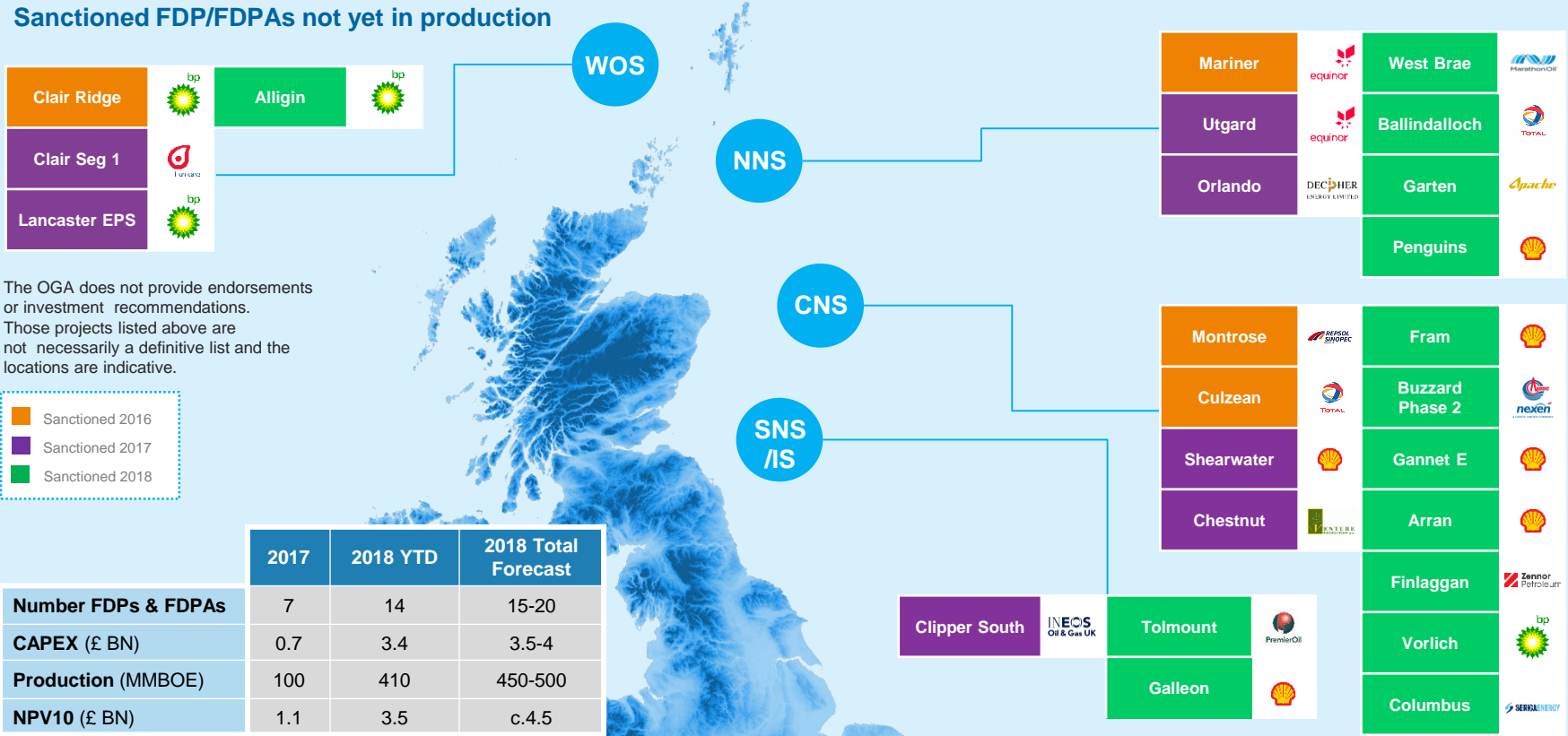


Agenda

#	Time	Min	Topic	Facilitator
1.0	3:00	15	Welcome and Opening Remark Andy Samuel Rt Hon Claire Perry MP, Minister for Energy & Clean Growth	Andy Samuel
2.0	3:15	15	New Developments	Andy Samuel
3.0	3:30	20	Industrial Relations and Workforce Engagement	Deirdre Michie Ray Riddoch
4.0	3:50	25	Boom, Bust and Cultural Change	Ray Riddoch Steve Phimister
5.0	4:15	30	Gender Diversity	Deirdre Michie Greta Lydecker Frances Morris-Jones
6.0	4:45	10	Brexit, Budget and Energy Transition brief	Deirdre Michie
7.0	4:55	5	AOB	Andy Samuel

Project activity

Sanctioned FDP/FDPAs not yet in production



The OGA does not provide endorsements or investment recommendations. Those projects listed above are not necessarily a definitive list and the locations are indicative.

- Sanctioned 2016
- Sanctioned 2017
- Sanctioned 2018

	2017	2018 YTD	2018 Total Forecast
Number FDPs & FDPAs	7	14	15-20
CAPEX (£ BN)	0.7	3.4	3.5-4
Production (MMBOE)	100	410	450-500
NPV10 (£ BN)	1.1	3.5	c.4.5

Highly encouraging turnaround in investment outlook

Area Plan example



North Sea Central Graben



Establish MER UK development plans for Fram, Arran and Columbus discoveries

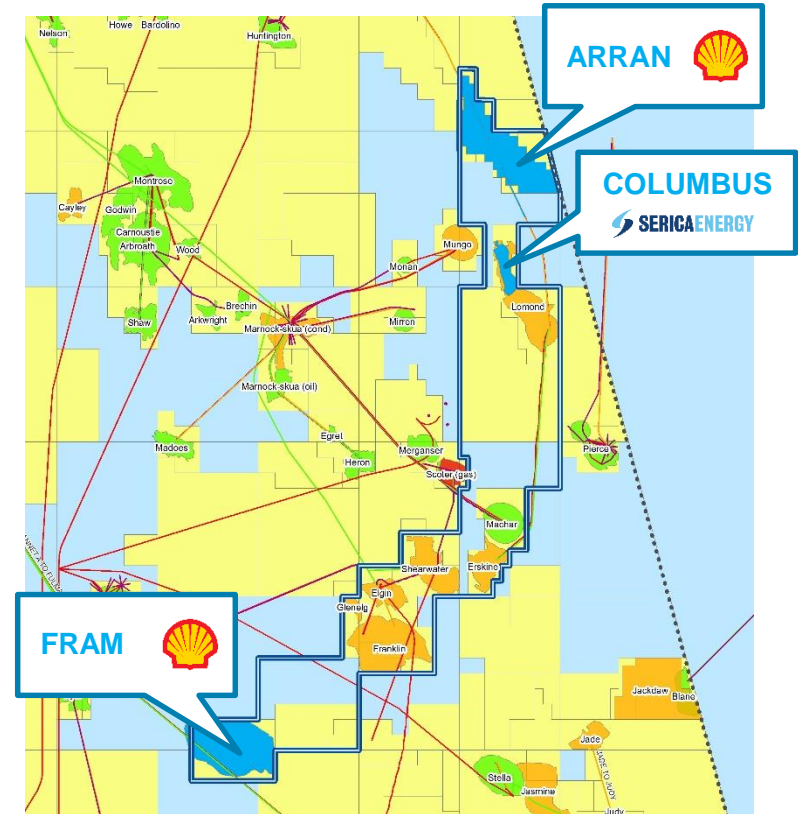
OGA established plan conditions & timing

New operators, new partnerships, right assets right hands

Unlocked discoveries undeveloped for decades (since 1969)

Fram, Arran and Columbus field developments approved in 2018

50 mmboe



Significant potential

Reserves and Resources

October 2018



10 to 20bn +

Range of total potential resources boe



Including 4.1

Prospective resources in mapped prospects and leads



With a further 11.1

In plays



Wells Insight Report



2017 low well activity

19
E&A
Wells

56
Development
Wells

2128
wells in
operation



More

Well interventions



Develop

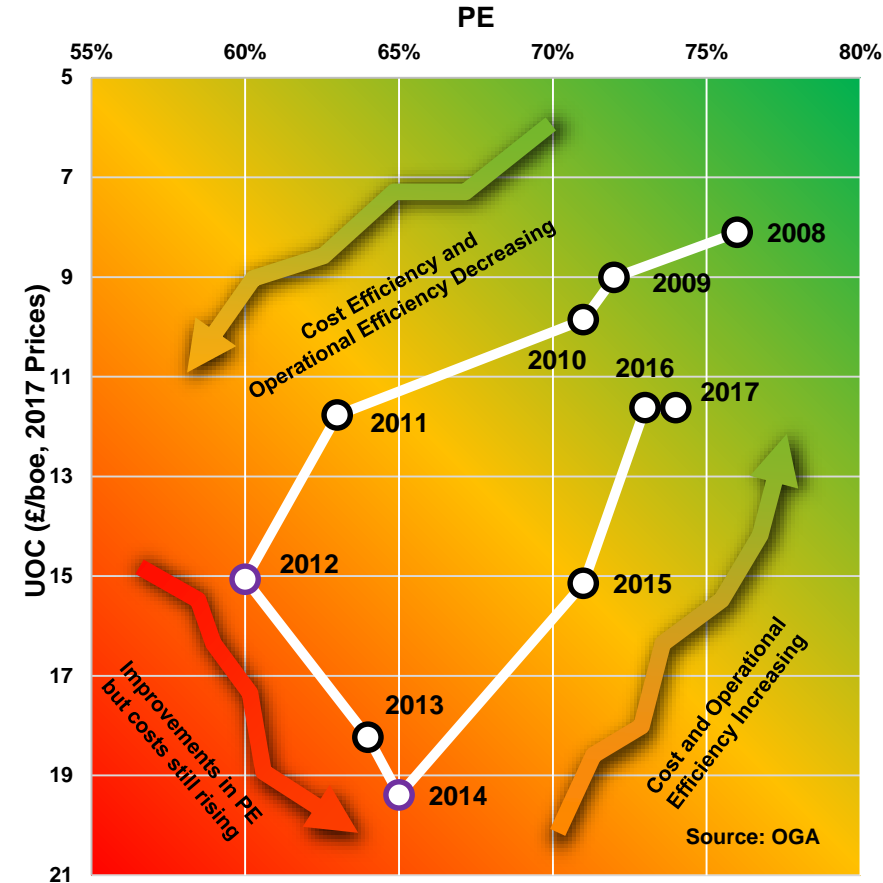
Wells strategy



Establish

Asset Stewardship
Expectation

Welcome turnaround and lots still to do



HSE

UKCS half TRI rate of RoNS
but double LOPC and CO2 emissions



Production
cost

Production cost 18% higher
(once asset scale, complexity and maturity normalised)
Most difference operations &
maintenance spend

UKCS 60% higher corrective hours



Production
efficiency

UKCS assets 16% lower PE

Higher planned plant, turnaround
and export system losses



Well & reservoir
management

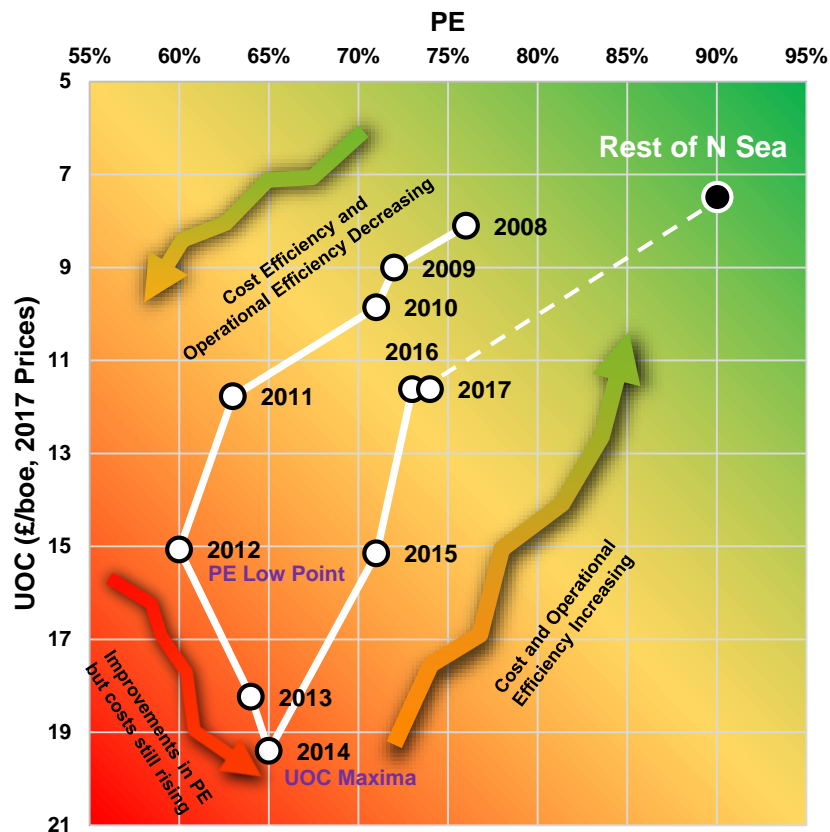
UKCS 150% higher proportion shut-in wells

2.2% less production through wellwork

Source: McKinsey

Highly encouraging turnaround – OGA and government fully supporting new future

Avoiding boom and bust



Call to Leaders

Build on excellent work to date including efficiency and behaviours

Lead and sustain new future through Vision 2035 rooted in:

- Full inclusion and workforce engagement
- Exceptional partnerships & business models
- Operational excellence
- Technology - especially Digital
- Narrative on Global Energy Transition

Thereby - for once - avoiding 'Boom and Bust'



Oil & Gas
Authority

Industrial Relations and Workforce Engagement

November 2018

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Boom, Bust and Cultural Change

November 2018

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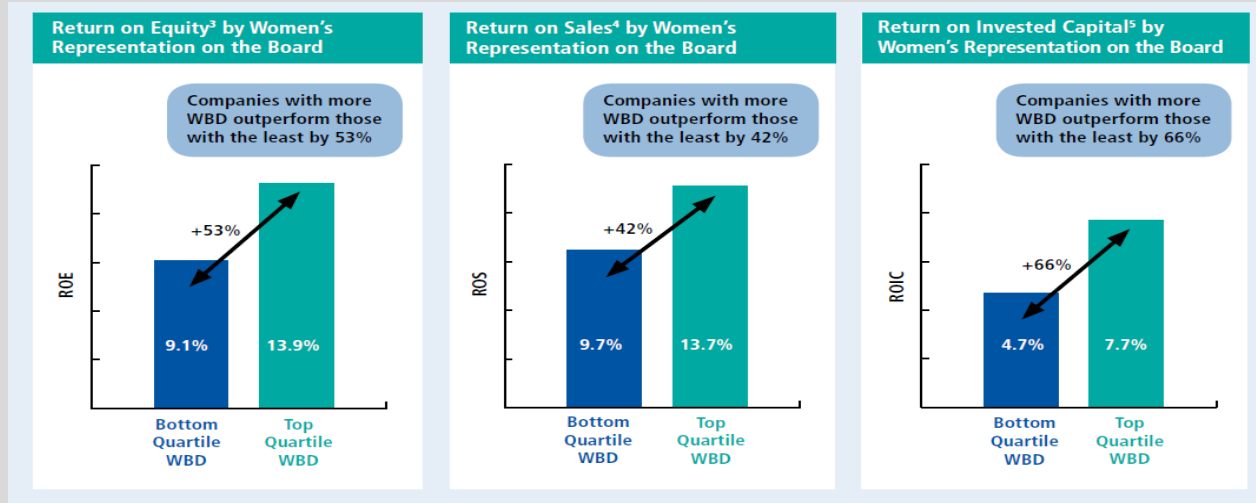
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Diversity & Inclusion

MER Forum

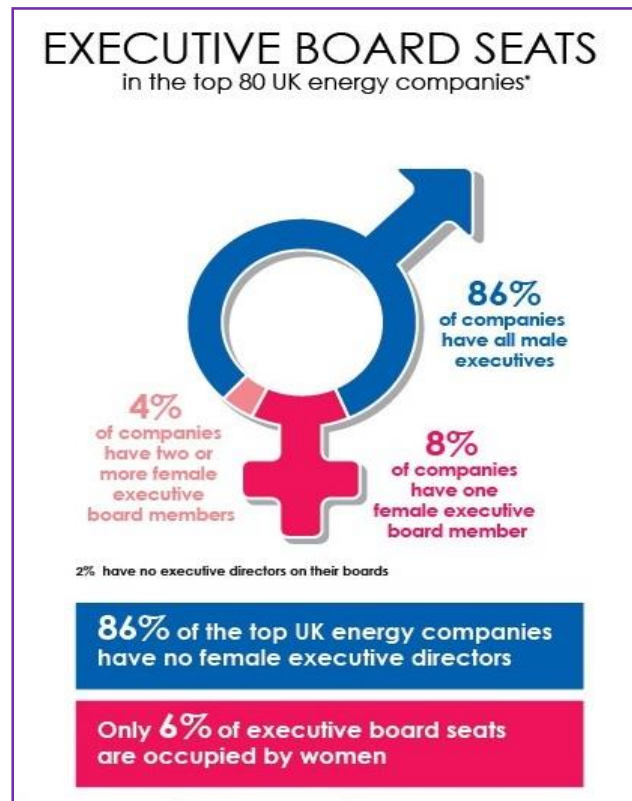
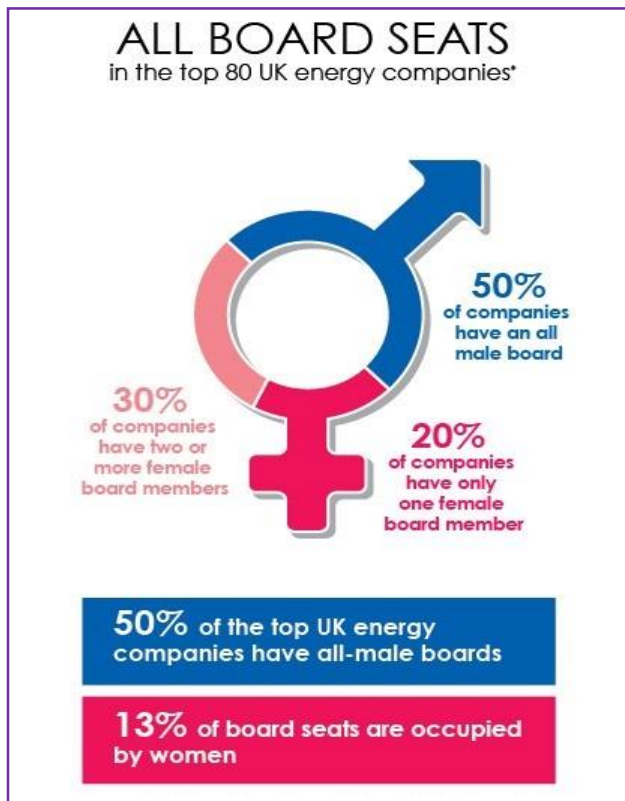
7th November 2018

Women Board Directors (WBD) Align With Strong Performance at Fortune 500 Companies



Source: Catalyst

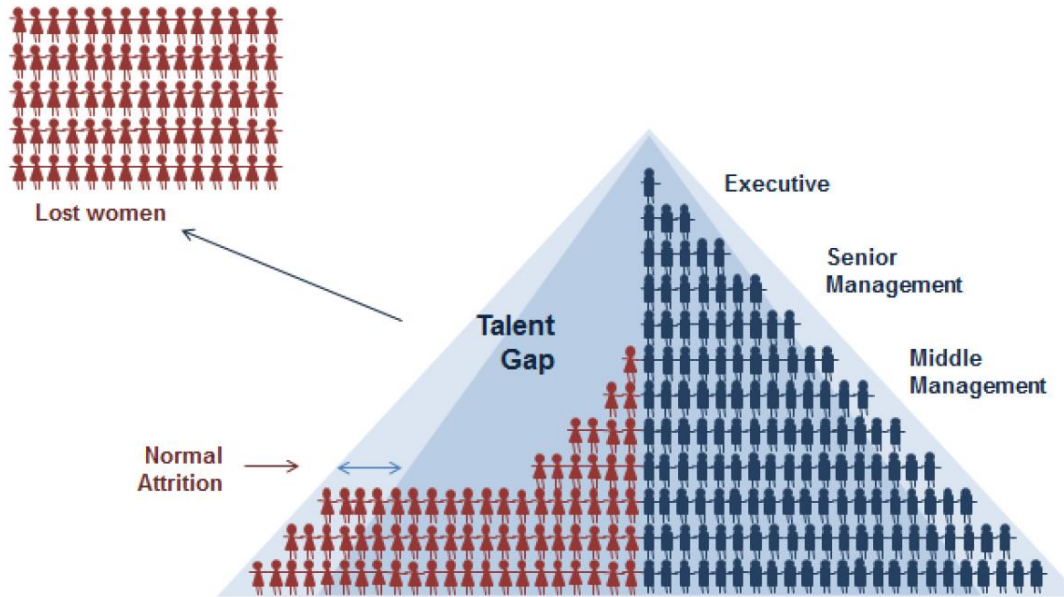
UK Energy Companies



UK Oil & Gas industry

- **A quarter of workforce cf 47% national average**
 - Offshore less than 4%
- **Gender Pay gap of 24%**





84% 

employers say they are
firm supporters
of female staff
during and after pregnancy

77% 

of working mothers
say they have received
negative or discriminatory
experience at work

EHRC, Working Forward, 2016

What is industry doing?

- Starting out



- Getting on



Winner of OGUK D&I 2018 Award



POWERful WOMEN

- Staying on



- Men as change agents



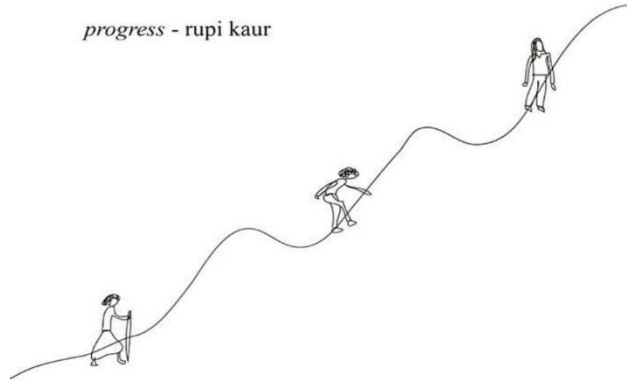
OIL&GAS^{UK}

Next Steps

- Map out what is out there and get better at sharing it
- Identify gaps to work on as an industry

our work should equip
the next generation of women
to outdo us in every field
this is the legacy we'll leave behind

progress - rupi kaur



Brexit, Budget & Energy Transition

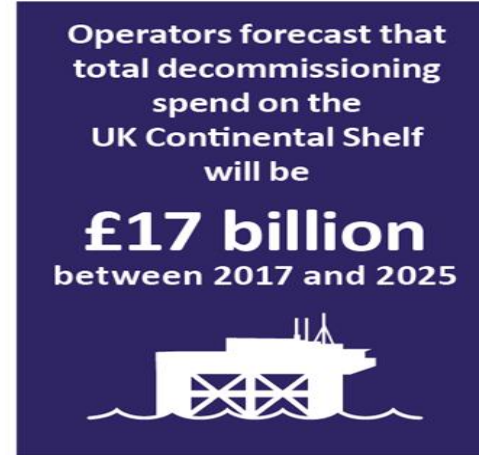
MER Forum

7th November 2018

Budget



Thank you !



Full support for Decom CoE

Brexit



- Protecting the offshore industry from future EU regulatory changes
- Minimal friction between UK and EU
- Maintaining a strong voice in Europe
- Protecting Energy trading and the internal energy market
- Protecting the licence to operate

Energy Transition

- Understanding the Transition

- No conflict between Vision 2035 and 2050 targets: even if “net zero”
- Industry understands need to reduce and/or mitigate emissions
- We can and must tell a positive story for oil and gas investment

- Next phase of GHG reduction requires greater use of investment and expertise of O&G sector

- Emerging Policy Positions

- UK Energy Strategy with explicit recognition of oil and gas sector
 - examples (Denmark, Scotland)
 - as input for EU Energy Union Governance Regulation

- More focus on overall carbon reduction via market signals
- Avoid imposing additional costs and requirements on offshore sector

- Promote big strategic objectives “The Hydrogen Economy”
- CCUS requires explicit regulatory and support framework as discussed in Task Force recommendations



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AOB

November 2018

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