

North Sea Transition Steering Group meeting

8 March 2022

Meeting was held via MS Teams

Welcome and Introductions

- The meeting opened and everyone was thanked for attending.
- It was highlighted that this is an unprecedented time for the industry, diversity and security of supply are very important and it is essential that we remain focused on the fundamentals while working on decarbonising. Pace remains the key concern.
- Two action from previous actions from previous meeting:
 1. Deirdre Michie to discuss with IOGP what more can be done to share the global picture around key emission metrics. - Ongoing
 2. Simon Roddy to feedback to the West of Shetland electrification group that the OGA highlighted it would like to see greater and faster progress on establishing tangible electrification deliverables with target. – Cleared.

Skills

- An update was provided on the North Sea Transition Deal (NSTD) People and Skills Plan.
- Industry engagement has taken place and a draft plan has been developed.
- Central to the plan is enabling workforce mobility, which has five key strands:
 - Commitment – memorandum of understanding between parties
 - Mapping – existing safety and technical standards, identify gaps and overlaps
 - Recognise – existing standards to remove duplication
 - Align and make visible – agree approach to enable a just transition
 - Implement – digital solution to support the mobility
- It has been very challenging getting the different bodies to work together. Agreement has been reached that they will work together to achieve the outcomes from the NSTD.
- Crucial once the gaps in skills are recognised is how training can be accessed and who will fund the this. Help may be needed from the Steering Group members to help progress this.
- EY are undertaking work to look at the steps required to create a skills passport.
- A website is being developed which will give information on how to access the training needed to fill the skills gaps. Funding with be required for this.

- It is likely that the Q1 plan will now be completed in April.

Discussion

- Need to avoid silos between different certifications and avoid creating complexity, there will be a lot of commonalities.
- Need to demonstrate quick wins, could the Vantage card be repurposed for the skills passport? EY will be looking at Vantage and other existing platforms.
- Need a tangible quick win this year, need to get to the root cause of the blockers and identify what support is needed to clear these.
- Shouldn't under-estimate the challenges faced.

North Sea Transition Deal (NSTD)

- The NSTD has now been in place for almost one year.
- Progress has been made on the deliverables across each of the commitments.
- Concern was expressed on the visibility of the NSTD, need to celebrate quick wins and showcase progress – there is plans for this.
- People and Skills
 - good work being done on likely job demands. There is strong alignment between different sectors.
- Supply Chain
 - A lot of work being done around capabilities and capacity, work currently being QC'd and will be shared in the next few weeks, will also feature in the 1-year report.
 - Work also being done on local content, understanding the capabilities and where the gaps are.
- Supply Decarbonisation
 - Scope 1 emissions – Focus is on current position and where it is heading, there has been a big fall in flaring and venting. Continuing to work with companies on action plans.
 - Electrification – a number of projects underway, trying to identify how to enable the biggest impact at the fastest pace. A lot of barriers to overcome.
- Concern was expressed that technology was not mentioned when it would play an essential role in delivering the energy transition. This was noted.
- A lot has been achieved; it will be important to bring this out in the 1-year report.
- It is important to get the message out simply. More has to be done around the narrative to get the facts out that the NSTD is the deal to deliver net zero.
- OGA are sharing the important messages with Government and it is felt that these are being taken on board.

Task Force Updates

Wells

- Focus has been on re-energising the group which has pivoted to become an energy transition group. Wells do have a role to play in delivering the NSTD, but this is not as clear a path as some of the other groups.
- This year focus will be on:
 - Decommissioning – reduce costs
 - Non-productive time – reduce waste
 - Optimisation – closed in wells

TLB

- The TLB are working on 3 key themes:
 - Accelerating deployment – looking at leveraging 6 technologies focused on emissions abatement and non-intrusive inspection
 - Digital and data – About to release a Digital and Data Strategy for the sector.
 - Net zero technologies – Mapping exercise is being undertaken to identify what technology gaps there are to deliver the NSTD and net zero.

Supply Chain and Exports

- Formulating plans on what local content could look like and how it could be enforced to close any gaps between demand and local capacity and capability.
- Industry has been consulted and there was broad commitment that this needs to be done.
- Now working on the principals for what local content could look like. Proposal would be to do a limited consultation.
- By Q3 it is hoped to have something actionable.
- 4 tasks are being focused on:
 - What does local content mean?
 - What does the supply chain response look like?
 - Where stimulus would be useful, where, how and to who should this been given?
 - How should this be governed?

Exploration

- There are 4 priorities which are industry led and focused:
 - Advocacy – continuing the pro exploration and investment work, proactively engaging external stakeholders. Working on a geoscience skills pack.

- Licensing – Focussing on the delivery of a working checkpoint and getting a licence round announced this year.
- Opportunity Maturation – Supporting hub strategies and area plans.
- Data and Technology – supporting the NDR and ensuring that the communication channels are working.
- Request to industry to get the well count increased, this will be vital to delivering the future of the basin.

Decommissioning and Reuse

- The group met recently where 2 main topics were discussed:
 - The post 2022 cost reduction target
 - The workplan for 2022
- Data from the stewardship survey will inform progress to date and the direction for future work.
- There is concern about a heated market as decommission work is expected to increase.
- Looking to see if there are any lessons from the way benchmarking is done.
- The new targets will be announced at the November decommissioning conference.
- Work on liability in perpetuity and balanced and robust decision-making is being continued.
- It was highlighted the DART group could provide input to the CCSA who are developing a CCUS delivery plan.
- Action Point: It was suggested that CCUS task force could be set up.
Andy/Jean-Luc/Scott Robertson

Industry Licence management

- The reasons for projects being delayed were discussed with the group and the NSTA highlighted some areas of concern.

Agenda for the North Sea Transition Forum

- It was agreed that there would be 2 main agenda topics:
 - Security of Supply
 - North Sea Transition Deal – One year on.