

Case Study – Dunlin Bypass

Background:

Period: Q3 2018- Q3 2019

Headline Description: Cross-JV collaboration to facilitate decommissioning of two redundant pipelines following installation of a new pipeline to re-route Dons / Thistle oil from Dunlin/Brent System to Magnus / Ninian System.

Companies/Partner Involved: EnQuest, BP, ConocoPhillips, Fairfield, MCX, Ithaca, CNR, TAQA, Shell, Exxon Mobil, Dana, Verus, MOL, TOTAL, Chevron

Critical Behaviours (tick all that apply)

Reasonable Aligned Strategic Learning Change Respect Accommodating Openness

Description – how were critical behaviours exhibited?

Following Dunlin CoP, Dons / Thistle oil transportation arrangements (via Dunlin / Brent) were due to expire end 2Q 19. To secure MER, a new oil export line to Magnus / Ninian was sanctioned in 2018. Offshore execution commenced in 2Q 2019. The project was delivered significantly ahead of schedule; this amplified time pressure to deliver commercial alignment.

To protect against delay to installation of the new pipeline, minimise Thistle / Dons shutdown period and to facilitate decommissioning of the redundant pipelines, significant commercial negotiations were required across the Dunlin / Murchison / Thistle / Dons / Brent / Magnus / Ninian JVs.

The Dunlin / Brent and Thistle / Dons owners worked collaboratively to extend the existing Dunlin arrangements to minimise shutdown period and to facilitate a safe & efficient cut over to the new pipeline. This required respectful listening and mutual compromises from all parties to ensure all stakeholder interests were properly addressed. The Dunlin / Brent owners adopted pragmatic business positions in managing technical risks around pipeline decommissioning. Companies with smaller equity interests were engaged and prioritised resources to minimise “partner drag” EnQuest sought to show leadership in driving dialogue in a transparent manner; using Stakeholder Mapping to recognise potential conflicts, exploring opportunities to resolve conflict for mutual benefit and delivering aligned solutions.

Outcomes – impact of collaboration

Win/Win for all parties – Dunlin Bypass project was delivered ahead of schedule & under budget. Thistle / Dons shutdown period was minimised (MER); agreements ensured that risk allocation was shared reasonably; infrastructure owners fairly compensated.