



**Minutes of OGA Board meeting on 18th March 2021
09:00-14:30
Videoconference**

Directors	In attendance
Tim Eggar Chairman	Marc Benton (item 8) Senior Investment Manager
Frances Morris-Jones Non-executive Director	Tom Wheeler (items 8 and 9) Director of Regulation
Sarah Deasley Non-executive Director	Ian Knott (item 9) Head of Licensee Finance
Mary Hardy Non-executive Director	Stuart Payne (item 10) Director of HR, Decommissioning, Supply Chain
Emily Bourne Shareholder Representative Director	Pauline Innes (item 10) Head of Decommissioning
Iain Lanaghan Non-executive Director	Margaret Exley, Observer Board Evaluation Consultant, SCT Consultants
Andy Samuel Chief Executive	Russell Richardson Company Secretary
Nic Granger Chief Financial Officer	Fiona Gruber Board Secretary
Emily Bourne Shareholder Director	

1. Welcome and introductions

The Chairman welcomed Directors and Margaret Exley to the meeting.

2. Minutes and matters arising

Directors approved the minutes of the January meeting. There were no outstanding actions.

3. Conflicts of interest

No conflict of interest with any agenda item, nor as a result of new appointments, was declared by any Director.

4. Safety and environment report

The Board discussed the Chief Executive's update on safety and environment performance.

5. Chief Executive report

The Chief Executive welcomed the Chancellor's budget announcements of significant energy transition funding for the oil and gas industry and looked forward to the forthcoming launch of the North Sea Transition Deal.

The OGA's new approach to carbon economics has already borne fruit, with information provided by the OGA proving instrumental in an operator's decision to opt for an electric drive over a gas drive, with a significant projected reduction in the project's lifetime

emissions. There has been good progress on electrification which will be amplified at the Board's stakeholder engagement day in Aberdeen in July.

The OGA and OPRED have been working hard to efficiently manage the demands of the new Environmental Impact Assessment (EIA) Regulations and minimise the disruption for industry since their introduction.

The Board discussed the latest performance update and agreed that it would be helpful to see the direction of travel for each metric, and to see the latest net zero indicators. The Board looked forward to seeing updated metrics when the 2021 stewardship survey data were available.

6. Shareholder update

The Shareholder Director thanked the OGA for its continued close collaboration on the licensing review, the North Sea Transition Deal (NSTD) and CCUS. The NSTD is expected to be announced later in the month and a North Sea Transition Forum has been scheduled for 15th April.

Discussions to formalise joint working between BEIS and the OGA on relevant aspects of CCUS policy development are continuing, specifically to help address policy and commercial challenges and support delivery ambitions for the pipeline of emerging CCUS projects.

7. CFO update

The OGA continues to underspend, primarily due to greatly reduced staff travel, and the OGA expects to refund some of the levy to industry. The training budget underspend is primarily due to the annual offsite event having been cancelled, but the majority of staff training has continued online. The 2020-21 budget allocation for the anticipated Aberdeen office move will be re-budgeted for 2021-22.

The 2021-22 levy regulations have been laid in Parliament.

Both offices are Covid secure and could be reopened relatively quickly once government regulations allow.

8. Investor team strategy

The Senior Investment Manager presented the investor team strategy, which aspires to secure the availability of finance for every economically viable UKCS MER and net zero project. The strategy is built around the intelligence the team has gathered from two groups: key financial and operations people at operators, and external advisors and providers of capital.

The strategy is a living document which will be updated every six months, to build on successes and incorporate lessons learned.

The Board thanked the team for a very clear paper and commended them for building a real centre of excellence which could certainly be a value adding resource for government. The strategy is consistent with the Board's vision for the investor team.

9. **licensing**

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10. Decommissioning directorate - challenges and highlights

The Head of Decommissioning briefed the Board on the OGA's enhanced stewardship of decommissioning, holding operators to their decommissioning and P&A commitments. The team is reviewing operators' decommissioning plans to ensure they are realistic and include a credible contracting strategy. The team is now able to use evidence of actual decommissioning costs and Pathfinder data to demonstrate the potential value to be added by efficient decommissioning.

She presented the second OGA decommissioning strategy, updated to support the OGA Strategy and to drive delivery of the decommissioning cost reduction target. The strategy focuses on the OGA's role in facilitating better planning for decommissioning, commercial transformation, support for the energy transition and technology, and improved processes and guidance and will be published in May.



11. Strategic risk review

The Board confirmed that it was content with the way strategic risks are escalated and assessed by the Leadership Team. The Board concluded that the top three risks remained unchanged but suggested that, following today's discussions, additional mitigation actions and updates should be added.

The Audit and Risk Committee will take assurance on mitigation actions when it meets next week.

12. Board planning

The Board agreed to make contingency plans to meet in-person in May, subject to a Covid risk assessment, but to hold the meeting at a venue in the London area to minimise long-distance travel. The July meeting will be held in Aberdeen and will be preceded by a stakeholder dinner and stakeholder meeting.

13. AOB

Directors signalled their agreement to renew the additional Powers of Attorney for a further year, due to ongoing Covid restrictions. The Powers of Attorney will be duly executed.

The Chairman updated the Board on the status of discussions to identify suitable alternative office accommodation in London.

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Chairman

20th May 2021

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Date