Our Ref: 01.08.06.15/347C UKOP Doc Ref:1245865

Offshore Petroleum Regulator for Environment & Decommissioning

SHELL U.K. LIMITED SHELL CENTRE LONDON SE1 7NA

Registered No.: 00140141

Date: 14th December 2022

Department for Business, Energy & Industrial Strategy

AB1 Building Crimon Place Aberdeen AB10 1BJ

Tel Fax

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 ARRAN PRODUCTION INCREASE

A screening direction for the project detailed in your application, reference PR/2334/0 (Version 2), dated 12th December 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 **and the state of the state of**

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

ARRAN PRODUCTION INCREASE

PR/2334/0 (Version 2)

Whereas SHELL U.K. LIMITED has made an application dated 12th December 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, PCON/6281/0 (Version 2).

Effective Date: 14th December 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 1 January 2023.

2 Production level(s)

The holder of the screening direction shall ensure that the level(s) of production do not exceed the 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:

N/A

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

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, 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 of production from the Arran field (2023 to 2025)

Description of the Project

This direction relates to the extension of the production consent and increase to production associated with the Arran field which is tied back to the Shearwater Installation.

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

There is not likely to be any significant impact of the project on population and human health. It is not considered likely that the project will be affected by natural disasters.



No pollution or nuisances are foreseen from the project.

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 project is in an offshore oil and gas licenced area, approximately 230 km east from the Aberdeen coastline in Scotland and 26 km west of the UK/Norway median line, in an area where water depth is approximately 90 m and the seabed type is characterised as predominately comprising very fine to fine sand. Water circulation in the CNS is anti-clockwise. It is driven by the influx of Atlantic waters through the Fair Isle Channel moving southward along the Scottish and English coasts, with offshoot currents travelling east across the North Sea and a northward outflow through the Norwegian Trough Within the region, there is an annual mean significant wave height between 2.11-2.40 m.

The main biotope complex identified within the Gannet fields is 'Circalittoral muddy sand' which supports fauna-dominated communities characterised by polychaetes. The macrofaunal community was identified as relatively homogenous across the Shearwater field and is considered typical for the habitat (muddy sand at 90 m depths in the location). This suggests that the macrofauna is typical of the area, with polychaetae worms identified as the most dominant taxa. The epifauna observed in the 2018 Shearwater survey included starfish, brittlestar, hermit crab, whelk, sea slug and sea urchins. Burrowing fauna (polychaetes) were identified at all stations. Sea pens were identified at all stations, with the exception of two sample locations; however densities were low and therefore their presence does not conform to the OSPAR listed threatened and/or declining habitat 'sea pens and burrowing megafauna communities'. The project is not located in or close to any conservation sites.

The project will take place at a time when a number of fish species may be found to using the area as spawning, juvenile or nursery locations. Sightings of cetaceans have been recorded during the period for which the project works are planned, and more frequently during the autumn months. Seabird density is described as low for the majority of the year but high during the autumn periods. The project area is not within a commonly fished ground, and the area is described as a low intensity fishing area. There is a large amount of other oil and gas infrastructure in the surrounding area (less than 10 km). The project location is not in proximity to an aggregate extraction site or an offshore renewables site. There are no military exercise areas or other cables or wrecks in proximity to the project location.

Given the location of the project, the areas identified at paragraphs 2(c)(i), (iii), (iv), (vi), (vii) and (viii) of Schedule 5 are not likely to be affected by the project.

Type and characteristics of the potential impact



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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 to the environment from the activities associated with the change to the project were assessed, with particular focus on the impacts resulting from production related atmospheric emissions and planned discharges to sea from chemical use.

There is no change to the physical aspects associated with the field and therefore no additional impact is foreseen.

Emissions to air from combustion activities on Shearwater are not expected to change as a result of the production increase. The discharge of emissions to atmosphere will not have a detrimental effect to local air quality over the long-term, nor will it inhibit the ability to reach wider climate change goals. The environmental effects from emissions to air are not expected to have a significant impact on the environment.

Use and discharge of chemicals will not change significantly from that already in place. The use and discharge of the chemicals have been risk assessed and modelled in accordance with other regulatory requirements.

There are no expected transboundary impacts as a result of the project.

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.