



Department for
Business, Energy
& Industrial Strategy

BUSINESS IMPACT TARGET: SUMMARY TEMPLATE

Non-qualifying Regulatory Provisions
(NQRPs) summary reporting template



Regulator: BEIS – Offshore Petroleum Regulator Environment & Decommissioning (OPRED)

Business Impact Target Reporting Period Covered: 9 June 2017 to 20 June 2018

| Excluded Category* | Summary of measure(s), including any impact data where available |
|---|--|
| Fines and Penalties | <p>OPRED has issued four enforcement notices (two under the Offshore Petroleum Activities (Oil Pollution Prevention and Control) Regulations 2005, one under the Offshore Chemical Regulations 2002 and one under the Offshore Installations (Offshore Safety Directive) (Safety Case etc) Regulations 2015). Two cases were referred to the relevant prosecuting authorities. Five civil penalties under the Greenhouse Gas Emissions Trading Scheme Regulations 2012 were issued and paid in full (totalling £91,455). The number of enforcement notices and civil penalties issued were broadly similar to those of previous years.</p> |
| Casework | <p>Twelve Decommissioning Programmes for offshore oil and gas installations and pipelines under Section 29 of the Petroleum Act 1998 have been approved. OPRED has also supported the execution of a further twenty-two projects and secured nine financial security agreements. No activities listed represent a change in the burden of regulation placed on business.</p> |
| Education, communications and promotion | <p>Updated Guidance document on The Merchant Shipping (Oil Pollution Preparedness, Response and Co-operation Convention) Regulations 1998 was published in October 2017. The guidance was updated to explain the new streamlined administrative arrangements for submission, review and approval of Oil Pollution Emergency Plans via an electronic portal system rather than hard copy and CD submission. The portal is based on the existing portal used by oil and gas operators for submission of applications for environmental permits so is familiar to industry and does not introduce any regulatory requirements. Other than some initial familiarisation and set-up costs we expect this new process to realise some industry savings – early industry roll-out feedback is in line with OPRED’s expectations. This change will also save OPRED administrative time in handling the documentation and communications.</p> <p>Updated Guidance document on decommissioning of offshore oil and gas installations and pipelines was published in May 2018. Guidance Notes have been available since the late 1990s, being routinely updated to reflect learning and changing legislation. Following engagement with industry and stakeholders in 2016/17 the guidance notes have been updated to reflect the Energy Act 2016, and the establishment of the Oil and Gas Authority (OGA) and its role in assessing decommissioning costs. The guidance notes signpost industry to the OGA, who in turn have its own requirements for industry. The guidance notes have also been amended to reflect the knowledge and learning gained by regulators and industry in</p> |

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| | <p>planning, preparing and executing a decommissioning programme. These amendments have clarified existing requirements with the aim of reducing, rather than adding additional tasks for industry and government. This is expected to save time in the regulatory process.</p> <p>OPRED participates in regular meetings with Oil & Gas UK (OGUK), the industry representative body. The OGUK Environment Forum meetings are attended by environmental representatives of virtually all the active offshore operators. OPRED also participates in the technical working groups set up by OGUK to discuss specific areas of interest.</p> <p>OPRED established an Industry Forum in July 2017 with representatives from a range of oil and gas companies to hear directly any of the industry concerns as well as advise of forthcoming regulatory activities.</p> <p>OPRED has presented at two industry conferences on operational and environmental matters and two conferences on decommissioning as well as giving numerous presentations to operators and other stakeholders throughout the period.</p> |
| Activity related to policy development | <p>A four-week public consultation was carried out in February/March 2017 which outlined the legislative proposals for transposing the amended EIA Directive. Responses were analysed and informed policy decisions for bringing the Offshore Petroleum Production and Pipe-lines (EIA) (Amendment) Regulations 2017 into force on 16 May 2017 (included in BIT reporting for 2015-2017). BEIS's response to the consultation was published - simultaneously with those of other Departments which had to transpose the amended EIA Directive - in December 2017.</p> <p>A four-week public consultation was carried out in September / October 2017 which outlined the policy proposals to transpose the obligations of the Medium Combustion Plant Directive (2015/2193/EU) and Chapter III of the Industrial Emissions Directive (2010/75/EU) and asked for additional cost data. Responses to the consultation were analysed and informed the policy decisions for introducing the PPC (Amendment) Regulations 2018 during June or July 2018.</p> |
| All other excluded categories | Following consideration of the other exclusion categories there are no measures for the reporting period that qualify for the exclusions. |

* For full, legal definitions of these exclusion categories, please see <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2018-06-20/HCWS776/>