

Our Ref: 01.01.01.01-2647U
UKOP Doc Ref:1189181



Offshore Petroleum Regulator
for Environment & Decommissioning

TEEKAY HUMMINGBIRD PRODUCTION LIMITED
C/O TEEKAY PETROJARL UK LIMITED
TEEKAY HOUSE
UNIT 3 PROSPECT PARK
ARNHALL BUSINESS PARK
PROSPECT ROAD
WESTHILL
ABERDEEN
AB32 6FJ

Registered No.: SC294888

Date: 10th February 2022

Dear Sir / Madam

**THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING
AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS
2020
CHESTNUT**

A screening direction for the project detailed in your application, reference PR/2236/0 (Version 1), dated 9th February 2022 has been issued under regulation 6 of the above Regulations. The screening direction notice, and any relevant conditions and comments are attached. A copy of this screening direction will be forwarded to the application consultees, the Oil and Gas Authority and published on the gov.uk website.

If you have any queries in relation to this screening direction or the attachments, please do not hesitate to contact [REDACTED] on [REDACTED] or email the Environmental Management Team at bst@beis.gov.uk.

Yours faithfully

Department for Business, Energy
& Industrial Strategy

AB1 Building
Crimon Place
Aberdeen
AB10 1BJ

Tel [REDACTED]

Fax [REDACTED]

www.gov.uk/beis
bst@beis.gov.uk



**THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING
AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS
2020**

**SCREENING DIRECTION CONFIRMING THAT AN ENVIRONMENTAL IMPACT
ASSESSMENT IS NOT REQUIRED**

CHESTNUT

PR/2236/0 (Version 1)

Whereas TEEKAY HUMMINGBIRD PRODUCTION LIMITED has made an application dated 9th February 2022, under The Offshore Oil and Gas Exploration, Production, Unloading and Storage (Environmental Impact Assessment) Regulations 2020, and whereas the Secretary of State has considered the application and is satisfied that the project is not likely to have a significant effect on the environment; in exercise of the powers available under regulation 6, the Secretary of State hereby directs that the application for consent in respect of the project need not be accompanied by an Environmental Impact Assessment, provided that the project is carried out as described in the application for the screening direction and in accordance with the conditions specified in the attached schedule.

In giving a screening direction under regulation 6 of the above Regulations, the Secretary of State accordingly gives agreement to the Oil and Gas Authority to the grant of consent for the project as detailed in the application *FCO/6120/0 Chestnut Field*.

Effective Date: 10th February 2022



THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS 2020

SCHEDULE OF SCREENING DIRECTION CONDITIONS

The grant of this screening direction is conditional upon the screening direction holder complying with the following conditions.

1 Screening direction validity

This screening direction shall be valid from 10 February 2022.

2 Change to production level(s)

The holder of the screening direction shall ensure that the change in the level(s) of production do not exceed the amended level(s) detailed in the application for the screening direction, and in the application for consent relating to the approval for the getting of petroleum issued under the relevant production licence Model Clause.

3 Prevention of pollution

The holder of the screening direction must ensure that appropriate measures are taken to minimise discharges, emissions and waste, in particular through the appropriate use of technology; and to ensure that necessary measures are taken to prevent incidents affecting the environment or, where they occur, to limit their consequences in relation to the environment.

4 Inspections

Should the Department consider it necessary or expedient for an inspector appointed by the Secretary of State to investigate whether the conditions of the screening direction are being complied with, the holder of the screening direction shall afford the inspector with such facilities and assistance as the inspector considers necessary to exercise the powers conferred by the regulations. The holder of the screening direction shall additionally ensure that copies (electronic or paper) of the screening direction and any other relevant documents are available for inspection by the inspector at:

- a) the premises of the holder of the screening direction; and
- b) the facilities undertaking the project covered by the screening direction.

5 Check monitoring

Should the Department consider it necessary or expedient to undertake an independent monitoring programme to assess the impact of the project covered by the screening direction, the screening direction holder shall afford the Department



with such facilities and assistance as the Department considers necessary to undertake the work.

6 Atmospheric emissions returns

Following completion of the project covered by the screening direction, the holder of the screening direction shall report all relevant atmospheric emissions, such as combustion emissions, using the appropriate Environmental Emissions Monitoring System (EEMS) reporting forms.

7 Unauthorised deposits

Following completion of the project covered by the screening direction, the holder of the screening direction shall recover any materials accidentally or temporarily deposited on the seabed, such as debris, temporary containers, structures or deposits, or scientific instruments, and shall return the materials to land. If it is not possible to recover any of these deposits, full details of the materials remaining on the seabed must be reported to the Department in accordance with the requirements of Petroleum Operations Notice No.2 (PON2).

8 Screening direction variation

In the event that the holder of the screening direction proposes changes to any of the particulars detailed in the application for a screening direction, the holder must notify the Department immediately and submit an application for a post screening direction amendment. The post screening direction must be in place prior to the amended proposals taking effect.

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COMMENTS ON THE APPLICATION FOR SCREENING DIRECTION

Section 1

The attention of screening direction holders is drawn to the following provisions regarding The Offshore Oil and Gas Exploration, Production, Unloading and Storage (Environmental Impact Assessment) Regulations 2020.

1) You are deemed to have satisfied yourself that there are no barriers, legal or otherwise, to the carrying out of the project covered by the screening direction. The issue of a screening direction does not absolve the screening direction holder from obtaining such authorisations, consents etc that may be required under any other legislation.

2) The Department would draw your attention to the following comments:

The Department has no comments

3) All communications relating to the screening direction should be addressed to:

bst@beis.gov.uk

or

Offshore Petroleum Regulator for Environment & Decommissioning
Department for Business, Energy & Industrial Strategy
AB1 Building
Crimon Place
Aberdeen
AB10 1BJ

Tel [REDACTED]

Fax [REDACTED]



SCHEDULE OF SCREENING DIRECTION DECISION REASONS

The Secretary of State has decided that, based on the information provided, the project is not likely to have a significant effect on the environment. The main reasons for this decision are:

Project Name

Increase in flaring from the Chestnut Field via the Hummingbird Installation.

Decision reasons

The following provides a summary of the assessments undertaken by OPRED to determine whether an Environmental Impact Assessment is required for this project, summarises the information considered, the potential impacts and sets out the main reasons for the decision made. In considering whether an Environmental Impact Assessment is required or not, the following have been taken into account:

- a) The information provided by the developer.
- b) The matters listed in Schedule 5 of The Offshore Oil and Gas Exploration, Production, Unloading and Storage (Environmental Impact Regulations 2020) (the Regulations).
- c) The results of any preliminary verifications or assessments of the effects on the environment of the project; and
- d) Any conditions that the Secretary of State may attach to the agreement to the grant of consent.

Characteristics of the Project

Having regard, in particular, to the matters identified at paragraphs 1(a) to (g) of Schedule 5 to the Regulations, the characteristics of the project include the following:

Summary of the project :

Increase in flaring from the Chestnut Field from 20.63 tonnes per day to 53.4 tonnes per day from mid-February 2022 to cessation of production on the 31st March 2022.

Description of project :

This project consists of an increase in the rate of flaring due to the successful



implementation of nitrogen gas lift system following the failure of the water injection system.

No cumulative impacts are expected to occur with any other existing or approved projects.

There is no change to the assessment of a major accident. The Developer has control measures in place to reduce the risk of a major accident occurring and the probability of such an event occurring is very low.

It is not considered to be likely that the project will be affected by natural disasters.

Other than the matters considered further below, there is not likely to be any significant impact of the project on population and human health.

Location of the Project

Having regard in particular to the matters identified at paragraphs 2(a) to (c) of Schedule 5 to the Regulations, the environmental sensitivity of geographical areas likely to be affected by the project has been considered as follows:

The Chestnut Field (UKCS Block 22/2a) is produced via the Hummingbird Installation and is located approximately 185 km north-east of Aberdeen and 36 km from the UK/Norway transboundary line in the central North Sea. The water depth is approximately 120 meters. The mean residual current surrounding the Chestnut field is approximately 0.28 m/s. The wave height within the Chestnut area ranges from 2.11-2.40 m and the annual mean wave power is 24.1-30 kW/m.

Seabed sediments in the vicinity comprise clayey silty sand. The seabed is characterised by pockmarks up to 7.5 m deep and 220 m across. Occasional objects likely to be boulders, debris and linear debris occurred across the area.

Site surveys identified the infrequent presence of the fish species *Gadus morhua* (Atlantic cod) which is listed on the OSPAR (2008) list of threatened and/or declining species and habitats but not listed on the Scottish Biodiversity List (2013), and *Molva molva* (ling). Both *G. morhua* and *M. molva* have been listed as a Priority Marine Feature (PMF) in Scottish offshore waters.

There was no other evidence of any sensitive habitats within the area when surveyed, such as those described under Annex I of the Habitats Directive (1992); listed on the OSPAR (2008) list of threatened and/or declining species and habitats; listed on the Scottish Biodiversity List (2013); or species/habitats selected as PMF in Scottish offshore waters.

The closest site of conservation interest is the Scanner Pockmark SAC, located 36 km north-north-west of the area, that protects the Annex I habitat 'submarine structures made by leaking gases'. The project is in the National Marine Plan Area for Scotland.



The Chestnut field is not considered to be significant for feeding, breeding, nursery or migrating cetaceans. Due to their mobile nature, cetaceans are unlikely to be adversely impacted by routine operations in the area. Since Chestnut is located approximately 185 km offshore, grey and harbour seals may be encountered from time to time but it is not likely that they use the area with any regularity or in great numbers.

Seabird vulnerability to oil in the vicinity of the Chestnut field ranges from low to medium depending on the time of year.

Both spawning and/or nursery grounds for a number of commercially important fish are present and the area is known to be a peak spawning ground at certain times of the year for Cod, Norway Lobster and Norway pout.

The area lies in ICES rectangle 44F1 and is used for pelagic and demersal fishing, though routine operations at the Hummingbird FPSO are unlikely to have a significant impact on fisheries in the area.

There are several oil and gas fields nearby. There is one submarine fibre optic cable 12 km to the south of the Chestnut Field. There are no operational renewable energy sites, nor any under construction and there are no known wrecks of historical importance or military activity within the vicinity of the proposed operations. Shipping density in the area is low.

Given the location of the project, it is not likely that the areas identified at paragraphs 2(c)(i), (iii), (iv), (vi), (vii) or (viii) of Schedule 5 to the Regulations will be affected by the project.

Type and characteristics of the potential impact

In accordance with paragraph 3 of Schedule 5 to the Regulations, the likely significant effects of the project on the environment have been considered. Potential effects of the atmospheric emissions on the environment from the activities associated with the project were assessed. Other than the matters considered further below, there is not likely to be any significant impact of the project on population and human health.

The change in flaring rate will not require any modifications to the platform.

Vessel presence at the platform will not increase as a result of an increase in flaring. There will be no additional personnel required on the platform as a result of the changes in flaring.

No increase of discharged produced water volumes and discharged oil weight is expected and there are no requirements for increase in tonnage or dosage of process or utility chemicals due to the increase in flaring.



The probability of an accidental event leading to a release from the platform or loss of the inventory will not increase as a result of the increased flaring.

There are no expected transboundary effects from the operations.

It is considered that the increase in flaring from the Chestnut Field is not likely to have a significant impact on other offshore activities or other users of the sea, the seabed, marine life or cetacean species and no cumulative impacts are expected to occur.

Decision

Taking the above considerations into account, the Secretary of State has concluded that the project is not likely to have a significant impact on the environment and that an environmental impact assessment is not required.

2) Mitigation of significant effects

The following are features of the project or measures envisaged that the developer has proposed to avoid or prevent what might otherwise have been significant adverse effects on the environment:

Not applicable as there are no significant effects.