



## Offshore Petroleum Regulator for Environment & Decommissioning

### PON1 Guidance – Consultation Supporting Document – Summary of Key Contents and Changes

This document is designed to support the wider consultation of the new OPRED PON1 Guidance.

It is not intended to be referenced in isolation and is not considered to form part of the amended PON1 Guidance. Readers should refer to this document in conjunction with their initial review of the updated PON1 Guidance and the aim is to highlight the key content and significant changes within the amended guidance and provide additional clarification where deemed necessary.

The key content and changes in the updated PON1 Guidance are as follows:

#### Sections 1 and 2 - PON1 reporting guidance and directions from the Secretary of State:

**Key Content:** The PON1 guidance details the applicable regulatory regimes that requires notifications be made to the Secretary of State in the event of a release of oil or offshore chemicals to sea.

It clarifies the operational activities to which the regimes apply, the areas to which they apply and the types of installations and vessel to which it applies. It also states the form and manner by which any required notification must be made.

**Significant Change:** Guidance and IRS introduces some change to the ‘form and manner’ of PON1 submissions and the information detailed within

#### Section 3.1, 3.2 and 3.3 - How and when to submit a PON1:

**Key Content:** The guidance specifies the PON1 reporting requirements, required telephone notifications and associated reporting timeframes. It also references the reporting method but does not provide explicit guidance on the use of the UK Energy Portal as separate guidance is available for that.

**Significant Change:** Required telephone notifications to OPRED and HM Coastguard have been more closely aligned. Telephone notifications to both organisations are now the same with the exception that HM Coastguard require a telephone notification for the first report of *all* ongoing releases whereas OPRED require telephone notification only when an ongoing release cumulatively exceeds one tonne for the first time.

#### Sections 3.4 and 3.5 - Reporting responsibility and details of parties involved:

**Key Content:** The guidance states who has responsibility for ensuring that a PON1 is submitted and clarifies the detail required with regard to parties involved.

**Significant Change:** A PON1 no longer requires details as to who is *responsible* for a release. Rather it now requires the details of all parties *involved* in the operation (installation operator, well operator, NPI owner etc). Responsibilities will be determined by subsequent investigations as required.

You should note that the guidance states who has responsibility for *ensuring* a PON1 is submitted. This means that one party can submit a PON1 on behalf of another, for example an NPI Owner can submit a PON1 even when the well operator is the permit holder, but it would remain the



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responsibility of that well operator to *ensure* the PON1 is submitted in accordance with all requirements.

### **Sections 3.6 – Reporting ongoing releases:**

**Key Content:** The guidance states what is considered to be an ongoing release and describes how they must be reported.

**Significant Change:** The definition of an ongoing release has been simplified and there is no longer any differentiation between continuous and intermittent releases. Any release from the same source which has not been addressed and is continuous or intermittent is deemed to be ongoing and must be reported as such.

Every PON1 update to an ongoing release will require confirmation of whether the release *rate* is increasing, decreasing or is unchanged. This will allow the reviewer of the PON1 to form an opinion as to whether a situation may be worsening.

### **Section 3.7 - Permitted Discharge Notifications (PDN):**

**Key Content:** The guidance states that the requirement to submit PON1 PDNs has been withdrawn. A new 'maximum load' permit condition will be applied to all permitted oil discharge systems and any exceedance of this maximum load will require the submission of an OPPN Non-Compliance Notification (OPPCNCN).

**Significant Change:** The PON1 PDN has consistently caused confusion across industry and was subject to variables beyond the control of the PON1 submitter such as weather conditions and sea state. As such the decision has been taken to remove the requirement to submit PON1 PDN notifications.

To account for the fact that oil discharges from a permitted system have the potential to result in significant quantities of oil being discharged to sea (e.g. process upset leading to a high overboard oil in water concentration) which may require the swift mobilisation of pollution response resources, the new aforementioned '*maximum load*' condition will be applied to *all* systems in *all* oil discharge permits. The default value of this maximum load will be 1 tonne oil discharged in 12-hours but this can be varied (up or down) depending on the specific circumstances of the operation. A breach of this maximum load condition will require the submission of an OPPCNCN. **Such an OPPCNCN must be submitted within six hours** as opposed to the usual 48-hour reporting timeframe. This is to ensure that all large discharges of oil can be assessed and responded to promptly if required. As such discharges would previously have been reported as a PON1 PDN, this change is not seen as an increase to the reporting burden on industry. The new Integrated Reporting Service (IRS) has been designed to readily facilitate the submission six-hour OPPCNCN submissions.

### **Section 3.8 – Third-party PON1 reports:**

**Key Content:** The guidance defines what is considered to be 'third-party' oil pollution and states OPRED's expectations and requirements should third-party oil pollution be observed. The guidance confirms that the requirement to submit 'third-party' PON1 reports has been withdrawn.



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**Significant Change:** There is no longer a requirement for ‘known’ and ‘unknown’ third-party oil pollution events to be reported via a PON1 notification. All such events should be reported to HM Coastguard in accordance with their requirements.

It should be noted that it is the expectation of OPRED that all observed third-party oil pollution triggers a thorough investigation on the installation to ensure the oil pollution is not resulting from their operations. OPRED will liaise with HM Coastguard about all such third-party reports and any subsequently found to be associated with the oil and gas operations of the reporter will be investigated by OPRED.

### **Section 4 – Review and investigation of PON1 notifications:**

**Key Content:** The guidance states the actions OPRED will take to review and investigate all PON1 notifications.

**Significant Change:** None

### **Appendix B – Definition of Release and Discharge:**

**Key Content:** The guidance provides a definition of what is considered to be a release and a discharge.

**Significant Change:** The guidance clarifies that oil or offshore chemicals cannot be released from a point where it was intended to be discharged under permit. The oil or chemical can only be discharged from that point in a manner that is either compliant or non-compliant with the relevant permit/regulations.

This is illustrated by the example of a permitted recoverable drainage system. It is permitted to discharge oil to sea from a specific point in that drainage system and oil discharged from that point cannot be deemed a release regardless of the way the oil entered the drainage system. The discharge may however be non-compliance with the permit and should be reported as such.

If an emission takes place without an oil discharge or chemical permit being in place it will be considered whether it is reasonable to expect that a permit would have been issued had one been applied for. This determination will identify whether the emission should be reported as a PON1 or a non-compliance with the regulation.

For example, sand has been removed from a production vessel and the oil is washed from that sand in a controlled, planned operation. The oil is returned to process and the oily wash water discharged to sea. It is then realised that the operation has not been permitted. It is reasonable to expect that a permit would have been granted for the operation therefore the oily water has been discharged without a permit. This is non-compliant with the OPPC Regulations and must be reported as such.

In another example it is determined that an offshore worked has intentionally discarded waste oil directly overboard with no treatment and no control. It is unreasonable to expect that a permit would be granted for such an emission therefore this must be reported on a PON1 notification.

It will be OPRED’s decision as to whether a permit would or would not have been issued for the emission.



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You should not consider that a PON1 notification or non-compliance notification is 'worse' than the other. Both are breaches of the relevant regulation. Both are failures of equipment and/or procedure. Both require investigation to identify root causes and corrective actions. Both are subject to the same OPRED enforcement options.

### **Appendix C – Definitions and Oil and Offshore Chemicals:**

**Key Content:** The guidance provides a definition of what is considered to be an 'oil' and what is considered to be an 'offshore chemical'.

**Significant Change:** None

### **Appendix D – Quantification of release quantities:**

**Key Content:** The guidance details the different methods available to quantify release quantities and states that all available methods must be used in order to reach as accurate a quantification as possible. The guidance also details reporting requirements with regards to chemical mixtures and dilutions.

**Significant Change:** None

### **Appendix E – Reporting subsea chemical emissions:**

**Key Content:** The guidance details requirements when reporting emissions of chemicals from subsea systems and states those events which require a PON1 notification, those which require a permit non-compliance notification and those which are non-reportable.

**Significant Change:** In accordance with the definition of release and discharge, chemicals cannot be released from a subsea system where a permit has been issued and the application describes the circumstances of the discharge during normal operations and the emission is in accordance with that description (e.g. the vent port on a subsea directional control valve). The chemical can only be discharged in a way that is either compliant or not with the description in the permit application.

This means that any ongoing emission of hydraulic control fluid from a vent port on a subsea directional control valve that is not intended to operate with such an ongoing emission is reportable as an OCRNCN Non-Compliance Notification (OCRNCN)

The guidance provides further specific examples of what are PON1 reportable releases and what are OCRNCN reportable discharges from subsea chemical systems.

You should note that it is expected that all subsea chemical use is accurately monitored and reviewed and all unexplained increases are promptly identified and thoroughly investigated to ascertain the reasons for the increase.

Again as detailed above a PON1 notification should not be considered to be 'worse' than an OCRNCN or vice versa.



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### **Appendix F – Reporting emissions from drainage systems:**

**Key Content:** Guidance describes differences between recoverable and non-recoverable drains and states PON1 reporting requirements for each with examples of both oil and offshore chemical emissions.

**Significant Changes:** With regards to oil, non-recoverable drainage systems have no ability to separate, recover and minimise oil emissions to sea. All oil that enters these drains will simply pass directly to sea. This includes non-recoverable sections of recoverable drainage systems (top-hats, storm drains etc). As such non-recoverable drains will no longer be a permitted discharge point for oil and the OPPC guidance as issued by OPRED has been updated accordingly. Any oil entering a non-recoverable drain will be released directly to sea and must be reported using a PON1 notification.

With regard to permitted recoverable drainage systems, in accordance with the definition of release and discharge, it is permitted to discharge treated oil to sea from a specific point which is described in the permit application (recoverable drainage caisson etc). Any oil discharged from that point cannot be deemed a release regardless of the way that oil has entered the drainage system. The discharge may however be non-compliant with the permit and if so should be reported as such.

The emission to sea of oil from any other part of that drainage system (e.g. from a flange, holed pipe, burst hose etc) is a release and must be reported on a PON1 notification.

With regards to offshore chemicals, there may be a permit in place for discharge from a recoverable or non-recoverable drainage system. However that discharge can only take place in the manner described in the permit application. Any discharge of an offshore chemical that takes place in a manner not described in the permit application must be reported as an OCRNCN. This includes how the chemical enters the drainage system. For example, MEG may be permitted for discharge via a drainage system during maintenance of a cooling system, but if the MEG enters that drain from a leaking drum that is reportable as an OCRNCN.

Where an offshore chemical is emitted from a drainage system and that chemical is not permitted for discharge, and a permit could not reasonably be expected to have been issued for the circumstances of that emission, it is considered to be a release and must be reported via a PON1 notification (e.g. the chemical has entered the drain following a loss of containment in the chemical injection system)

Where an offshore chemical is emitted from a drainage system and that chemical is not permitted for discharge, but a permit could reasonably be expected to have been issued for the circumstances of that discharge, it is considered to be non-compliant with the OCR Regulations and must be reported as an OCRNCN (e.g. the chemical has entered the drain following a planned and controlled biocide treatment of the system, but the biocide was not included on the chemical permit)

As with oil, any emission of an offshore chemical to sea from any other part of that drainage system (e.g. from a flange, holed pipe, burst hose etc) is a release and must be reported on a PON1 notification.

### **Appendix G – Reporting emissions from produced water caissons:**

**Key Content:** The guidance states the reporting requirements for emissions of oil and offshore chemicals to sea from PW caissons.



**Significant Change:** None

**Appendix H – Reporting emissions from Non-Production Installations (NPIs) and vessels:**

**Key Content:** The guidance defines what is considered to be an offshore installation and when a vessel is considered to be an installation for the purposes of PON1.

The guidance also defines when an NPI is operating under the PON1 reporting regime.

**Significant Change:** A vessel is considered to be an offshore installation (and within the PON1 reporting regime) when it is maintained on station to undertake an oil and gas activity and there is a chemical or oil discharge permit in place covering operations from that vessel, and/or the vessel is undertaking activities included in the scope of any approved OPEP, and/or the vessel is included in the scope of any Consent to Locate. Releases of oil or chemical from vessels not considered to be offshore installations should be telephoned to HM Coastguard in accordance with their requirements.

An NPI is within the scope of the PON1 reporting regime when maintained on location to undertake oil and gas activities and is within 500m of the location of the activity at the time of any release (e.g. a mobile drilling rig is maintained on station within 500m of the well being worked).

If the NPI is beyond 500m from the location of the oil and gas activity any release of oil or chemical should be telephoned to HM Coastguard in accordance with their requirements.

During bunkering and offloading operations between vessels and offshore installations any hose used during these operations is considered to be part of that installation and any release of oil or offshore chemical from that hose (up to and including the vessel hose end valve) must be reported using a PON1.

**Appendix I – Reporting releasing during flaring operations:**

**Key Content:** The Guidance states the reporting requirements associated with flaring activities.

**Significant Change:** None.