



Offshore Petroleum Regulator
for Environment & Decommissioning

**Offshore Petroleum Regulator for
Environment & Decommissioning**

Department for Business, Energy &
Industrial Strategy
2nd Floor, AB1 Building
Crimon Place
Aberdeen
AB10 1BJ
T: +44 (0)1224 254138
E: bst@beis.gov.uk
www.gov.uk/beis

9 December 2022

Dear Sir / Madam,

OSPAR: Annual Reporting Relating to Chemical Goals

The Offshore Petroleum Regulator for Environment and Decommissioning (OPRED) submitted a report to the OSPAR Offshore Industry Committee (OIC) in 2021 in relation to the following Recommendations:

- a) OSPAR Recommendation 2005/2 on Environmental Goals for the Discharge by the Offshore Industry of Chemicals that Are, or Contain Added Substances, Listed in the OSPAR 2004 List of Chemicals for Priority Action; and
- b) OSPAR Recommendation 2006/3 on Environmental Goals for the Discharge by the Offshore Industry of Chemicals that Are, or Which Contain Substances Identified as Candidates for Substitution.

Recommendation 2005/2 requires that Contracting Parties should have phased out the discharge of offshore chemicals that are, or which contain added substances, listed as chemicals for priority action by 1 January 2010, and the UK has previously reported full compliance. Confirmation of continued compliance can be obtained from the annual chemical goals reports and the EEMS returns.

Recommendation 2006/3 requires that, as soon as practicable and no later than 1 January 2017, Contracting Parties should have phased out the discharge of offshore chemicals that are, or which contain substances, identified as candidates for substitution, except for those chemicals where, despite considerable efforts, it can be demonstrated that this is not feasible due to technical or safety reasons.

At OIC 2018 it was acknowledged that there has been a reduction in the use and discharge of candidate of substitution since 2006 but the Recommendation goals were not fully achieved and OIC agreed that reporting requirements should continue. As part of ongoing reporting requirements, Contracting Parties submitted reports at the OIC 2021 meeting outlining those chemicals where discharges have been phased out, and those chemicals where, despite considerable efforts, it has not been possible to phase out the discharges.

Operators are therefore required to prepare an annual report relating to chemical use and discharge of candidates for substitution during drilling, production, work-over/intervention, pipeline and decommissioning



Offshore Petroleum Regulator
for Environment & Decommissioning

operations during 2022, using the Excel Annual Report spreadsheets. In addition to the Annual Report spreadsheets, operators are also required to prepare an Excel Technical Justification Report (TJR) spreadsheet for all chemicals identified as Chemicals for Priority Action or Candidates for Substitution that are still being used and/or discharged on the UKCS. If a TJR spreadsheet covering the operational application of the chemical has previously been submitted then there is no requirement to submit a new or amended TJR spreadsheet for 2022 unless there have been any changes (e.g., a new use of the chemical), but the previous TJR submission must be referenced. Operators must complete the Excel Annual Report and Technical Justification Report spreadsheets and return the completed spreadsheets to bst@beis.gov.uk by **28 February 2023**.

Copies of the spreadsheets can be downloaded from the website, currently located at:

<https://www.gov.uk/oil-and-gas-offshore-environmental-legislation#the-offshore-chemicals-regulations-2002-as-amended>

In addition to the report spreadsheets, operators are also requested to provide **all** reports of any trials that have been undertaken by the operator to potentially replace chemicals identified as Chemicals for Priority Action or Candidates for Substitution, irrespective of whether those trials have been successful. Such reports must be sent to bst@beis.gov.uk by **28 February 2023**

To assist with the reporting process, please read the guidance relating to completion of the spreadsheets for the Annual Reports and the Technical Justification Reports, which is appended to this letter.

If you have any queries or concerns in relation to the above, please contact your assigned Environmental Manager or email bst@beis.gov.uk.

Yours faithfully

Mark Shields
Environmental Management Team

Enc.



OSPAR: Annual Reporting Relating to Chemical Goals

Guidance

Completion of Annual Report Spreadsheets

There are two Annual Report Spreadsheets, one for production (life) chemical permits (PRAs), and one for term chemical permits (DRAs, WIAs, PLAs and DCAs).

Each spreadsheet contains two worksheets, one for Chemicals for Priority Action or Candidates for Substitution that are no longer used or have been replaced during the period of the report; and the other for Chemicals for Priority Action or Candidates for Substitution that are still used and have not been removed or replaced. Both worksheets *must* be completed and if necessary, recording a 'Nil' return.

1. Separate copies of the production (life) annual reporting spreadsheet must be completed for **each** installation that is the subject of a PRA.
2. Separate copies of the term chemical permit spreadsheet must be completed for:
 - **All** drilling operations undertaken during the relevant reporting period and covered by a DRA;
 - **All** work-over / intervention operations undertaken during the relevant reporting period and covered by a WIA;
 - **All** pipeline works operations undertaken during the relevant reporting period and covered by a PLA; and
 - **All** decommissioning operations undertaken during the relevant reporting period and covered by a DCA.

It is not necessary to list individual term permits within each category; however, if a chemical is used for different categories of operation (e.g., drilling *and* work-over operations) it should be included in both relevant spreadsheets.

To enable OPRED to compile information for OSPAR implementation reporting for each category of operation, where chemicals have been used for work-over / intervention or pipeline operations but included in a production (life) chemical permit (PRA), this should be clearly indicated in the 'Comments' column alongside the entry in the PRA annual report spreadsheet.

Please note the Department is requesting a response for all Chemicals for Priority Action and Candidates for Substitution used and/or discharged during 2022, irrespective of whether there is 'Continuous' or 'Batch' use, or whether there is any discharge to the marine environment, to assist with the OSPAR implementation reporting. The use and/or discharge section includes a drop-down menu and should be completed for **all** Chemicals for Priority Action and Candidates for Substitution included on a chemical permit in 2022.

Any trials that have been undertaken during the period of the report to identify alternatives (including process modifications to eliminate use or substitution with alternative chemicals) must also be included in the returns. Where trials have led to the removal or replacement of a chemical, this should be recorded in the worksheet relating to chemicals that **have** been removed or replaced; and where trials have not led to the removal or replacement of a chemical, this should be recorded in the worksheet relating to chemicals that **have not** been removed or replaced.

In addition to detailing trials information within the spreadsheet, operators are also requested to append written reports on all trials that have been undertaken, irrespective of whether those trials have been successful.

To simplify completion of the returns, several fields have been allocated drop-down menus. If more than one option is relevant, this should be recorded in the 'Comments' column in the return.



Offshore Petroleum Regulator for Environment & Decommissioning

The 'chemical name' should be recorded **exactly** as it appears within the relevant PRA/DRA/WIA/PLA/DCA. Please note, a 'Chemical supplier' column has been added to the spreadsheet and must also be completed to enable a cross-reference check with the 'chemical name' to be made.

Technical Justification Requirements

The TJR spreadsheet must be provided to support the Annual Report, for **all** Chemicals for Priority Action or Candidates for Substitution and covering all applications of those chemicals. If a TJR spreadsheet covering the operational application of the chemical has previously been submitted then there is no requirement to submit a new or amended TJR spreadsheet for 2022 unless there have been any changes (e.g., a new use of the chemical), but please ensure the previous TJR submission is referenced in the 'Comments' column of the relevant Annual Report spreadsheet.

Please note if a TJR spreadsheet has not previously been submitted for all Chemicals for Priority Action or Candidates for Substitution included on a **chemical permit** during 2022 then the Department is requesting a completed TJR spreadsheet for those chemicals. A TJR should therefore be provided even if that chemical was subsequently not used or discharged, or it was replaced or removed from a permit during 2022.

Once a TJR spreadsheet has been submitted for a product, the technical justification can be omitted from all future chemical permit applications and replaced by a reference to the TJR spreadsheet, and it is only necessary to provide a brief justification directly related to the **risk assessment** for the proposed use and/or discharge.

Completion of Technical Justification Report (TJR) Spreadsheet

There is one Technical Justification Report spreadsheet, which can be used to cover all chemical permits (PRAs, DRAs, WIAs, PLA and DCAs). The spreadsheet contains multiple worksheets (P1, P2, P3, etc.), and information relating to each Chemical for Priority Action or Candidate for Substitution included in a chemical permit during 2022 should be included on a separate worksheet.

To simplify completion of the returns, several fields have been allocated drop-down menus. If more than one option is relevant, this should be recorded in the 'Other information' row in the relevant section of the return.

To add additional worksheets to the TJR spreadsheet, right click on the P1 worksheet tab and select 'Move or Copy'. In the box that appears, scroll down and highlight '(Move to end)' and tick 'Create a copy' followed by 'OK'. Following these instructions will generate a new worksheet containing all the functionality of the P1 worksheet.

The TJR should:

- identify the product;
- explain the functions and applications of the product and/or component;
- confirm why it is considered necessary to continue to use and/or discharge the product and/or component and relate it to process requirements e.g., safety, efficacy, environmental benefits, legislative compliance benefits, cost considerations, etc.; and
- provide a summary of any trials undertaken to reduce or eliminate use and/or discharge and the outcomes of those trials. **A copy of a written report of the trial should be appended to the TJR.**

As indicated above, when you have submitted a TJR for a chemical that includes a proposed application detailed in a chemical permit application, it will no longer be necessary to replicate this information in the chemical permit application. However, it will be necessary to prepare a new TJR to supplement an existing TJR if there are any changes in the information during the period of an annual report.



Offshore Petroleum Regulator for Environment & Decommissioning

Completion and submission of the spreadsheets is currently an annual requirement, and a reminder will be issued every year confirming the relevant submission date and reminding operators of the potential requirement to up-date the TJR.

Risk-based Justifications

Following submission of a TJR spreadsheet, it should be referenced in relevant chemical permit applications, and the justification included in the PRA/DRA/WIA/PLA/DCA should concentrate on the specific conditions of use and/or discharge detailed in the application to determine the **risk**.

A risk-based justification should concentrate on factors such as:

- the total quantity of the product and/or component that will be used and/or discharged;
- the fate of the product and/or component;
- the potential impact of the product and/or component in the receiving environment;
- the supporting modelled risk assessment (HQ v RQ, OA if appropriate); and
- any factors that would reduce the risk (e.g., dispersion, dilution, batch discharge, etc.).

The risk-based justification should represent a significant reduction in the application preparation workload, e.g., zero discharge chemicals will probably only require confirmation of the fate of the chemical and that the environmental impact relating to the use would therefore be negligible.

New additions

When a new chemical is included in a PRA/DRA/WIA/PLA/DCA that requires a justification, and there is no relevant TJR, the chemical permit application must include both a technical justification *and* a risk-based justification. The technical justification can then be omitted in future applications following submission of a TJR to support an annual chemical goals report.