



MER UK Steering Group Meeting

15th January 2020

Welcome and Introductions:

- Andy Samuel opened the meeting, welcomed everyone and thanked them for their attendance.
- Jean-Luc highlighted the top priority for industry is to deliver the energy the UK needs, the road to net zero and deliver roadmap 2035. ○ How well designed are the task force (TF) perimeters in the current context – is there duplication? Adjustments may be required. ○ Can we map our TFs into Roadmap 2035? Yes, to a large extent. ○ Need to remain vigilant on the efficiency of interfaces between the TF's
 - e.g. between Wells, Decommissioning and supply chain. ○
 - Recognised that people and skills do not have a TF per se but are included under the Energy Skills Alliance.

Task Force Updates – Priorities and Deliverables for 2020 – Pre-reads were issued prior to the meeting

Asset Stewardship TF – Steve Gardyne

- Shutting down anything that has now been delivered
- Will create space to pivot to net zero – clear passion from the TF to work on energy transition, need to define priorities first
- Resource progression tool now available
- Asset Integrity Task Group with OGUK, HSE, OGTC to remove inefficiencies

Decommissioning TF – John Warrender

- St Andrews decommissioning conference held successfully, focus from industry and the TF on efficient cost reduction
- New areas reflect new challenges: safety management, regulation, onshore decom safety
- Next 10 years of travel will include a lot of change with the energy transition, technology, reuse/redeployment, commercial models
- 2 challenges highlighted: Well abandonment and Internationalism
- TF to focus on the OGA decom strategy, and the changes in direction of travel for delivery, scope and cost reduction
- Ongoing work on call for evidence – working closely with supply chain communities

Wells TF – Steve Phimister

- Specific ToR for subgroups in the making

- March OGA well insights report needs some form of communication to industry
- Wells and Decom TF to connect with technology
- Need to champion wells/technology where possible

Efficiency TF – Phil Simons

- Still a lot of work to promote and sustain efficiency but there is continuous improvement
- Networking very important, making sure people are connected to promote and share new ideas and innovation. Collaboration is key
- 2035 agenda – re energy efficiency, how can we promote good practice and good ideas?
- Now more than 70 companies, many young people keen to promote new ideas
- Can promote efficiency alongside other groups to bring together a clear message
- Webinars now used for supply chain interviews
- Need to look for a platform where people can promote problems and solutions

Exploration TF – Nick Terrell

- Progressing many projects, fundraising for the Petroleum Systems Project
- NNS machine learning analytics being received
- Prioritising energy transition initiatives
- Updating JOA standard – new engagement regime
- National Data Repository / digital space growing
- Requests received around data release from projects to go to MDs (e.g. well production data by well, reservoir)
- How can we accelerate opportunity maturation – will engage Asset Stewardship TF. Demonstrate domestic energy production is better than imports (OGUK currently working on this)

Supply Chain + Exports TF – Sian-Lloyd Rees

- Refreshed strategy to look at MER UK, Exports and Energy Transition (20 priorities across these 3 areas with key owners, plans and KPIs)
- Recognition of diversification of the supply chain
- Need to engage more with OGTC, Skills Alliance and OPITO

Technology TF – Bill Dunnett

- Cross industry strategy for UKCS
- Industry sponsors identified to back new technologies and reassure industry through cross industry deployment
- Training available for sponsors
- Digital technology – revisiting all TFs to identify common platforms
- Revisiting all green technologies e.g. Flotta as zero carbon terminals (conventional electrolysis, producing hydrogen on site)
- Focus on supply chain engagement e.g. Tier 1s and niche contractors, getting sponsors engaged

- Measuring success of key deployment – key metrics going out end Q1 • Need to use technology to change how we operate and reduce emissions.
- Thanked Total and Repsol secondees

Cultural Change TF – Steve Phimister

- Sustaining dialogue – growth in relationship building
- Grass roots level engagement going forward (FILP) • Getting traction with OGA on 'stuck barrel project' for the Greater Gannet Plan. Looking at agile ways to bring operators together to create a great plan for the Central Graben Area.
- OGA to engage with Deloitte on Supply Chain Collaboration Survey
- Intra-supply chain collaboration to possibly include Co-Chair from Supply Chain TF as Steve to phase out but remain involved in the stuck barrel project.

Andy Samuel thanked all participants for their leadership.

Roadmap 2035 – Deirdre Michie

- Ongoing support from industry for the roadmap, and how OGUK is supporting the new sector deal
- Evolution from Vision 2035 as a cross-industry initiative.
- Safe, sustainable industry to get to net zero
- OGUK revised remit to address net zero is included
- International engagement with Denmark, Norway, Newfoundland ongoing – particularly where Norway is leading and where we can learn and share
- Engagement campaign has to demonstrate changes and reposition the industry.
- 2020 actions – each will have a plan
- Forward plan includes: engagement with BEIS, emissions reduction
Engagement with OpreD, OGA and OGTC on electrification.
- Projections suggest emission will increase as new projects come online but much more being decommissioned that will bring the emissions down. New projects will also be more efficient
- Emissions may not necessarily decline in line with production
- Emissions by 2035 need to be cut by 70% or more to meet our 2050 targets
- Influenced by behaviours, operations, capital, technology, new fields and ongoing decommissioning.
- Concerns on scope 3 emissions – those from oil and gas production and consumption
- Discussion:
 - The decline in emissions curve should be steeper than the decline of production. Need to offset, or do better to get the curve dropping faster
 - Means by which strategic decision can be taken e.g. accelerating decommissioning – need something on the table to drive change ○
Either carbon tax or step change in delivery
 - Need to demonstrate investment in the projects that will make an impact on emissions reduction
 - It's not energy transition, it's net zero. It needs to encompass everything, not just power generation offshore. Need to look at life of field

installations and tackle long life fields e.g. Buzzard. ○ Need a 2025, 2030 and 2035 target. ○ Need to challenge industry emissions e.g. vessels ○ There are alternative fuels where industry can already take action ○ How can we decommission efficiently? ○ OGA and OGUK to work together ○ How can we work through scope 3 historically?

Energy Skills Alliance – Jill Glennie

- Training from 350-375k people
- Diversify geographically
- Reinvest in STEM domestically
- Diversify into broader industries
- Overarching objective is to develop an integrated skills strategy for a net zero energy industry
- 4 key areas:
 - Future energy skills demand
 - ✦ What skills will be required?
 - ✦ Look at how young people are wanting to learn and engage trainers ○ Integrated STEM programme
 - ✦ Review support OPITO give, how can we improve and help other organisations. OGUK to promote STEM ○ All Energy apprenticeships
 - ✦ Underway with OGTAP Board, 1000 applications received per year, still focused on oil and gas
 - ✦ Can be a broader energy offer
 - ✦ Aberdeen Science Centre - £600k support
 - ✦ Myoilandgascareersupport.com will be updated to myenergycareersupport.com, used to signpost young people into an energy career ○ All Energy Training and Standards
 - ✦ 85 apprenticeships currently – decom skills required. Max 110 can be handled by the Board
 - ✦ Reviewing with BEIS – 4 mapped and 8 underway
 - ✦ 350 going through industry at any one time
 - ✦ Skills mapping – onshore, offshore, renewable, nuclear
- Aker Solutions already working on skills – need to work together with TF
- Need to engage all TFs and stakeholders
- ECITB – connected competency programme working closely together

Integrated Energy Task Force – Colette Cohen

- Offshore Renewable Catapult much more technology oriented
- Future of the North Sea: much more money can be spent on tech but not actually change anything
- We need to differentiate technology for the needs of the energy industry.

- Baseline scenario includes CCC, renewables community, OGA and OGUK – where is the biggest opportunity for technology in the energy transition?
- We need a step change in technology for hydrogen and CCS, to understand what it looks like and convince governments to partner
- Integrated Energy Vision for the North Sea: Tie together the renewables story and look at a renewables and oil and gas scenario to reveal the gaps.
- The plan is to bring cross-sector stakeholders together and work towards Roadmap 2035
- There is a technology gap – where do we want to invest, and is there a supply chain opportunity?
- We will develop time-lined scenarios to understand what the emissions, jobs and energy transition looks like.
- Need to be careful not to confuse government with different messages and scenarios

All parties recognised the need for further discussions on Roadmap 2035 and TF remits, particularly where they can work together.