

North Sea Transition Steering Group Meeting

12 March 2024

Welcome and Opening Remarks

Stuart Payne

- Stuart Payne opened the meeting and welcomed everyone.
- Stuart asked that this meeting focused on areas that this group can make a positive impact on and continue to build on successes.
- Eight FDP's have been approved since the beginning of last year and a number of FDP's are now under consideration.
- There has been a 23% reduction in emissions between 2018 and 2022. The NSTA are close to updating the data on emission reduction progress.
- The OGA plan was consulted on, thanks were given for the responses received. There were 32 responses with the vast majority being supportive.
- Thanks to the Steering Group PMO's for completing the templates and getting a simplified set of priorities which helps to report progress and highlights the great work being done.

Simon Roddy

- Simon welcomed Jo White the new co-chair of the Asset Stewardship Task Force to his first Steering Group meeting.
- It was recognised that the industry was facing challenges and reinforced that the intent of the meeting was to update the group on the work of the task forces.
- The tripartite is unique to the UK sector and the Steering Group and the Task Forces help to drive priority areas forward.
- Important to be able distil what the task forces are doing and be able to share key messages.

Task Force Updates

Subsurface Task Force (STF)

- The purpose of the STF is 'Promoting responsible use of our subsurface storage and energy resources to ensure energy security, reduce the UK's emissions impact and deliver societal and economic value'.
- Ambition: 'Provide recommendations on how the UK best leverages its geological CO2 storage and oil and gas potential from a commercial, technical and socio-economic perspective'.
- There are three sub-groups:
 - Domestic Oil and Gas
 - Geological Storage
 - Subsurface Skills
- A question was asked about the interface between different task forces working in similar areas? – There are well defined boundaries and cross assignment of people involved with other task forces.

Asset Stewardship Task Force (ASTF)

- The mission of the ASTF is to support delivery of oil and gas and meet the NSTD net zero obligations.
- There are four sub-groups:
 - Hub Strategy Group
 - Emission Reduction Action Plans (ERAP)
 - Learning and Sharing
 - Culture
- It was highlighted that the ERAP work was very helpful to industry.

Technology Leadership Board (TLB)

- The TLB's objective is 'Identifying key industry priorities in technology, connecting operators and suppliers with regulators and technology organisations to deploy available technologies and focus on R&R to close significant gaps'.
- Membership of the TLB has recently been increased.
- There are three workstreams:
 - Accelerate Deployment
 - Data and Digital
 - North Sea Transition
- TLB already have strong connections with some of the other task forces and will ensure that this is continued and expanded.
- It was highlighted that a Rystad report had just been finalised which identifies which oil and gas technologies could help assist the transition and what should be prioritised. It was asked if this would tie-in with the TLB work? The TLB will connect on this report.

Decommissioning and Repurposing Task Force (DaRT)

- The objective of DaRT is 'Supporting industry to reduce the cost of decommissioning by ensuring an integrated approach to address key challenges and opportunities in the sector, facilitation dialogue and delivering strategic direction'.
- Aims and objectives have been refreshed. They have kept 'Evergreen Topics' and have identified focus areas with tangible objectives.
- Evergreen Topics include:
 - Reuse and repurposing
 - International perspectives
 - Well Decommissioning
 - Regulatory Updates
 - Supply chain
 - Technology
 - Other decom groups.
- The deliverables for 2024 are:

- Decom project and data visibility – visibility dashboard with 15 operators participating has been launched.
- Decom guidance and processes – provide screening and guidance/good practice documents and process updates/reviews.
- Well P&A area plan project
 - Help shape/define the scope of the project and act as an advisory group.
- The question was asked if the workgroup had considered potential inflation and how this could be addressed. Inflation may be a factor that DaRT has to consider. DaRT has fed into the cost report and going forward there may be further information required to see how inflation is affecting costs.

Supply Chain and Exports Task Force (SCET)

- The objective for the SCET is to ‘Bring together industry trade associations, government and regulators to highlight and strengthen the capability of the UK oil and gas service sector’.
- There are two local content ambitions:
 - 50% volume
 - 30% technology
- Last year the focus was on establishing the definition of ‘local content’ and ‘self-help activities’.
- Need to ensure that the supply chain and its users work together to meet the targets.
- The proposed focus for the SCET this year will be:
 - Get clarity of the likely forthcoming demand profile to understand the opportunities.
 - Identify what the local content levels are.
- Going forward the SCET will have four focus areas:
 - Broaden the membership of the SCET
 - Demand profiling – establish a more accurate view of likely forthcoming work profile.
 - Establish current local content level.
 - Identification of focus areas – Identify and promote local content is most likely to be able to be increased.

Wells Task Force (WTF)

- The WTF have five workgroups and plan to hold 12 workshops in 2024 across these groups:
 - Right scoping
 - Efficient Well Ops
 - Improved Partnerships
 - Reservoir and Wells Optimisation –
 - Decommissioning – focus areas include:

CO2 Transportation and Storage (CTS)

- The two themes the CTS have been working on in 2023 are:
 - Shortening time to first injection

- Monitoring
- Both groups are currently finalising reports which will be published shortly.
- The focus areas for 2024 will be:
 - Legacy wells – decommissioning, monitoring and data availability – opportunity for cross working with DaRT and WTF.
 - Store development cost reduction opportunities.
 - Agree approach for involving new licensee.
 - Co-ordinate with CCSA on themes of general interest to avoid duplication.
 - Webpage under construction.

Discussion

- Great to see the number of companies both from supply chain and operators getting involved in the task forces.
- There are a number of good practice documents getting published we need to ensure that these are highlighted.
- **Action Point:** Identify the best way to communicate the task forces work and achievements and tell the whole story – Steering group co-chairs, PMO's

AOB

- OEUK has a role to ensure any work they do enhances the work of the task forces rather than duplicates it.
- A lot of the work that is done by the Steering Group and the task forces supports the licence to operate and underpins the targets in the North Sea Transition Deal (NSTD). Need to keep line of sight of these targets.
- There has been a great deal of good work done on the NSTD over the last 3 years, need to ensure that this is highlighted.
- There will be challenges to achieve some of the NSTD targets but the task forces can help drive and achieve some of the deliverables.