

BP EXPLORATION OPERATING COMPANY LIMITED CHERTSEY ROAD SUNBURY ON THAMES MIDDLESEX TW16 7BP

Registered No.: 00305943

Date: 14th November 2023

Department for Energy Security & Net Zero

AB1 Building Crimon Place Aberdeen AB10 1BJ

Tel Fax

www.gov.uk/beis OPRED@energysecurity.gov.uk

Dear Sir / Madam

THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS 2020 LOYAL [Part of SCHIEHALLION]

A screening direction for the project detailed in your application, reference PR/2431/0 (Version 2), dated 10th November 2023 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 on email the Environmental Management Team at OPRED@energysecurity.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

LOYAL [Part of SCHIEHALLION]

PR/2431/0 (Version 2)

Whereas BP EXPLORATION OPERATING COMPANY LIMITED has made an application dated 10th November 2023, 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/5475/2 Version 2.

Effective Date: 14th November 2023



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 14 November 2023.

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.





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 further comments

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

OPRED@energysecurity.gov.uk

or

Offshore Petroleum Regulator for Environment & Decommissioning Department for Energy Security & Net Zero AB1 Building Crimon Place Aberdeen AB10 1BJ





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 assessment undertaken 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 gas production from the Loyal field.

Description of project

This project consists of an increase in gas production of less than 500,000 cubic meters per day from the Loyal field, due to wells performing better than anticipated and the drilling of the PX104 well for production figures for 2024 onwards. The existing production consent is valid until 2026 and this application seeks to revise the production figures therein. No topside remediation is required to be undertaken as a result of the increase in gas.

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

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 Loyal field is located West of Shetland (WoS), in UKCS Block 204/20, approximately 132 kilometres (km) west of the Scottish coastline, and 32.5 km to the east of the UK-Faroes median line, in a depth of approximately 468 metres (m). The production from the Loyal field returns to the Glen Lyon FPSO located in the Schiehallion field.

The area in the vicinity of Schiehallion and Loyal infrastructure is characterised under the European Nature Information System (EUNIS) protocol as Atlantic slope mixed sediment which falls under the deep-sea mixed substrata (A6.2) habitat. The superficial sediments in the wider region comprise of coarse sand with variable contributions of shells, gravels, cobbles and small boulders with a mean particle size of 0.9mm. This layer overlies soft brown clay deposits.

The mean significant wave height is expected to be up to 3m. Currents in the area are predominately north-easterly and mean current speeds are normally in the region of 0.1-0.2ms-1 with a maximum of 2ms-1 at the surface; and 0.05-0.1ms-1 with a maximum speed of 0.3ms-1 at the seabed.

The Loyal field and Glen Lyon FPSO are located within the Faroe Shetland Sponge Belt Nature Conservation Marine Protected Area (NCMPA). It is designated for the protection of a several benthic habitats, specifically Ocean Quahog aggregations, deep sea sponge aggregations and offshore sands and gravels. There are also several features of geodiversity interest that relate to the channel, continental slope and paleo-depositional system. The sands and gravels feature is largely found across the entire MPA but Ocean Quahog aggregations have not been observed in the vicinity of the Loyal Field. Sponge aggregations are found in a very patchy distribution across a large portion of the MPA but tend to be concentrated in a belt along the continental slope between 400m and 600m and in stony areas with high levels of cobbles and boulders. Sponges were observed at survey stations, occurring at 'rare' or 'occasional' levels. Sponge aggregations representative of the OSPAR description were not deemed to be present close to the loyal drill centre.

Surveys also showed in places the sandy gravel was dominated by other species such as echinoderms: sea urchins - Echinus spp., Cidaris cidaris, sea cucumbers - Parastichopus tremulus, cushion stars - Valvatida and starfish including Henricia sp.,



anemones - Bolocera tuediae and possible Pachycerianthus multiplicatus and hermit crabs were also recorded.

No areas of stony reef, fluid seep areas or other habitats of conservation significance were recorded in the survey area.

A broad range of cetacean species have been observed in the Faroe Shetland channel. The densities and frequency of these sightings tends to be low, for example bottlenose dolphins, harbour porpoise and white beaked dolphins are some of the most observed but these are deemed to occur in relatively low densities compared to other areas of the UKCS.

A large range of seabirds have been observed in the area, the species composition and numbers of which vary throughout the year. The Seabird vulnerability in block 204/20 is low in October and December and very high in November. Adjacent blocks show similar vulnerability, also ranging from low to very high. The nearest SPA is the Seas off Foula SPA, which is 43.4 km to the east of the project.

The Loyal field and Glen Lyon FPSO is located within the International Council for the Exploration of the Sea (ICES) rectangle 49E5. Only spawning grounds for Norway pout (January to April) coincide with the Glen Lyon FPSO and Loyal field location. The area is a nursing ground for a number of species such as Atlantic mackerel, blue whiting, sandeels and Norway Pout. Fishing effort is considered to be moderate with demersal and pelagic species mainly targeted with some shellfish species also.

There are several human activities ongoing in the region. The primary activity being oil and gas exploration and production with a number of surface and sub-surface installations present in the local vicinity. The nearest marine cable is 10.46 km away. No aggregate dredging and disposal sites, sites of marine archaeological interests, planned offshore renewable energy developments or recreational sailing routes have been identified within 40km of the operation. Shipping density in the area is low. The project is in the National Marine Plan Area for Scotland.

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

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 increase in production from the Loyal Field at the Glen Lyon FPSO will not result in any modifications to the existing plant or significant increased energy requirements.



The proposed increase in production will not alter the power generation philosophy of the platform and no change is expected in operational flaring or venting levels compared to currently permitted 2023 flare and vent consents.

The Glen Lyon FPSO uses PWRI to re-inject produced water created during production operations back into the reservoir. It is assumed that the PWRI system will reinject 89% of produced water in 2023. There is no increase to frequency or volume of produced water discharges to sea as a result of the revised gas production rates.

There will be no additional chemical discharges required as a result of the increase to production.

All wells produced to the Glen Lyon FPSO require gas lift, requiring the gas compression system to run at full capacity to maintain the required gas lift rates. This will not significantly alter emissions due to the forecasted increase in gas production. Flaring and venting combined made up less than 4% the of the total CO2e emissions in 2022 is will not change as a result of the revised gas production rates.

It is considered that the increase in gas production from the Loyal 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