



Environmental Statement (ES) Summary and Sign-Off

Title:	Utgard Field Development Environmental Statement (ES)
Operator:	Statoil Petroleum AS (Statoil)
Report No:	D/4188/2016
Submission Date:	May 2016
Block No:	16/18a
Development Type:	Field Development
Reviewer:	Nicola Abrams / Ben Bryant
Date:	13 July 2016

A) Project Description:

Statoil is planning to develop the Utgard offshore gas condensate field, which is a transboundary field located between Norway and the UK, with the UK portion of the field located in the central North Sea (CNS) in UKCS Block 16/18a. The Utgard field will be developed from a two well subsea template, and the gas condensate will be produced *via* a 21 km pipeline to the Sleipner T installation on the Norwegian Continental Shelf (NCS). A separate control umbilical will be installed between the subsea template and the Sleipner A installation. All development infrastructure and the processing of hydrocarbons will be located on the NCS, and only one of the producing wells will target hydrocarbons from the UKCS section of the reservoir.

The wells will be drilled using an anchored semisubmersible mobile drilling unit (MoDU), with three of the anchors likely to be installed on the UKCS. The top hole well sections will be drilled with water based mud (WBM), and the combined discharge of WBM during the two drilling operations is estimated to be approximately 5,800 tonnes. The lower well sections will be drilled with low toxicity oil based mud (LTOBM), with cuttings shipped to shore for treatment and disposal.

The production pipeline will be installed on the seabed using a reel or S-lay method. The pipeline will be a pipe-in-pipe system, with the outer pipe providing insulation to protect the inner pipe and to prevent hydrate formation. The umbilical will be installed within the production pipeline installation corridor. The pipeline is designed to be overtrawlable and no protective or support materials will be required, and the umbilical will be trenched over its entire length.

The development of the Utgard field will span 11-12 years, with installation of the subsea template commencing in Q2 2018, drilling scheduled for Q3 2018, pipeline and umbilical installation scheduled for Q2 2019 and production start-up anticipated in Q4 2019. Production is anticipated to last approximately 9-10 years. All offshore activities will be the subject of an Oil Pollution Emergency Plan (OPEP) that will need to be approved prior to the commencement of operations.

B) Key Environmental Impacts:

The ES identified and discussed the following key activities as having the potential to cause an environmental impact:

- Seabed disturbance;
- Atmospheric emissions;
- Discharges to sea;
- Interactions with other sea users; and
- Spill risk.

C) Key Environmental Sensitivities:

The ES identified the following environmental sensitivities:

- **Fish:** The development area is a potential spawning area for cod, haddock, saithe, mackerel and Norway pout. The spawning and nursery areas are extensive and the area of impact would be localised and temporary. The development proposals are therefore considered unlikely to have an impact on these species.
- **Seabirds:** Seabird vulnerability varies throughout the year with peaks in late summer following breeding and during the winter months following the arrival of over-wintering birds. The location of the field and the hydrocarbon characteristics will minimise potential impacts, and spill modelling indicates that condensate would not beach on the UK or Norwegian coastlines. Appropriate mitigation measures are in place to prevent accidental spills that could have a significant impact on seabirds, and full details will be included in the OPEP.
- **Protected habitats:** The nearest Nature Conservation Marine Protected Area (NCMPA) is the Norwegian Boundary Sediment Plain, approximately 20 km south of the development area. The development proposals are not expected to have any significant impact on the protected habitat.
- **Protected species:** The most common occurring species present in the CNS area are harbour porpoise. Other protected cetacean species observed in the area include killer whales, minke whales, white-beaked dolphin, white-sided dolphin and Risso's dolphin. Any disturbance of marine mammals is expected to be limited to the drilling period and during infrastructure installation, and the localised and temporary disturbance is considered unlikely to have any significant impact.
- **Other users of the sea:** The proposed development is situated within ICES rectangle 45F1 and relative fishing effort in the area is typical for the CNS, with herring the predominant target species. Norway lobster (*Nephrops norvegicus*) is the most substantial component in terms of landed value. Shipping density in the vicinity of the proposed development is moderate, and appropriate navigational controls will be put in place. It is not anticipated that there will be any significant impact on other users of the sea.

D) Consultation:

The Joint Nature Conservation Committee (JNCC), Marine Scotland (MS), the Maritime and Coastguard Agency (MCA) and the Ministry of Defence (MoD) were consulted, and the ES was also subject to public notice.

- **JNCC** confirmed that they have no objections.
- **MS** confirmed that that they have no objections.
- **MCA** confirmed that they have no objections.
- **MoD** confirmed that they have no objections.

No comments were received in response to the public notice.

E) Further Information:

Further information was requested from Statoil to address issues raised following the internal BEIS review. The information requested included clarification of any future drilling at the template, production profiles for the UK share of production and issues relating to the consideration of protected areas. The additional information provided by Statoil in July 2016 satisfactorily addressed the issues raised.

F) Conclusion:

Following the review of the ES, the responses received from consultees and the additional information provided by Statoil, BEIS Offshore Oil and Gas Environment and Decommissioning (OGED) is satisfied that the development project will not have a significant adverse impact on the receiving environment or the living resources it supports, on any protected sites or species, or on any other users of the sea.

G) Recommendation:

On the basis of the information presented within the ES and additional information, and the advice received from consultees, BEIS OGED is content that there are no environmental or navigational objections to approval of the proposals, and has advised the OGA that there are no objections to the grant of the relevant consents.

Approved

Sarah Pritchard..... Date01/08/2016.....

Sarah Pritchard
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 Decommissioning