North Sea Transition Authority

UKCS Decommissioning

Cost and Performance Update

2026

Contents

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Executive summary

Decommissioning remained a major activity across the UK Continental Shelf (UKCS) in 2025, with industry spending reaching a record £2.6 billion, reflecting continued progress in the decommissioning of wells, platforms and subsea infrastructure. Operators carried out decommissioning work on more wells than in the previous year, while topside and infrastructure removal activity also increased, demonstrating a continued commitment to meeting regulatory obligations and delivering safe and responsible decommissioning.

Despite this record level of expenditure, the estimated cost of completing the remaining UKCS decommissioning programme has reduced only marginally to £43.4 billion. While operators and the supply chain continue to pursue efficiencies, progress has been offset by inflationary pressures, market uncertainty, growing competition for specialist offshore resources and increasing demand from other energy sectors.

The period to 2032 remains a critical phase for UKCS decommissioning. Around £21 billion, almost half of the remaining forecast expenditure, is expected to be incurred during this period. Decisions taken now by operators, contractors and regulators will have a significant influence on the overall cost and efficiency of the programme, as well as the long-term competitiveness of the UK decommissioning sector.

Encouragingly, industry continues to demonstrate positive behaviours that support cost-effective decommissioning. Operators are increasing collaboration with the supply chain, exploring innovative commercial arrangements, trialling and adopting new technologies and establishing longer-term contracting strategies. In addition, 71% of the value of decommissioning contracts awarded during 2025 was secured by UK-based organisations, exceeding the ambitions set out in the North Sea Transition Deal and helping sustain the domestic capability required to deliver future activity.

Well decommissioning remains the single largest component of forecast UKCS decommissioning expenditure, accounting for around half of expected costs to 2032. In 2025, operators spent approximately £1.3 billion on well decommissioning activity, with work undertaken on more than 250 wells and over 100 reaching final abandonment status. While this represents an increase in activity,

Executive summary

a backlog of approximately 500 wells awaiting final abandonment remains. With more than 1,000 additional wells forecast to be decommissioned over the next five years, activity levels will need to increase significantly if industry is to meet regulatory expectations and provide the certainty of work needed to attract and retain critical supply chain resources.

The NSTA continues to support and challenge industry to improve performance. Alongside the use of regulatory powers where required, the NSTA is working with operators and the supply chain to improve visibility of future activity, encourage collaboration, accelerate the deployment of new technologies and develop more efficient approaches to well decommissioning. A new initiative focused on streamlining wellhead severance and removal activity aims to reduce costs, increase efficiency and release valuable rig capacity for earlier-stage well abandonment work.

The UKCS remains one of the most experienced offshore decommissioning regions in the world. The scale of activity forecast over the coming years presents a significant opportunity for industry to enhance productivity, strengthen the domestic supply chain and reinforce the UK's position as a global centre of excellence for decommissioning. Realising that opportunity will require sustained collaboration, timely project delivery and a continued focus on cost efficiency across the sector.

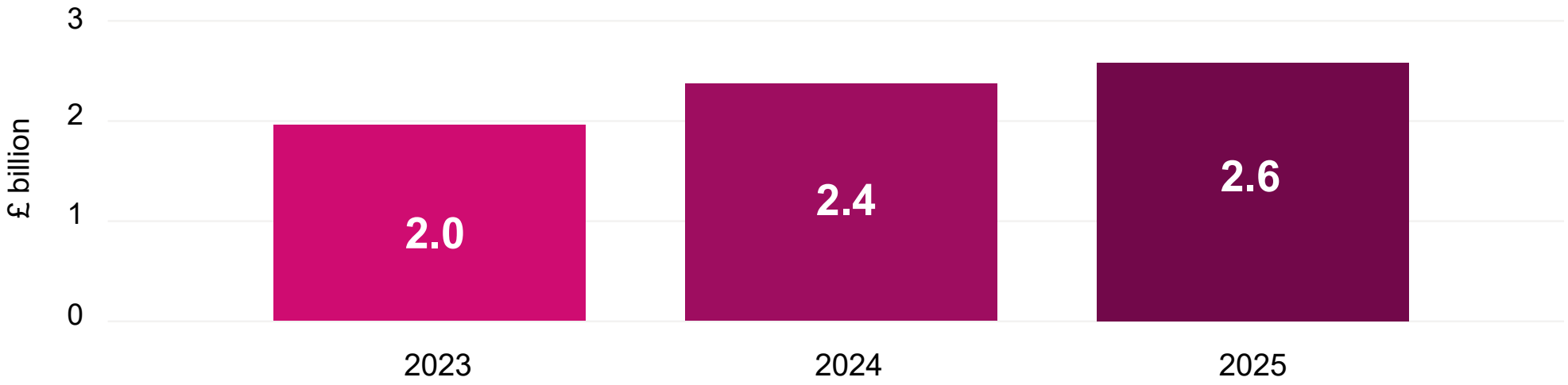
Images © Harbour Energy

Decommissioning spend and cost estimate

UKCS decommissioning expenditure totalled £2.6 billion in 2025, in line with industry forecasts and a record high for the basin (Figure 1).

Figure 1: Actual decommissioning spend

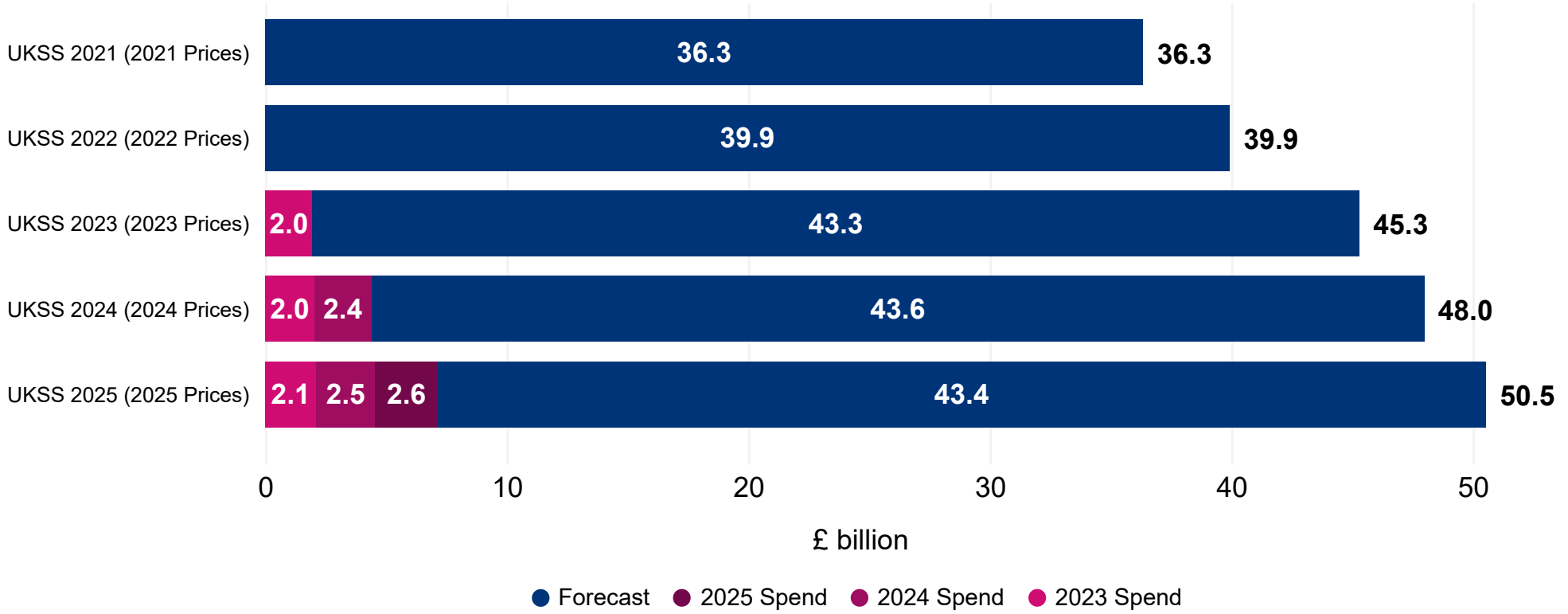
(£bn, in-year prices, total decommissioning)



In 2022, after completion of the 2021 UK stewardship survey (UKSS), the estimated cost of decommissioning all remaining UKCS oil and gas infrastructure for 2023 onwards was £36.3 billion. While approximately £7 billion has been spent on decommissioning since the start of 2023, industry estimates a further £43.4 billion of expenditure remains. Further details of changes to the UKCS decommissioning cost profile for 2021–2025 in constant (2021 and 2025) prices are set out in the cost reporting section.

Figure 2: Actual and forecast decommissioning costs by survey year

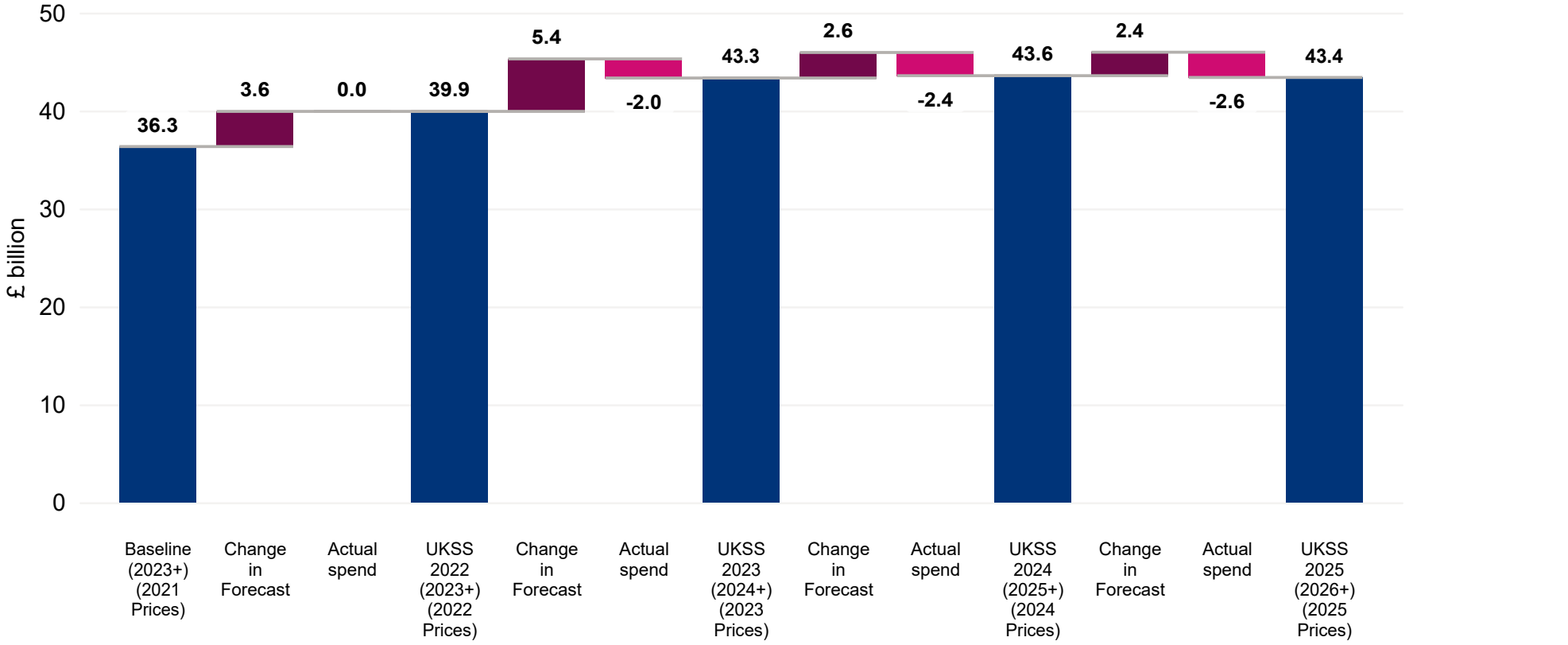
(£bn, 2023 onwards, in-year prices, total decommissioning)



Decommissioning spend and cost estimate

Figure 3: Rolling forecast decommissioning costs

(£bn, in-year prices, total decommissioning)



Changes to the cost estimate (Figure 3) are attributed to:

- Actual annual decommissioning spend
- Inflation
- Economic instability within the UK offshore oil and gas sector

- Competition for resources from other UK energy sectors, including carbon and capture storage (CCS), renewable energy and nuclear
- Global competition for offshore decommissioning supply chain resources
- Access to, and cost of, capital to invest in people, processes and facilities

Industry is responding by acting on costs in areas where it has direct control and influence, including:

- Trialling and adopting new technologies, including those designed for well P&A
- Exploring the potential for new or transformational contractual models and commercial agreements
- Increasing collaboration between the supply chain and operators, aiming for long-term agreements, including for rig contracting, challenging previously established custom and practices

Industry case studies and further details of ongoing measures are included in this report.

The NSTA's Decommissioning Benchmarking Report provides information on actual decommissioning performance up to and including 2025. The industry has embraced the benchmarking report's enhanced functionality and data granularity, particularly in well P&A, and is proactively utilising the outputs to manage and influence strategic decommissioning decisions. The NSTA is reviewing opportunities for further improvements to this key database including the current removals benchmarks.

Key findings and insights from the 2026 benchmarks:

- A cross section of operators consistently deliver lower-cost, lower-duration well decommissioning outcomes. When these operators are actively decommissioning, the relevant industry-wide benchmarks improve. Consequently NNS and SNS platform well decommissioning performance and SNS subsea well decommissioning performance all showed improving trends in 2026.
- The NSTA is aware of innovative, new and emerging well decommissioning technologies, enhancements in supply chain capability and cost reduction opportunities. For example, an operator made a saving of more than £250,000 per well, saving approximately £2 million in total on a recent eight well campaign. The savings are attributed to using one supplier for multiple services and with a small operational offshore footprint.
- Marked increase in the cost of large (> 3kTe) removals of jackets and topsides considered due to increased global demand for heavy lift vessels.

Miller and Don decommissioning:

Delivering safe, efficient subsea removals through an innovative commercial agreement

2025 saw the completion of the bp operated Miller Subsea and Don decommissioning workscopes performed by DeepOcean which utilised a sale and purchase agreement (SPA) which was agreed between the two organisations in Q4 of 2022.

The SPA is an innovative contracting solution, the first of its type in the North Sea, which places trust in the capabilities of the UK supply chain. It effectively allows bp to transfer title to a competent contractor for removal and recycling. This commercial model allows the contractor more ownership of the decommissioning methodologies used in removals, offers more schedule flexibility to manage their fleet and affords the operator more fit for purpose oversight for lower risk decommissioning scopes when compared to capital development projects.

Combining the Miller field, in the Central North Sea, 270km North East of Aberdeen, and the Don field in the Northern North Sea, 210km North East of Lerwick, allowed for economies of scale over the similar workscopes at each site. Over the course of the three-year period, Deep Ocean utilised four different vessels, with over 100 days offshore, and 11 vessel campaigns to undertake the workscope, removing around 2,00 tonnes of subsea infrastructure (pipelines, spools, mattresses, grout bags and structures), including the largest SSIV in the North Sea at around 400 tonnes. Over 95% of the materials recovered were recycled.

The Miller and Don project acted as a valuable case study for the SPA model, which, due to its success, is being used to perform the removals of the risers and a static umbilical (including various amounts of buoyancy, riser protection, clamps and other appurtenances) at the Foinaven field commencing later in 2026.

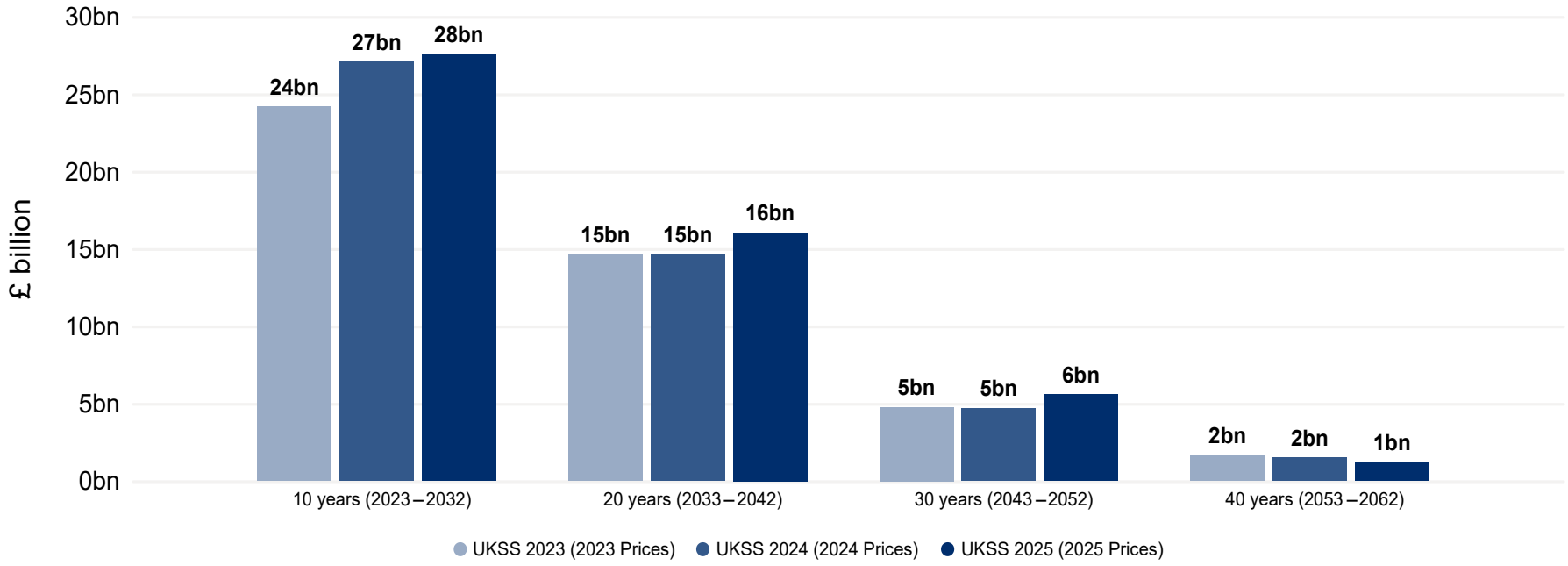
Decade(s) of decommissioning

The period 2023–2032 has been identified as a key ‘decade of decommissioning’. With more than 50% of the total cost of decommissioning UKCS oil and gas infrastructure expected to be incurred during this period, this is a pivotal decade for industry to seize near-term opportunities to minimise costs and secure long-term efficiencies.

Data shows a marginal increase in forecast decommissioning expenditure over each of the three decades starting in 2023 (Figure 4).

Figure 4: Decommissioning cost profile per decade

(£bn, in-year prices, 2023 onwards, total decommissioning)

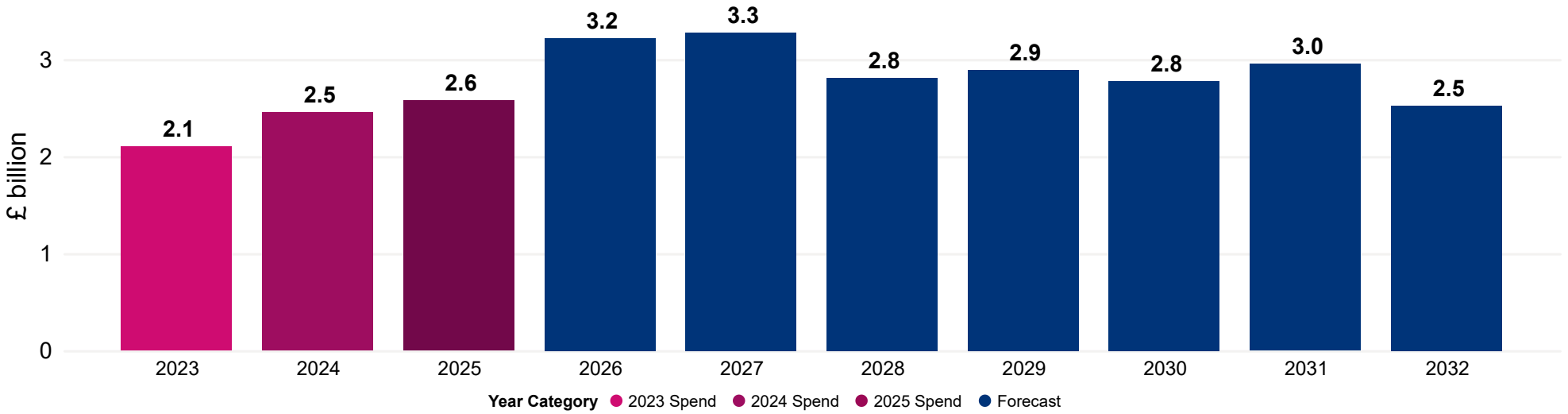


Decade(s) of decommissioning

While a total of £7 billion (average of £2.3 billion per year) was spent on decommissioning in the three years between 2023 and 2025, expenditure is forecast to increase in the coming years to an average of approximately £3 billion annually from 2026 to 2032 (Figure 5).

Figure 5: Latest industry reported decommissioning decade cost profile per year

(£bn, 2025 prices, total decommissioning)

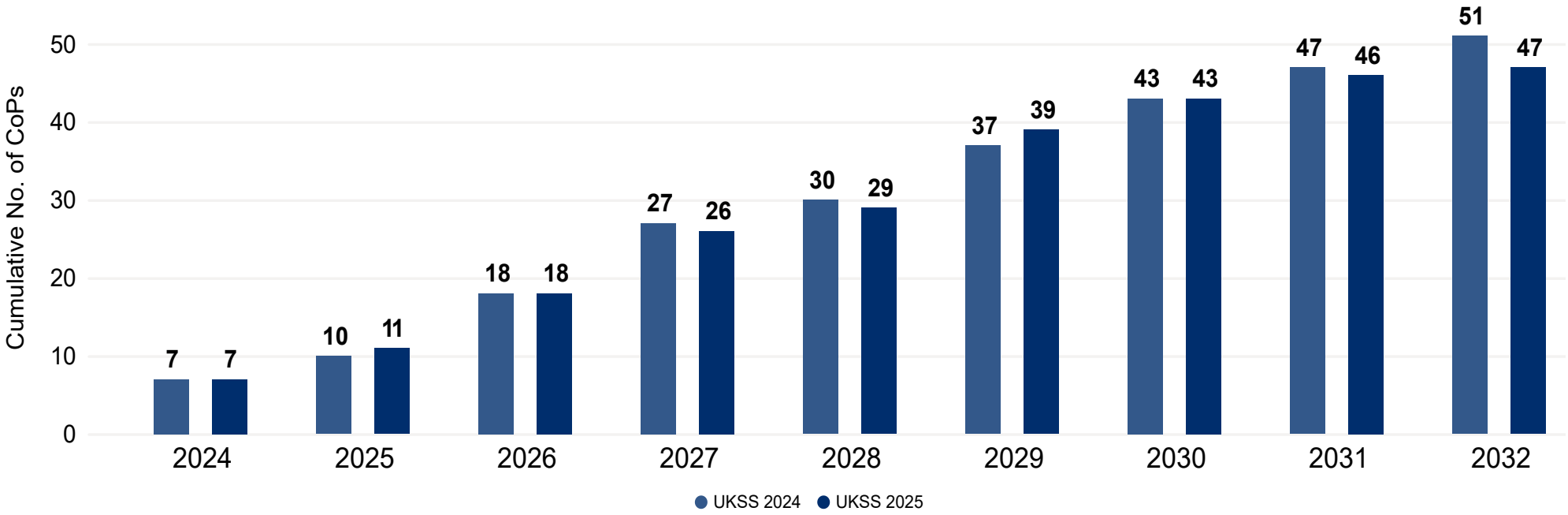


The number of major installations[1] planning to cease production in the coming six years (progressing through the decommissioning 'glidepath' Stewardship Expectation SE10 – Cost effective decommissioning) – has stayed relatively flat compared with last year's report (UKSS 2024) (Figure 6).

[1] Major Installation: see glossary for definition.

Figure 6: Cumulative number of CoPs for major installations

(source: UKCS Stewardship Survey (UKSS) Activity Section)



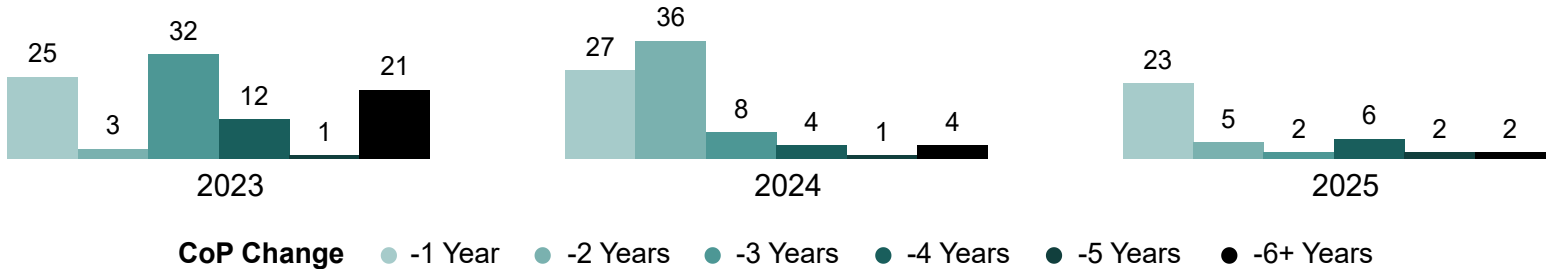
Cessation of Production dates for most assets within the glidepath window have remained stable, with only a slight delay in timings (Figure 7). This should provide a consistent and predictable base load of decommissioning activity for the supply chain. The NSTA continues to maximise the visibility of these opportunities via tools and databases such as Energy Pathfinder and our Decommissioning Data Visibility Dashboard.

Decade(s) of decommissioning

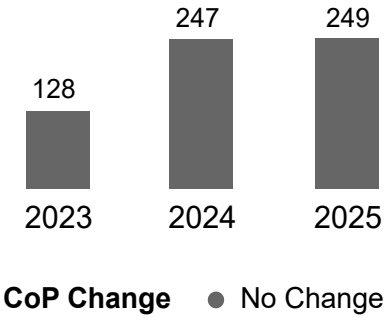
Figure 7: No. of assets with a change in CoP by survey year

(only assets with CoP year greater than 2023)

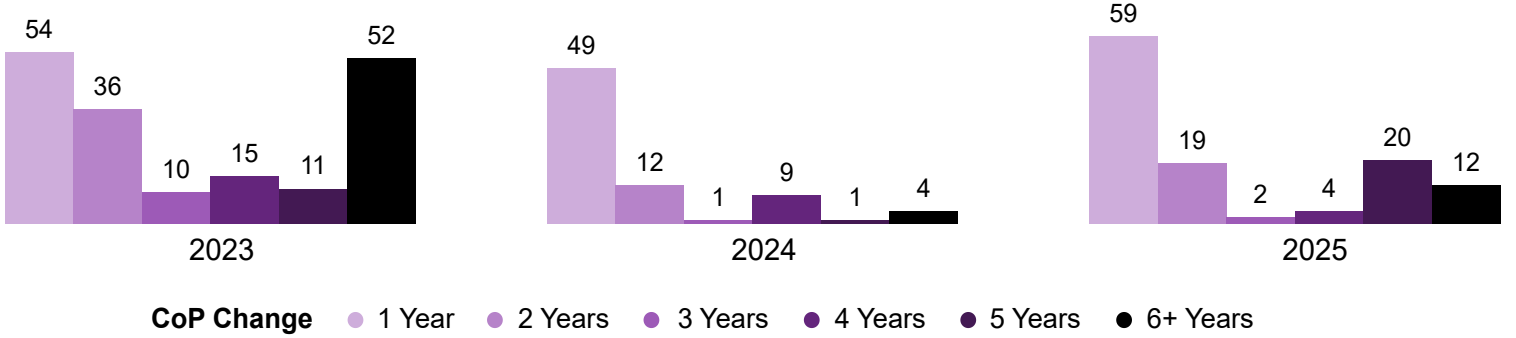
No. of assets with accelerated CoP by survey year



No. of assets with no change CoP by survey year



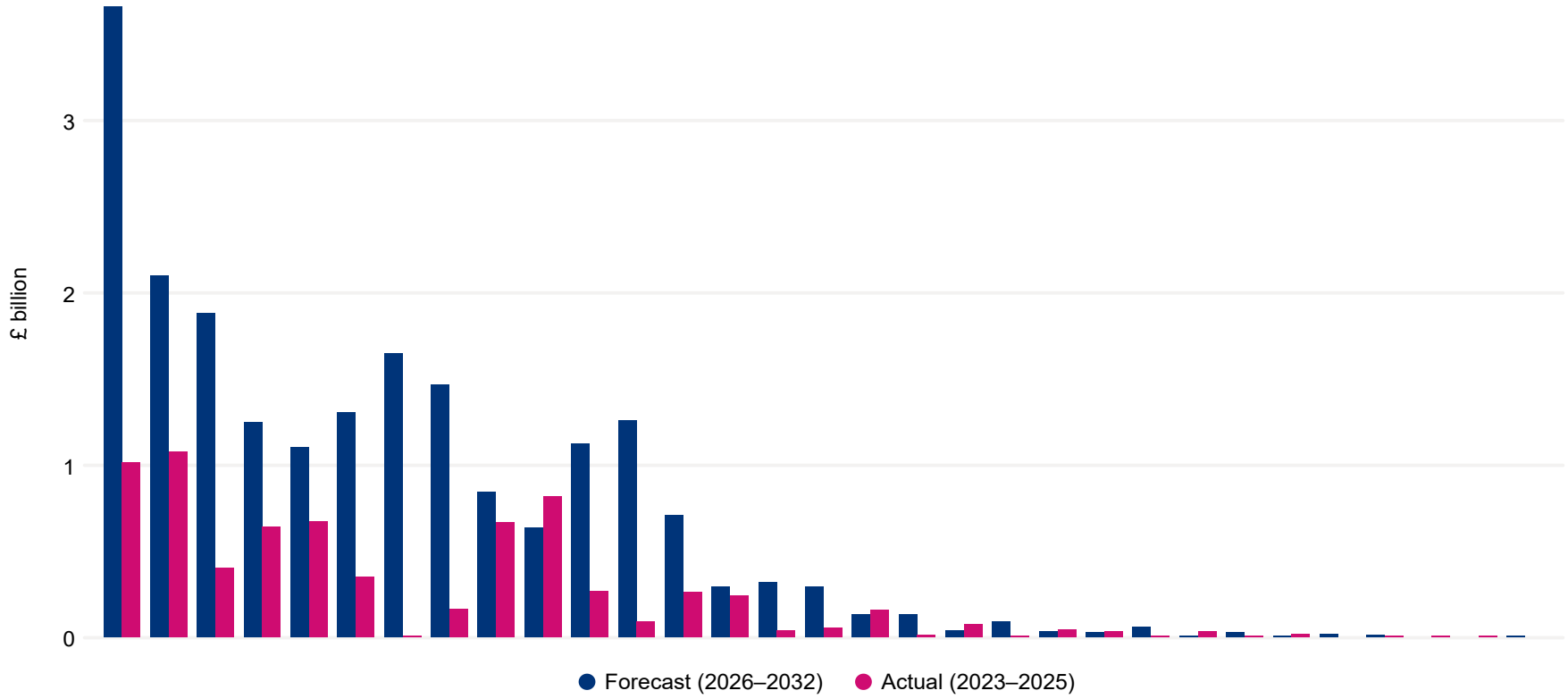
No. of assets with delayed CoP by survey year



Mergers and acquisitions (M&A) across the UKCS over the course of 2025–2026 have significantly changed the profile of operator liability in comparison to previous reports. One operator is now responsible for 17% of expenditure during the 'decade of decommissioning', while the top 10 operators[2] in the basin are now collectively responsible for more than 80% of the decade's spend (Figure 8a and 8b). The emergence of larger operators may create efficiency opportunities through economies of scale.

Figure 8a: Operator decommissioning costs in 2023–2032 decade

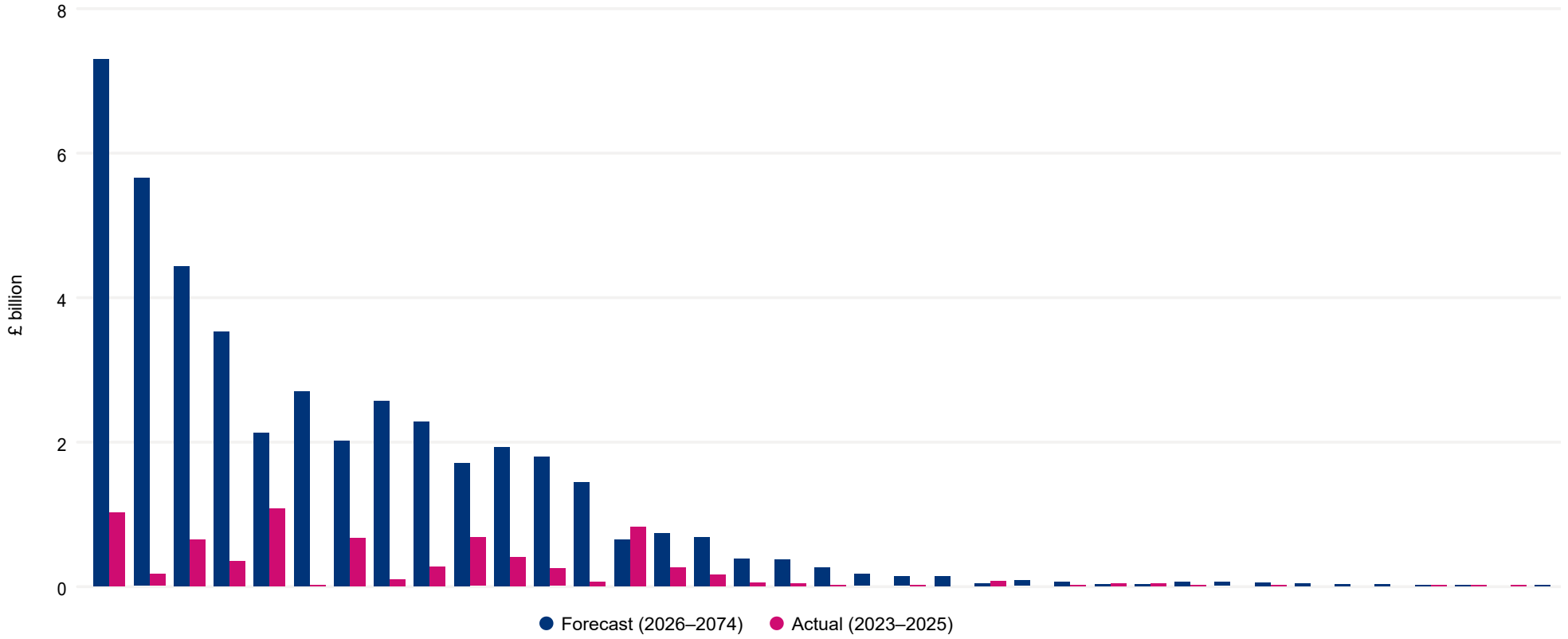
(£bn, 2023–2032, 2025 prices, total decommissioning)



[2] Operators with the highest total decommissioning liability.

Figure 8b: Operator decommissioning costs 2023–2074

(£bn, 2023 onwards, 2025 prices, total decommissioning)



Work Breakdown Structure – cost distribution

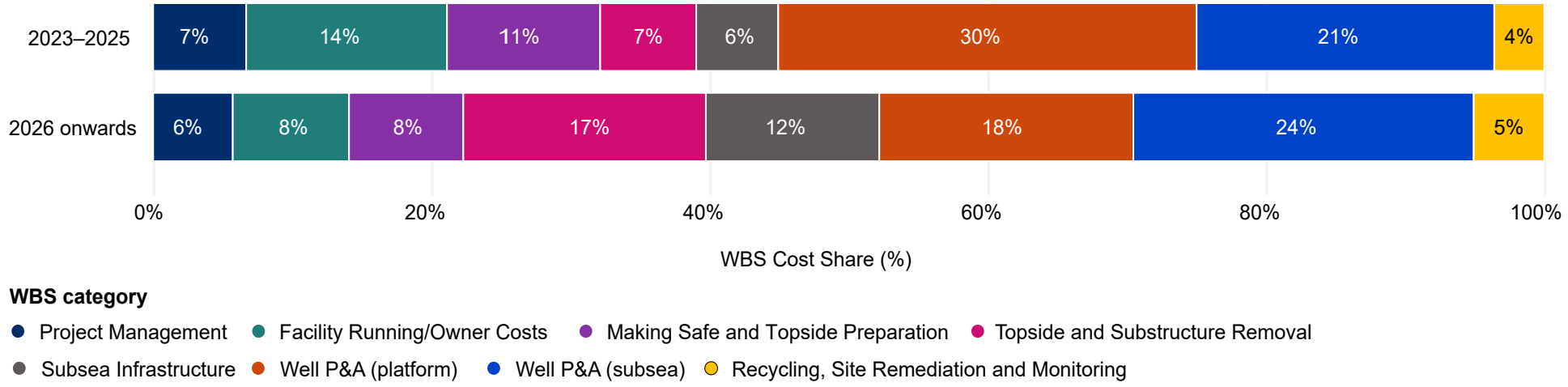
Well P&A (platform and subsea) continues to dominate spend in the short to medium-term, though activity and spend on removals, including heavy lifts and subsea infrastructure, will increase in the coming years.

Over 50% of expenditure since 2023 has been directed to the delivery of well P&A, however forecasts for the remaining infrastructure indicate this will fall to around 40% of the total remaining spend (Figure 9).

Optimising pre-CoP platform well P&A to reduce the duration between CoP and disembarkation is a key value driver and opportunity to minimise OPEX and decommissioning costs.

Figure 9: Actual and forecast Work Breakdown Structure (WBS) cost share

(%, 2023 onwards, 2025 prices, decom survey only)

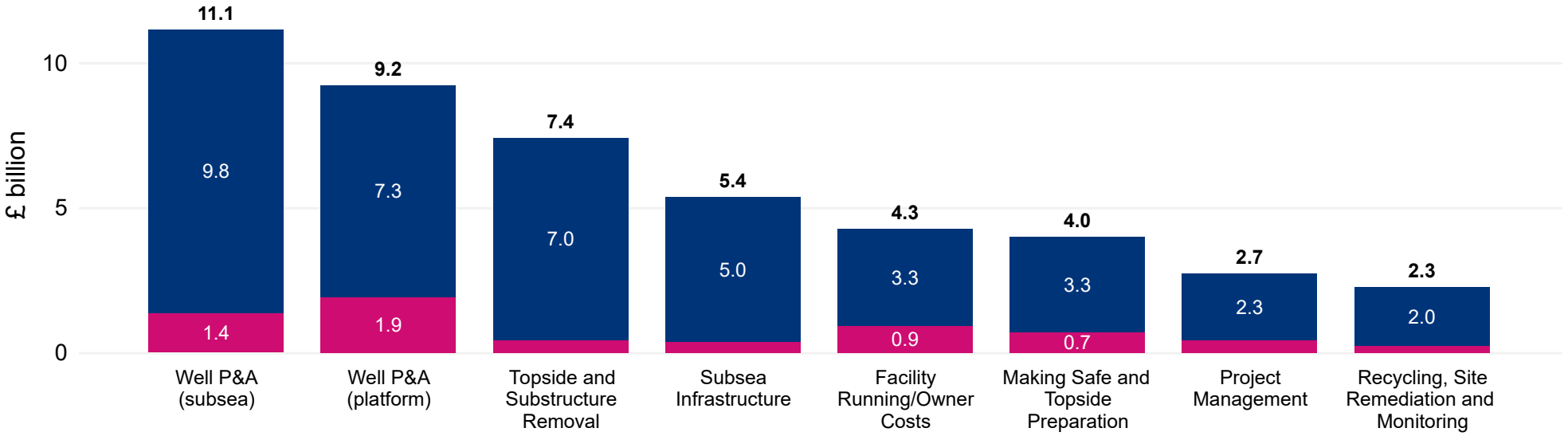


Work Breakdown Structure – cost distribution

The distribution of actual spend and remaining forecast costs for the key WBS categories (Figure 10) highlights the importance of both well P&A (WBS 3) plus removals and all associated activities (e.g. WBS 4–9).

Figure 10: Cost of decommissioning (actuals and forecast) per WBS

(£bn, 2023+, 2025 prices, decom survey only)

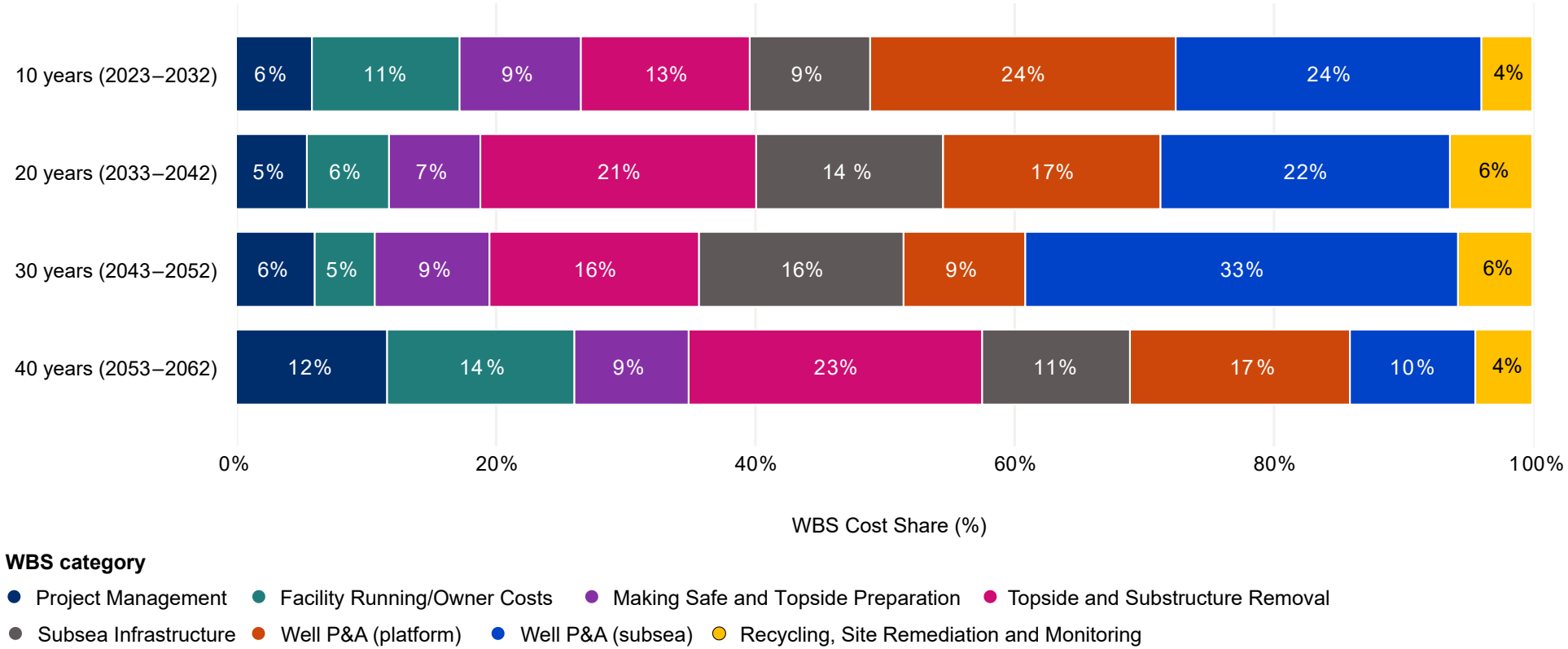


As the UK decommissioning sector matures and activity associated with infrastructure preparation and removal increases, it is expected to create opportunities for a broader range of the supply chain. Operators must plan accordingly and engage early with the supply chain in accordance with expectations, including Stewardship Expectation 12.

The combination of topside preparation and removal, and subsea infrastructure removals plus onshore recycling (Figure 11) will make up a significant proportion of overall expenditure as the industry progresses through the subsequent decades.

Figure 11: WBS cost share by decade of spend[3]

(%, 2023+, 2025 prices, decom survey only)



The forecast scope of subsea infrastructure removals and both topsides and jacket removals is provided in Appendix 1.

[3] Not shown – 100% of 2063+ costs are associated with Recycling, Site Remediation and Monitoring

38 platform removal and dismantlement campaign completed

Harbour Energy

Harbour Energy has completed final disposal operations on five Southern North Sea (SNS) platforms, concluding a multi-year engineering, preparation, removal and disposal (EPRD) programme that has seen 38 platforms removed and approximately 80,000 tonnes of material processed at UK dismantling facilities.

The five SNS platforms were removed by AF Offshore Decom using the Deme Innovation heavy lift vessel (HLV) across two campaigns in August and November 2025, with onshore disposal undertaken at Able Seaton Port. The first campaign removed the Saturn, Kelvin and Katy topsides and jackets across six offshore heavy lifts, totalling nearly 3,000 tonnes, across a three-week period. The HLV remobilised in November for a further three weeks to complete four heavy lifts and remove the Boulton and Munro topsides and jackets - a further 2,000 tonnes of structures.

The second campaign was deliberately scheduled outside the nesting season of protected kittiwakes that had settled on the Boulton and Munro platforms, highlighting the importance of integrating environmental considerations into offshore removal planning.

These final two campaigns concluded a 38-platform SNS removal programme that began in 2019. The programme was executed by a range of specialist offshore contractors, including a joint venture between Boskalis and Scaldis, Saipem, Heerema and AF Offshore Decom, reflecting the breadth of heavy-lift and marine capability required to deliver efficient late-life asset removal at scale.
A collaborative approach has enabled continuous improvement throughout, with lessons learned from each campaign helping to enhance performance and drive cost efficiencies.

Preparatory work was planned and executed using the most efficient access

38 platform removal and dismantlement campaign completed

and support solution for each asset. This included simultaneous operations on accommodation work vessels and jack-up rigs, platform accommodation and heavy-lift vessel support, enabling the campaign team to tailor execution methods to each platform's technical condition, location and readiness.

Across the full programme, approximately 80,000 tonnes of material were dismantled in the UK at Veolia's disposal yard in Great Yarmouth and Able's facility in Hartlepool. Recycling rates of more than 97% have consistently been achieved, underlining the role of established UK dismantling infrastructure in supporting circular-economy outcomes from offshore decommissioning.

The completion of the SNS programme provides a valuable reference point for future decommissioning activity, particularly where multi-asset campaign planning, contractor integration, environmental scheduling and UK-based materials recovery can be combined to improve delivery certainty, and cost efficiency.

Actual spend and activity in 2025

The year-on-year increase in actual decommissioning expenditure to £2.6 billion in 2025 corresponds with a rise in activity levels for certain key activities, several of which are compared in Table 1.

It is encouraging to see an increase in well P&A activity in 2025, however, the backlog of inactive suspended wells awaiting final abandonment remains broadly unchanged from 2024. Further action is required to reduce this backlog and provide greater certainty of work for the supply chain.

Table 1: 2025 actual cost of decommissioning (in-year prices) and associated activities

WBS category	Well abandonment (platform, subsea, E&A)		Facility running/owner costs		Topside and substructure removal (excl. topside prep)	
Year	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**
Actual spend (£MM), (% of total) (in-year prices)	£1,168 MM 49%	£1,273 MM 49%	£293 MM 12%	£351 MM 14%	£165 MM 7%	£213 MM 8%
Activities associated	No. of wells achieving final status in year: 103 No. of wells worked on: 238	No. of wells achieving final status in year: 114 No. of wells worked on: 257	No. of assets with running costs in 2024: 76	No. of assets with running costs in 2025: 90	No. of topsides removed: 8 No. of substructures removed: 6	No. of topsides removed: 10 No. of substructures removed: 8 No. of FPSOs sailed away: 1

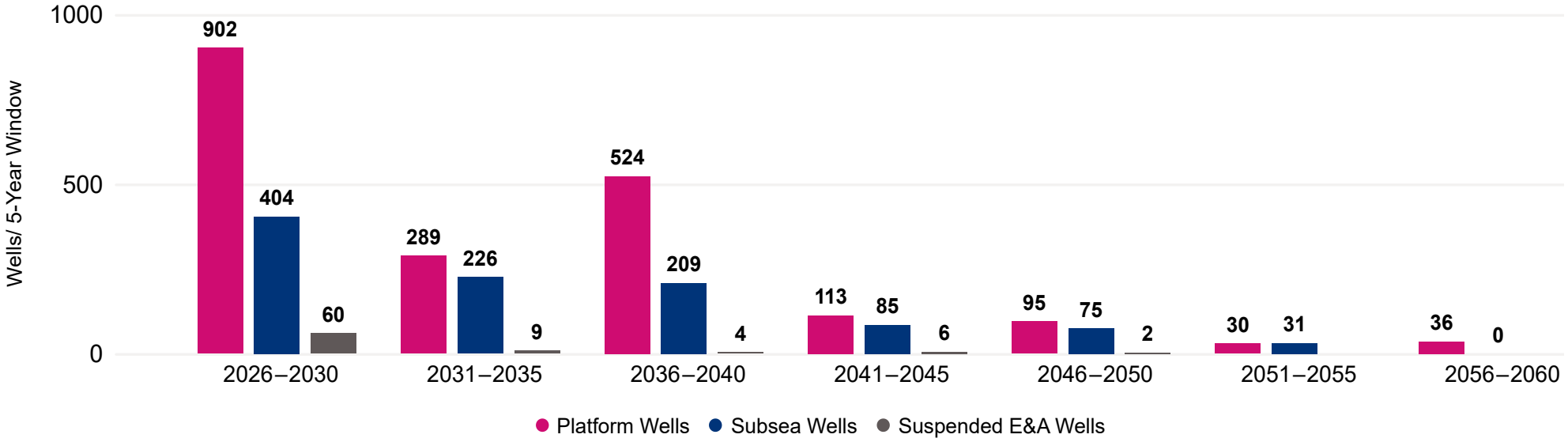
Well decommissioning

Well decommissioning accounts for a larger share of the overall cost forecast than any of the other WBS categories. With about 3,000 wells still to be fully plugged and abandoned (Figures 12a and 12b), the greatest single opportunity for delivering cost-efficiencies lies in this area.

In 2025, operators spent approximately £1.3 billion carrying out decommissioning work on 257 wells, of which 114 reached fully decommissioned AB3 status (Table 1).

Figure 12a: Inactive[4] well decommissioning profile by five-year window

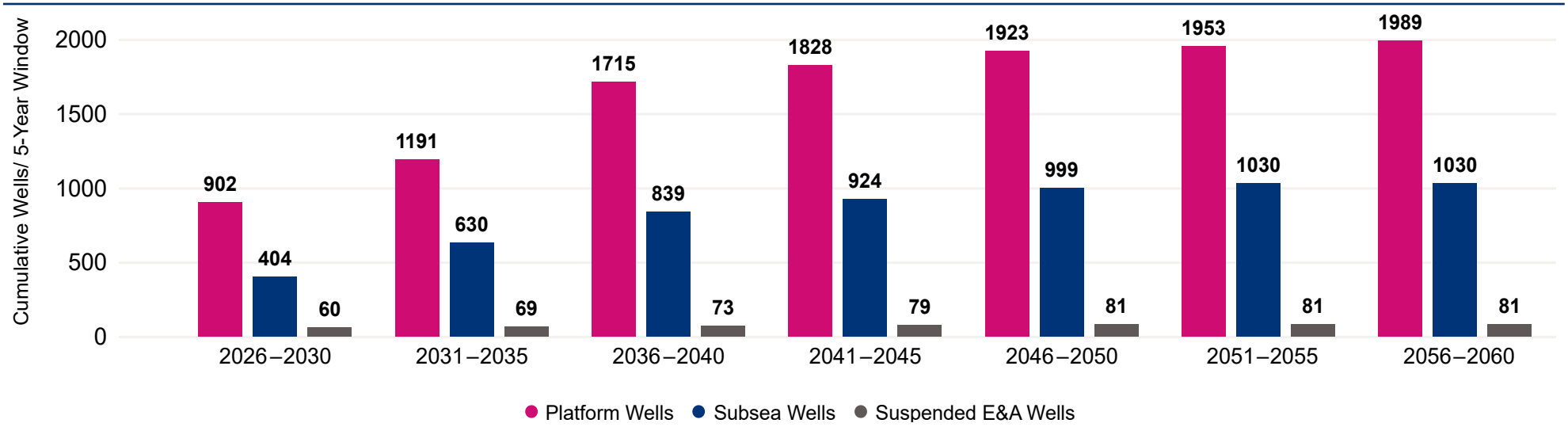
(2026 onwards, UKSS 2025)



[4] Includes all currently active wells due to become inactive (field ceasing production) in the future

Figure 12b: Cumulative inactive well decommissioning profile by five-year window

(2026 onwards, UKSS 2025)



However, the well P&A backlog has not materially changed. It continues to sit at approximately 500 wells pending final AB3 abandonment.

The NSTA is committed to working closely with industry to boost regulatory compliance and ensure inactive wells with no prospect of resuming production are decommissioned in a cost-effective and timely manner.

The UK's semi-submersibles market has contracted in recent years and there currently are only six units marketed[5] in the UKCS down from a peak of eleven in 2023. Semi-submersibles are not only required for well P&A work, but also for production-adding well interventions and CCS drilling. The NSTA is concerned that insufficient rigs and vessels may result in cost increases and/or exacerbate well deferral.

The supply chain has been clear that it can deliver for the UK and will invest in technology, assets and people to deliver decommissioning, including well P&A, if it has visibility of upcoming opportunities and sufficient confidence that the work will materialise as forecast.

[5] Appendix 2a – Westwood riglogix rig supply and demand

The challenge for the UKCS remains getting the balance right between demand from operators and supply of services from the supply chain.

The NSTA continues to take steps to mitigate this risk:

- Using its regulatory powers to hold operators to deadlines, to improve confidence and certainty of work
- Producing a holistic UKCS well P&A model to improve visibility of opportunities for multi-operator campaigns and support regulatory deadline decisions
- Collaborating with industry to streamline the delivery of AB3 wellhead severance (WHS) work. A significant number of operators have already pledged their support

Industry is also taking steps to minimise cost, including:

Technology: Industry trials and adoption of proven and emerging technologies (e.g. through-tubing abandonments) that could make a significant impact on well decommissioning costs and performance.

Contracting and collaboration: Multiple long-term well P&A contracts have recently been awarded to the supply chain, anchoring critical resources in the UK. Multi-operator rig-share agreements have also been established, demonstrating a willingness and appetite to embrace innovative approaches, unlocking value for all stakeholders.

Alternative approaches: New market entrants are coming forward with innovative cost-effective solutions with the potential to complement the current offerings.

Securing a stable and efficient well P&A market is critical to cost efficiency, now and in the future.

Balmoral Area Phase 1 Well P&A:

Learning curve delivers best-in-class abandonment performance

Harbour Energy's Balmoral Area Phase 1 well abandonment campaign has shown how careful planning, strong teamwork and efficient execution can improve decommissioning performance in the UK Continental Shelf.

The first phase of the programme involved safely abandoning nine subsea wells across the Caledonia, Nicol and Brenda fields using the Paul B Loyd Junior (PBLJ) semi-submersible rig. These were all complex wells, requiring annulus remediation and management of ageing infrastructure.

The campaign was completed safely, significantly ahead of schedule and materially under budget. Performance improved from well to well, with benchmarking against comparable wells showing performance moving towards best-in-class levels, as the team applied lessons learned across the duration of the campaign.

A major contributor to this outcome was the use of Blowout Preventer (BOP) hopping between wells, requiring close coordination with Dolphin Drilling's PBLJ team to reduce waiting-on-weather exposure and optimise BOP maintenance time between operations.

In parallel, a detailed subsurface and cementing review allowed the team to simplify the barrier strategy, while continuing to meet health and safety, and regulatory requirements. Removal of the sidetrack barrier at the 13⅜" shoe – justified by confirming that existing deep barriers met ALARP requirements - enabled shallower environmental plug placement, reducing the amount of work required and shortening overall operational time.

Throughout the campaign, the team also focused on systematically eliminating recurring sources of non-productive time. ROV delays were reduced through deployment of a dedicated tooling skid that kept the vehicle configured for upcoming operations, avoiding repeated launch and recovery cycles. Improvements were also made to perforation, wash and cementing (PWC) operations – specifically, changes to the perforating medium – while modifications to surface returns handling removed several fluid-processing bottlenecks encountered during early wells.

Balmoral Area Phase 1 Well P&A:

Learning curve delivers best-in-class abandonment performance

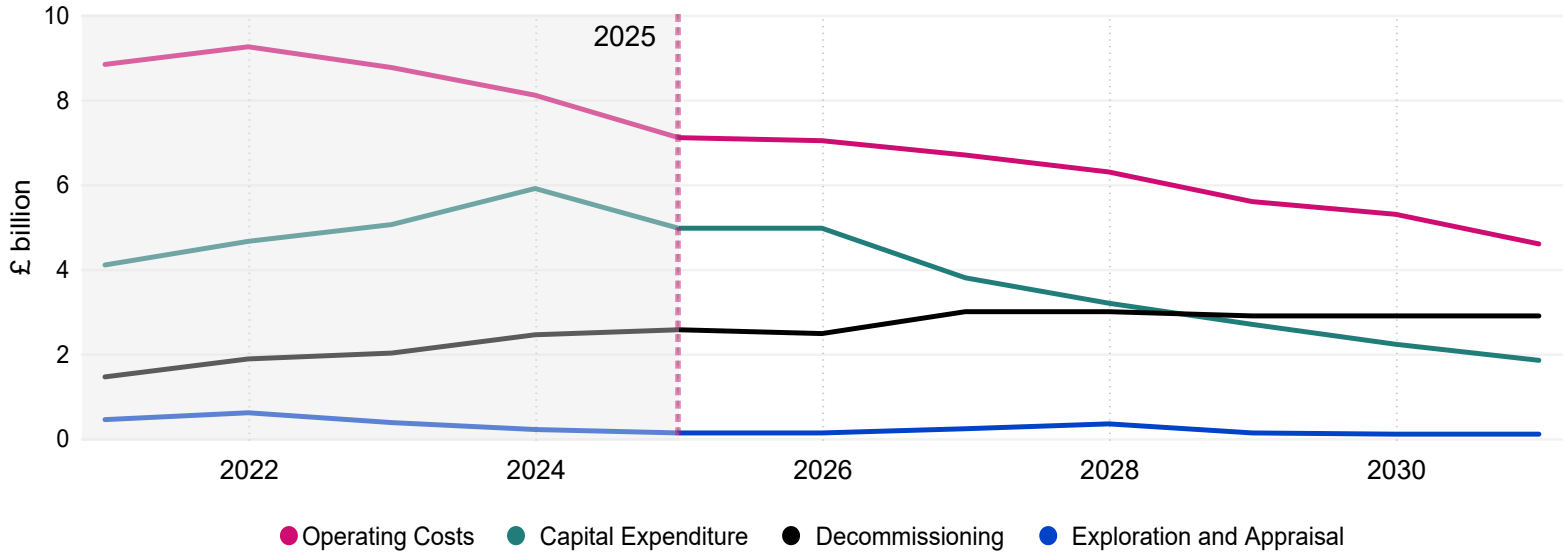
Overall, Balmoral Area Phase 1 P&A demonstrates how front-end engineering scrutiny, supply chain collaboration and disciplined offshore execution can unlock significant efficiency gains.
As Harbour Energy progresses the wider Balmoral programme, these learnings provide a scalable foundation for safe, cost-effective and repeatable decommissioning delivery across an increasingly complex well inventory.

UK and international decommissioning expenditure

Decommissioning expenditure is forecast to overtake CAPEX from 2029 onwards (Figure 13). Approximately (24%) of overall expenditure by the UK's offshore oil and gas industry will be devoted to decommissioning over the next five years, up from 13% from 2021 to 2025 (Figures 14a–14b).

In 2025, the NSTA estimates that 71% of the value of decommissioning contracts awarded were to UK organisations, exceeding the North Sea Transition Deal voluntary target of 50%[6].

Figure 13: Actual/projected UK upstream oil and gas expenditure
(£bn, 2021–2031, 2025 prices)



[6] North Sea Transition Deal - GOV.UK

Figure 14a: UKCS cost breakdown 2021–2025

(2025 prices)

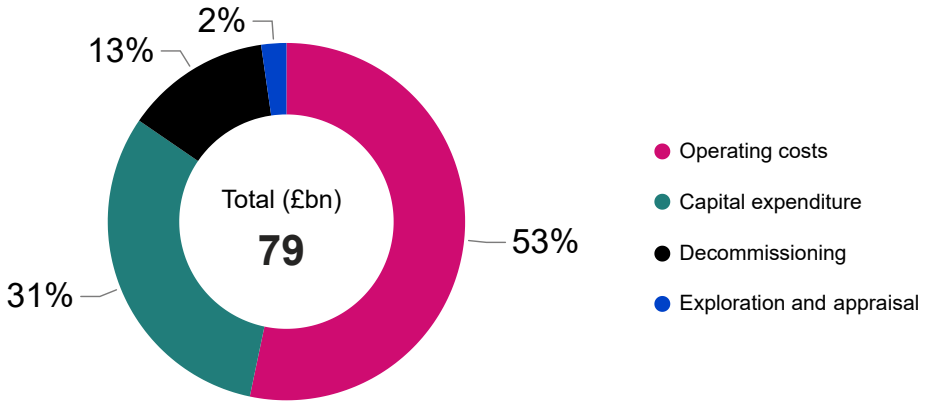
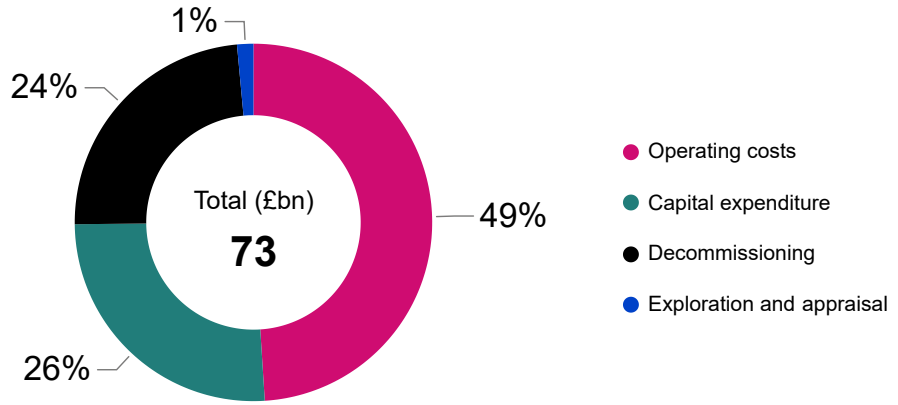


Figure 14b: UKCS cost breakdown 2026–2031

(2025 prices)



Global decommissioning expenditure is expected to grow from US$5.3 billion in 2021 to around US$7 billion in 2025 and more than US$10.3 billion in 2030[7].

North-West Europe currently dominates the market, accounting for 33% of global offshore decommissioning expenditure from 2021 to 2030, while the Energy Industries Council (EIC) estimates the global value of upstream decommissioning to be worth at least US$200 billion from 2021 to 2040[8].

In 2023, the UK government set out its strategic ambition to position the UK as a world-leading hub for upstream decommissioning[8]. The UKCS is widely regarded as a centre of excellence in decommissioning and the predicted growth of forecast decommissioning expenditure in the UK and internationally presents a huge opportunity for the UK supply chain.

[7] https://www.rivieramm.com/news-content-hub/decommissioning-expenditure-us45-in-next-five-years-84843

[8] Global offshore upstream decommissioning export strategy - GOV.UK

Decommissioning cost risks and opportunities

Industry efforts to decommission UKCS infrastructure in a cost-effective manner remain subject to risk and opportunity. Whilst industry is actively pursuing opportunities, their impact is yet to be fully realised or reflected in the latest forecasts.

Risks

Contraction of the UK decommissioning supply chain due to:

- Increasing competition for UK supply chain capability/capacity from other energy sectors or for oil and gas decommissioning or development work internationally
- Lack of availability of resources
- Well P&A deferral and corresponding 'knock-on' impacts on other WBS categories, e.g. UK onshore disposal and recycling market

Increase in **UKCS decommissioning scope** arising from:

- Environmental policy and guidance updates and changes
- Updates to other regulatory processes or procedures which result in an increase in decommissioning scope that are not included in operators' current financial planning and reporting (whether that be AROs, DSAs, or both)

Geopolitical instability, macro-economic pressures and **economic policies**, including:

- Direct and indirect impact of global and UK inflation on the energy sector and decommissioning markets
- Impact of policy on investment decisions, access to finance and investor confidence

Net zero, **reuse** and **repurposing**

- Scope and cost growth from increased CCS licensing rounds and CCS project development
- Decommissioning wells to the necessary standard to enable CCS, e.g. additional intermediate barriers and or intersect wells being required
- Sub-optimal decommissioning sequencing

Opportunities

- Growth in UK skills base and increased opportunity to export UK decommissioning capability and knowledge to other regions
- Increased UK local content
- Establishment of alternative decommissioning business models (e.g. consortium or joint venture models) formed on the principle of collaboration between owner/operators and strategic supply chain partners
- Economies of scale and aggregation of scope, including through the facilitation of campaigns
- Continued investment in and deployment at scale of proven and emerging disruptive technologies

Cost reporting

The change in forecast costs of decommissioning when presented in constant prices is provided for reference in Figure 15 (2021 prices) and Figure 16 (2025 prices).

Constant prices

Figure 15: Actual and forecast decommissioning costs by survey year

(£bn, 2023 onwards, 2021 prices, total decommissioning)

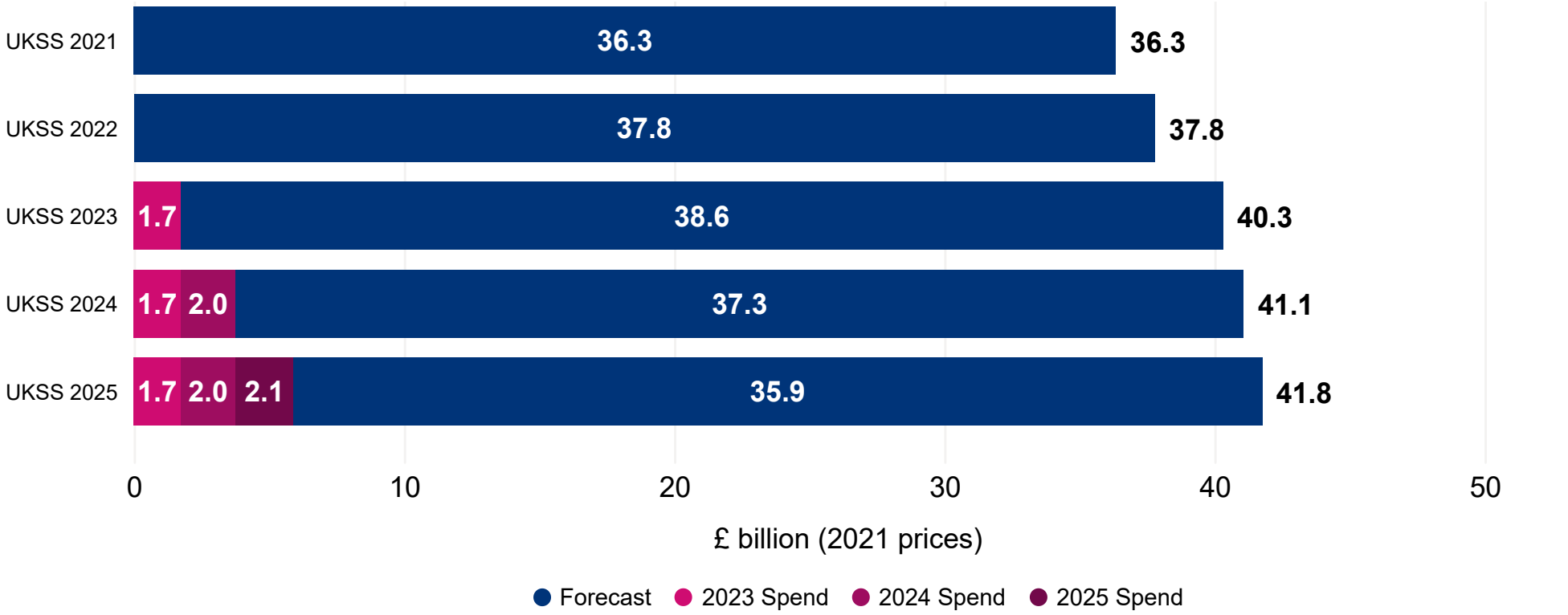
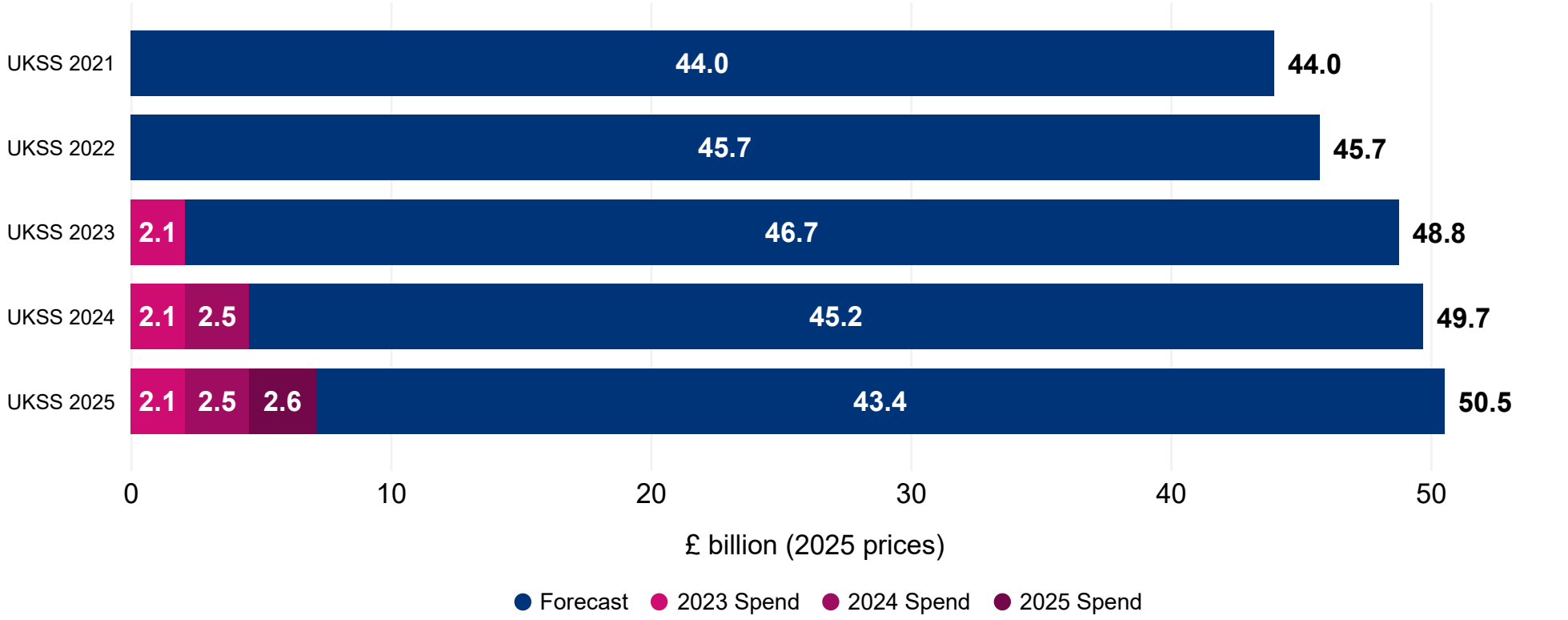


Figure 16: Actual and forecast decommissioning costs by survey year

(£bn, 2023 onwards, 2025 prices, total decommissioning)



Appendices

Appendix 1: Latest forecast of UKCS removal activity (UKSS 2025)

Figure 17: Decommissioning removal quantities and tonnage forecast with 5-year rolling average overlay
(qty, tonnes, kilometres, 2026–2037)

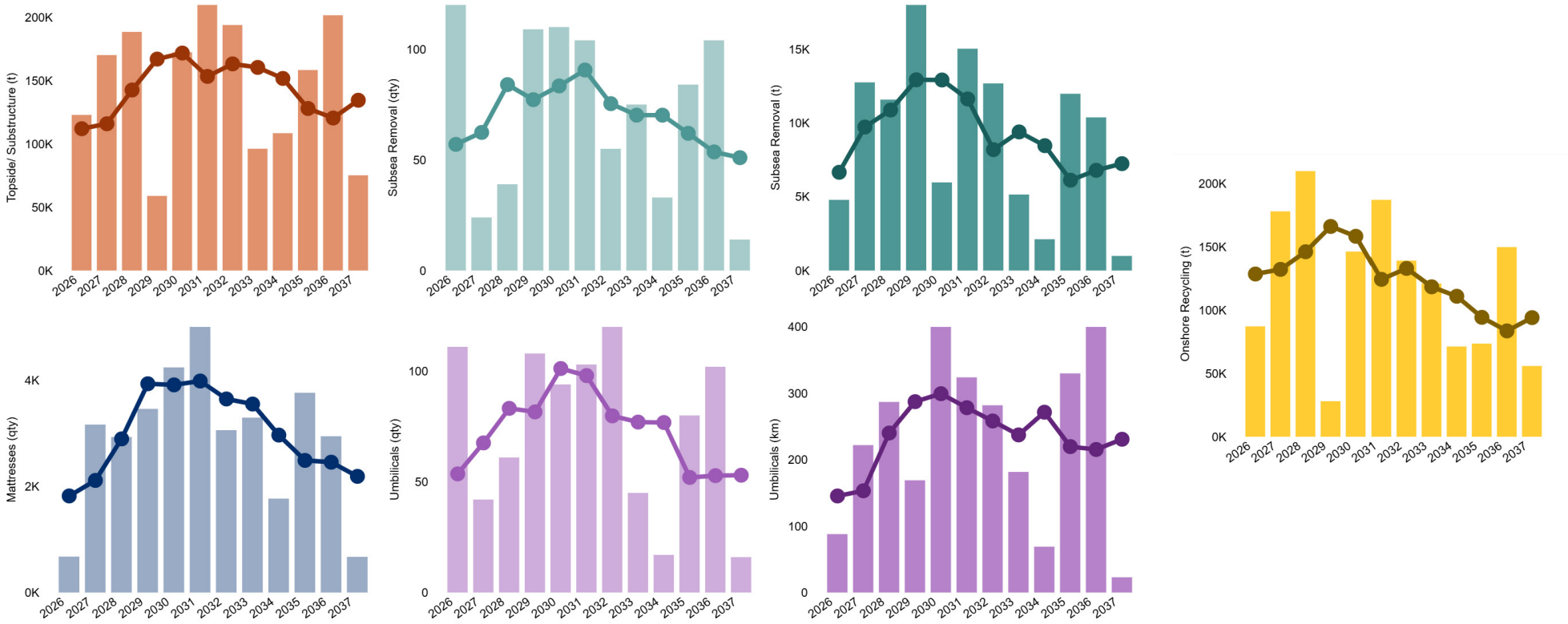
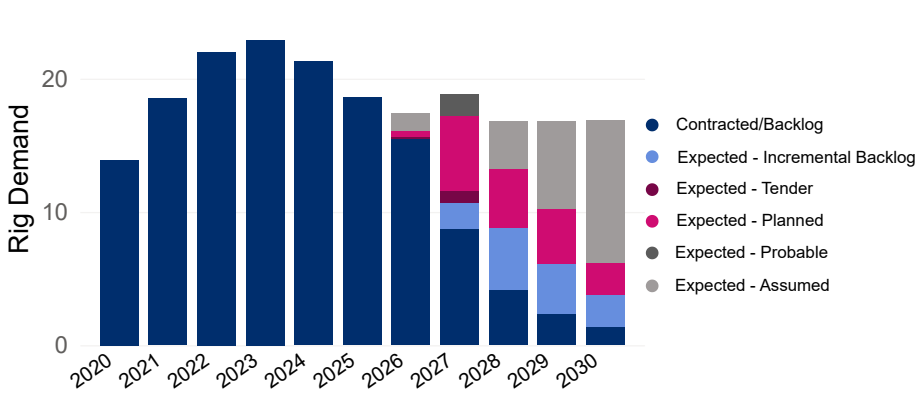


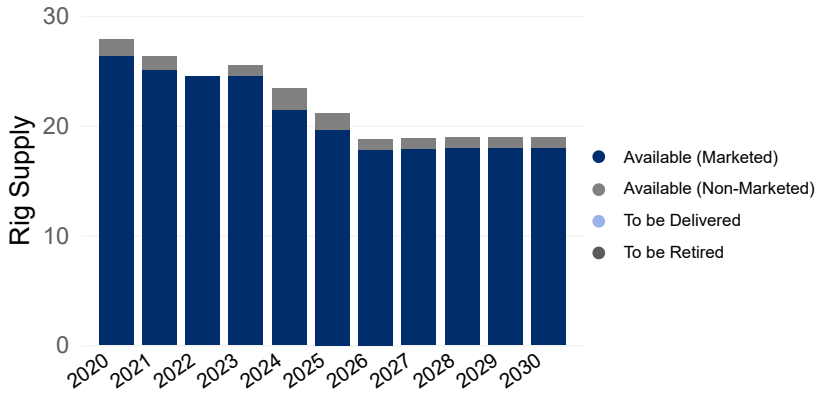
Table 2: Leading indicators

	Metric	Units	2023 Report	2024 Report	2025 Report	2026 Report
1	**Forecast decommissioning costs**	£(bn)	£40bn (2023+) (2022 prices)	£43bn (2024+) (2023 prices)	£44bn (2025+) (2024 prices)	£43bn (2026+) (2025 prices)
2	**UKCS platform wells forecast to be decommissioned pre-CoP**	%	60% (2023+)	45% (2024+)	44% (2025+)	40% (2026+)
3	**Forecast total UKCS post-CoP running cost**	£(bn)	£3.4bn (2023+) (2022 prices)	£3.7bn (2024+) (2023 prices)	£3.5bn (2025+) (2024 prices)	£3.4bn (2026+) (2025 prices)
4	**Change in 10-year forecast (2023–2032)**	%	+5%	+17%	+6%	+2%
5	**No. of assets expected to CoP in next six years**	No.	171 (2023–2028)	183 (2024–2029)	193 (2025–2030)	173 (2026–2031)
6	**Operator technology spend on well decommissioning**	£MM p.a.	Forecast: £7.4MM (2023) Actual: £4.6MM (2022)	Forecast: £10.0MM (2024) Actual: £8.7MM (2023)	Forecast: £12.3MM (2025) Actual: £11.0MM (2024)	Forecast: £16MM (2026) Actual: £13MM (2025)

Appendix 2a: Jack-up rig demand and supply for the UK and other North West Europe

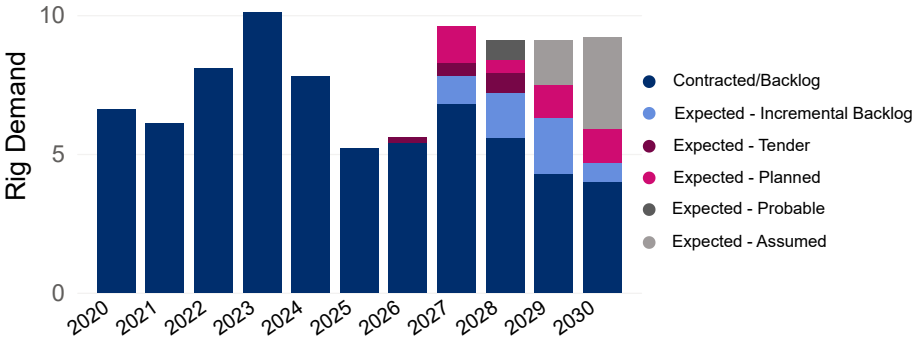
(Source: Westwood Global Energy, July 2026)

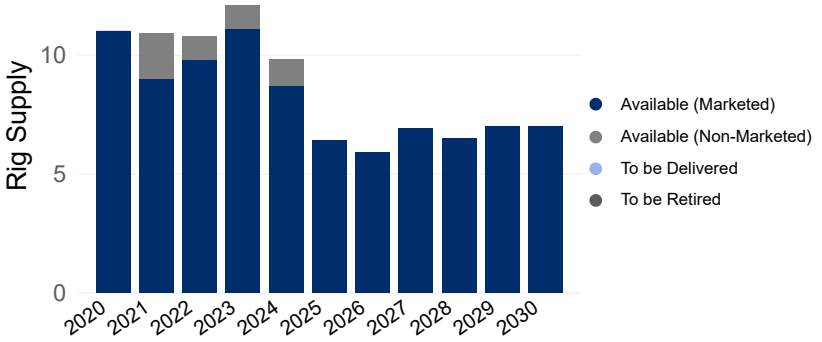




Appendix 2b: Semi-sub rig demand and supply for the UK and other North West Europe

(Source: Westwood Global Energy, July 2026)





Methodology

Decommissioning cost estimate methodology (2025)

Unless otherwise indicated, the decommissioning section of the 2025 UKCS Stewardship Survey was used as the data source for all analysis and reporting, with decommissioning cost inputs provided by all operators for all current and unsanctioned offshore facilities, pipelines development wells, suspended open water exploration and appraisal wells and onshore terminals. Data was collected using the Offshore Energies UK (OEUK) Work Breakdown Structure (WBS)[9].

The total decommissioning estimate (stated in the report as 'total decommissioning' under relevant figures) uses the decommissioning section in conjunction with adjustments from the activity and licence sections of the UKSS respectively. This accounts for additional decommissioning activity associated with:

- onshore terminals and major pipelines
- non-producing fields
- upcoming unsanctioned projects
- associated transboundary fields
- exploration and appraisal well abandonment
- other adjustments to operator submissions

When comparing previous cost estimates to the latest, a UK economy-wide deflator has been applied to convert between different years price basis. This has been taken from the latest series published in the HM Treasury 30 June 2026 Quarterly National Accounts release - Gross Domestic Product deflators at market prices [10].

Comparison against historic NSTA cost estimates is on a full portfolio best estimate basis and not like-for-like per project.

[9] OEUK: Decommissioning Work Breakdown Structure Guidelines: (oeuk.org.uk)

[10] HMT: GDP deflators at market prices, and money GDP June 2026 (Quarterly National Accounts) - GOV.UK

Glossary of acronyms and abbreviations

AB2 (derogated) – Abandoned Mechanical Status 2 derogated: All 'in well' isolation work is complete. Derogation to leave the well origin or well equipment e.g. conductor, above the well origin has been granted by OPRED. However, AB2 derogated is here applied also in cases where derogation has not been granted by OPRED but where a derogation decision is pending or where well equipment e.g. conductor, has been removed to applied-for/to-be-applied-for derogation elevation.

AB3 – In addition to permanent isolation barriers associated with AB1 and AB2 status, the well origin and all conductor equipment associated with the well origin have been removed.

ARO – Asset Retirement Obligation

CAPEX – Capital expenditure

CCS – Carbon capture and storage

CoP – Cessation of production

DSA – Decommissioning security agreement

E&A – Exploration and appraisal

GDP – Gross domestic product

Major Installation – An offshore oil and gas production, processing, compression, storage, or export installation that is regulated as a single installation under the applicable Emissions Trading Scheme (ETS), comprising all stationary combustion equipment, process equipment, flaring systems, venting systems, and associated utilities under the operational control of the installation operator, and whose annual reportable greenhouse gas emissions exceed the threshold requiring full participation in the scheme.

NPT – Non-productive time

NSTA – North Sea Transition Authority

NSTD – North Sea Transition Deal

OEUK – Offshore Energies UK

OPEX – Operating expenditure

P&A – Plugging and abandonment

RFI – Request for information

RFP – Request for proposal

SCAP – Supply Chain Action Plan

UKCS – UK Continental Shelf

UKSS – UK Stewardship Survey

UK ETS – UK Emissions Trading Scheme

WBS – Work breakdown structure

WONS – Well Operations Notification System

WoW – Waiting on weather

UK local content:

- in respect of services, those services provided by a company carrying on business in the UK; and,
- in respect of goods, those goods which are being made, changed or improved in the UK (using the same definition as goods eligible for a UK country of origin certificate)

North Sea Transition Authority

The North Sea Transition Authority is the business name for the Oil and Gas Authority, a limited company registered in England and Wales with registered number 09666504 and VAT registered number 249433979.
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