeting and thanked everyone for attending.
- As the co-chairs are both new to their role, it was thought that this is a good opportunity to review how the Steering Group and Task Forces were working, this will be discussed during the meeting.

Taskforce Framework

Objective: share proposed strengthening to overarching framework intended to increase impact.

- Pre-read was shared prior to the meeting.
- The Steering Group does have existing ToR and these will remain as published in the meantime.
- There are three areas where updates have been proposed:
 1. **Composition**

Need to ensure the Steering Group and Task Forces have representative membership, rotating members out where appropriate. All existing and new TF co-chairs to receive a formal appointment letter. Task force co-chairs to do the same for task force workstream leads.

If not already in place task forces should consider adding early career professionals, if possible, from the FILP or OEUK Young Professionals network.
 2. **North Sea Transition Steering Group Meetings**

There are four meetings each year, for planning two will be put in diaries now, the remaining two will 'float' to be put in place ahead of NST Forum meetings.
 3. **PMO**

Taskforces are encouraged to identify PMO (ideally linked to co-chairs). The Steering group will also institute a PMO model with resource from the NSTA and (reflecting the industry co-Chair) Shell.
- It is important that there are clear structures and clear goals in place.
- The group were asked for feedback on the proposals and to highlight what has worked well within their taskforces.

Feedback summary

- The composition of the Decommissioning and Reuse task force has been reviewed to ensure all parts of the industry are represented. New members from the drilling and subsea areas have joined.
- Need definition on what all the task forces are delivering.

- Integration will ensure things work, would like to see in the PMO role include integration across all task forces.
- Production efficiency focus worked well in the Asset Stewardship task force (ASTF); the competition element was effective. The ASTF are considering how this could be broadened to overall operational efficiency.
- The ASTF have three sub-groups and it is currently being considered if these should take a task-finish approach.
- The key strategic deliverables for the ASTF are still to be identified.
- ASTF still looking at group membership to ensure it has the correct composition.
- The Exploration task force is transitioning to become the Subsurface task force (STF), the membership is evolving to reflect that the priorities have evolved, expectation is that there will be approximately 30 members. There are subgroups:
 - Domestic oil and gas
 - Geological storage
 - Skills
- The STF have met with other task forces to ensure that there is no duplication.
- What worked well for Exploration task force was the interface with NSTA and identifying issues that are not being addressed elsewhere to work on.
- Good if people have a limited tenure for being on the task forces, but flexibility is needed.
- Support for the idea to bring in young professionals.
- Suggestion that there may be an opportunity to look at all the existing industry groups to ensure they are complementary and not duplicating work.
- **Action:** Map all existing industry groups – Dave Whitehouse.
- The question was asked if there were other areas where this group should be represented? Is there anything we could do to simplify the wider regulatory processes?
- With the supply chain being so large it is a good idea to rotate membership of the task forces.
- Task forces need clear outcomes and clear communication.
- It was expressed from a young professional that being a PMO and task force member had been a great opportunity for development. It was refreshing and inspiring to be involved in a group that is looking at energy security, serving the UK and not individual companies.
- For the Technology Leadership board (TLB) having clear goals and publishing data has worked well. The TLB communicates through their own website.
- There is value in connecting the task forces, especially for the TLB as they can help support many of the other task forces priorities.
- The composition of the TLB was reviewed two years ago and they now have 12 members with broad experience and skills.
- The TLB has three work groups that focus on priority areas.

- The TLB have young professionals and this has been very successful, bringing new energy and ideas.
- Outcomes should be shared widely across industry.
- Need clear messaging that industry can use and share.
- Need to focus on a few things are crucial for the industry.

Summary

- General support for the proposed changes. Three areas highlighted integration, communication and delivery focussed.
- Support for the changes to the task force composition. There is a need for clarity and to declutter, members should be focussed and disciplined.
- Agreement that the PMO role should be implemented and to include young professionals either in this role or task force member.
- Need to be conscious of and minimise duplication – have clear communication.
- Ensure Steering Group and Task Forces work within their scopes.
- Identify where the Steering Group can add value and steer strategically.
- NSTA are in full support and will look to provide support to companies through the regulatory landscape.
- Three areas highlighted; integration, communication and delivery focussed.
- Need to look at how HMT can be involved outside of the NST Forum meetings.
- **Action:** Finalise and identify next steps and issue appointment letters – Stuart Payne, Simon Roddy.

Oil and Gas narrative

Objective: share suggestions on focusing key messages for external use and agree next steps

- Would like to develop 3-5 key messages that are coherent and consistent, to effectively make the case for continued North Sea oil and gas.
- It is hoped that OEUK will champion this.
- OEUK have already done a lot of work with industry in this space, in terms of energy security, jobs, emission reduction and the energy transition. Key messages need to be complementary rather than alternative.
- The industry needs to be more vocal and amplify the key messages.
- Need to get consistent, clear and simple messages to ministers, stakeholders and third-party advocates.
- We historically haven't pushed back when misinformation is presented as factual, we need to do this.
- We need messages to be factual, defensible, and logical and industry needs to be aligned to these.
- Need simple positive messages e.g., 'In 2022 UK spent more on importing oil and gas than on Education', 'home grown is better'.
- Will need the facts to underpin the key messages.

- It needs to be clear in the messaging that this is a well-regulated industry.
- Young professionals could play a key role in developing and sharing the messages.
- **Action:** 3-4 key messages to be developed – David Whitehouse.

North Sea Transition Deal (NSTD) and OEUK update

EPL

- Getting a trigger price is important to rebuild industry confidence and secure investment, OEUK will continue to engage with politicians and advisers on this.
- With the general election next year, OEUK has developed a plan of approach for the different political parties.
- OEUK are submitting a response to the Scottish Government Energy Strategy consultation.

Industrial Relations

- Industrial action in ongoing, the Energy Services Agreement has not been the vehicle it had hoped it would be.
- Some progress has been made during discussions with the unions and discussions are ongoing.

NSTD

- Decarbonisation remains a priority, getting the INTOG licenses approved is a step in the right direction. For the targeted oil and gas licenses concerns have been raised about the ability to meet financial commitments.
- There is still some concern that not everyone is committed to the skills passport, OEUK are engaging on this to overcome the barriers.

AOB and Close

- NSTA are hopeful to make an announcement for the CCS licensing round shortly.
- NSTA are starting work on the next phase of emissions reduction roadmap, engagement with industry will start over the summer. Steering group members were asked to provide staff when requested.
- It was highlighted that when the key messages have been developed that these should be shared with overseas investors.
- It was asked if the co-chairs could clarify what is in and out of the scope for the Steering group.
- Stuart Payne thanked everyone for attending and for the work they were doing.