

Our Ref: 01.01.01.01-4012U
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Offshore Petroleum Regulator
for Environment & Decommissioning

SHELL U.K. LIMITED
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Registered No.: 00140141

Date: 24th February 2022

Department for Business, Energy
& Industrial Strategy

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

Dear Sir / Madam

**THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING
AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS
2020
PENGUINS REDEVELOPMENT PROJECT - PIPELINE DEPOSITS OF
PROTECTIVE & SUPPORT MATERIALS**

I refer to your amended application dated 21st February 2022, reference PL/2062/4 (Version 1).

It has been determined that the proposed changes to the project is not likely to result in a significant effect on the environment, and therefore an environmental impact assessment is not required.

A screening direction is therefore issued for the changes to the project. An amended schedule of conditions, comments, and main reasons for the decision on the amended application, 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



**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**

**PENGUINS REDEVELOPMENT PROJECT - PIPELINE DEPOSITS OF
PROTECTIVE & SUPPORT MATERIALS**

PL/2062/4 (Version 1)

Whereas SHELL U.K. LIMITED has made an application dated 21st 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 his agreement to the Oil and Gas Authority to the grant of consent for the project as detailed in the application.

Effective Date: 24th 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

The screening direction shall be valid from 22 February 2021 until 31 December 2022.

2 Commencement and completion of the project

The holder of the screening direction must confirm the dates of commencement and completion of the project covered by the screening direction. Notification should be sent by email to the Environmental Management Team Mailbox: bst@beis.gov.uk

3 Nature of stabilisation or protection materials

Rock deposits

40,000 tonnes of clean, inert rock material, containing minimal fines, (The quantity of rock deposited should be the minimum required to provide the necessary stabilisation or protection, and any surplus rock must be returned to land).

Grout bags deposits

307.75 tonnes of grout contained within 12,310 kilogramme capacity biodegradable bags. (The number of bags deposited should be the minimum required to provide the necessary protection, and any surplus bags must be returned to land).

Concrete mattress deposits

404 concrete mattresses, each measuring 6 metres x 3 metres x 15 centimetres. (The number of mattresses deposited should be the minimum required to provide the necessary protection, and any surplus mattresses must be returned to land).

Concrete mattress deposits

13 concrete mattresses, each measuring 4 metres x 2 metres x 15 centimetres. (The number of mattresses deposited should be the minimum required to provide the necessary protection, and any surplus mattresses must be returned to land).

Concrete corner blocks



20 concrete corner blocks, each measuring 3.2 metres x 2.4 metres x 1.3 metres. (The number of blocks deposited should be the minimum required to provide the necessary protection, and any surplus mattresses must be returned to land).

Rock bags

11 of two-tonne rock bags. (The number of rock bags deposited should be the minimum required to provide the necessary protection, and any surplus mattresses must be returned to land).

4 Location of pipeline and stabilisation or protection materials

As detailed in the application.

5 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.

6 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.

7 Monitoring

The results of any pre or post-placement surveys carried out to confirm the necessity for the deposits covered by the screening direction and/or to confirm the accurate positioning of the stabilisation or protection materials, should be forwarded to the Department following completion of the surveys

8 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.

9 Deposit returns

The holder of the screening direction shall submit a report to the Department following completion of the deposit covered by the screening direction, confirming the quantity of materials deposited and the estimated area of impact, using the appropriate Environmental Emissions Monitoring System (EEMS) reporting form. Where no deposits are made, a 'nil' return is required.

10 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).

11 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:

N/A

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

Out-of-hours emergency screening direction variations:

Telephone Met Office out-of-hours service (0330 135 0010) and ask to be connected to the Department's On-call Response Officer (Offshore Environmental Inspectorate).

Routine communications

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]



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:

1) 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. This document 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 relevant 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 Project

This screening direction (PL/2026/3) relates to a change to the project for which a direction was previously given (PL/2062/3).

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.

Change to Project outline:

- the end date of the direction has been extended to 31 December 2022

Description of project

The Penguins field redevelopment includes construction of four new drill centres and associated pipeline infrastructure to be tied-back to a floating production installation. In relation to the project subject of the original screening direction (Ref: PL/2062/0), deposits of protective and support materials linked to the pipeline infrastructure at the Penguins field redevelopment area are required. The works involve deposits of rock to (a) protect the 4.6 km Drill Centre 2 pipeline bundle, and (b) deposits of various forms and quantities of protective and support materials attributed to the in-field pipeline system at the Penguins field. The types of protective and support materials include rock, concrete mattresses, grout bags, concrete corner blocks and rock bags.



The deposits of materials represent a change to the project assessed in the environmental statement and following screening direction. The additional deposits affect an area on the seabed of 0.024 km² and are required to (1) protect the infrastructure from demersal trawl gear used by large fishing vessels, and (2) prevention of buckling of the pipelines and scour of the seabed. Works are expected to be undertaken during 2021 using an array of work vessels and guard vessels. The project is not at risk from natural disasters given its location in UK offshore waters, or unplanned major accident scenarios leading to an environmental incident. This screening direction (Ref: PL/2062/1), relates to the disconnection of a control jumper and deposits of an additional 0.75 tonnes of grout bags.

No cumulative interactions are foreseen with any other existing or approved projects. The nearest oil and gas installation is 7 km from the project location. The project is sited on an area of seabed comprised of gravelly sand with varying proportions of shell accumulations, pebbles, cobbles, and boulders. The sediment type is described as circalittoral coarse sediment. There is no risk to human health from the works to deposit protective and support materials on the seabed.

Location of 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 Penguins field redevelopment location lies within a seaward licenced area, which has been licenced for the exploration and extraction of hydrocarbons. The project is located 160 km east from the Shetland coastline in Scotland and adjacent to the UK/Norwegian median line, in an area where water depth is approximately 152 m at its shallowest location to 301 m at its deepest. The predominant current in the location is dominated by two Atlantic flows, with circulation variable in the centre. The project location is not within any protected areas, with the closest being 110 km away.

Site-specific surveys identified the seabed as comprising of gravelly sand with varying proportions of shell accumulations, pebbles, cobbles, and boulders. The sediment type is described as circalittoral coarse sediment. The project location has been identified (from generic baseline information) as an area containing potential protected stony reef habitats, however such areas were not identified during site surveys. The benthic species identified, correlated with expected assumptions and were more prevalent near or on cobbled and stony areas.

The project works and timing will take place at a time when a number of fish species may be found to be spawning or using the area as juveniles or nursery locations. Sightings of cetaceans are most common during the months of July and August. Seals are not expected to be seen at the remote location. Seabirds are most common in the area during the late summer months of August and September when expected density is 10-20 individuals per square km. The project area is primarily used for demersal fishing, but with a very low historical effort. Shipping intensity at



the project location is also very low. The surrounding area comprises other oil and gas infrastructure within 10 km, but is not within a military activity zone, with no telecommunications cables, marine aggregate sites or renewable energy locations in proximity. An unknown wreck was identified approximately 2km northwest of the location.

Given the location of the project, the areas identified at paragraphs 2(c)(i), (iii), (iv), (vi) or (vii) of Schedule 5 have not been given particular regard with respect to 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 impacts on the environment from the activities associated with the project were assessed, with particular focus on the predominant impacts resulting from physical presence of the installed deposits and seabed disturbance resulting from the deposit of those materials.

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 physical presence of the vessels involved with the work programme will not have an exclusion area attributed to them and would be able to move away from location in an emergency. The presence from the installation of permanent support and protection materials (partly within exclusion zones) does have the potential to interact with users of the sea - primarily fishermen. The installations of the various types of deposits are deemed necessary to prevent snagging with the pipeline infrastructure and will not pose a hazard to fishing gear. The project is in a low-level fishing area and so the impact on other users of the sea is not expected to be significant. The installation of rock on the bundle pipeline will be carried out in a way that doesn't preclude removal at the time of decommissioning.

The total area of seabed permanently impacted by the introduction of support and protective materials will be 0.024 km². The main impacts expected are from smothering of organisms and change of habitat. However, the introduction of such support and protective materials will enhance biodiversity by variation and abundance of species that are found on hard substrate, which validates results from site-surveys of the area and abundance of species on rock and cobbled sites. Some natural sediment movement is expected in this area of sea, and so there will be an expectation of recovery of the site with more natural seabed material. Recovery of faunal communities is expected, but the time in which this will take place is less certain. The ecological impact from the project is not expected to be identifiable given the wider area of similar natural seabed environment available. The impact to the seabed environment at the location has therefore been assessed as not significant. The interaction with fish spawning and nursery locations is assessed as not significant given that the species release eggs to the water column. Juvenile fish will be able to avoid interaction with any deposits installed on the seabed. The impact to



fish species is therefore not significant. The quantity of deposits to the seabed is inclusive of a contingency allowance, which may not be used, thus reducing the insignificant impact further.

There are no expected transboundary impacts as a result of the planned works, and no cumulative impacts have been identified given the other known existing and approved projects in the wider area. As above, an unknown wreck was identified approximately 2km northwest of the location, but interaction is not expected and therefore no significant impact potential exists.

Taking all the above determinations into account, the Secretary of State has concluded that the project is not likely to have a significant impact on the environment, and so an EIA 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.