

# Methodology for considering derogations under OSPAR Decision 98/3

Draft supplementary guidance on the methodology for considering derogations under OSPAR Decision 98/3, for decommissioning offshore oil and gas installations



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# Introduction

The decommissioning of offshore oil and gas installations and pipelines on the United Kingdom Continental Shelf (UKCS) is controlled through the Petroleum Act 1998.

The UK's international obligations on decommissioning are governed principally by the 1992 Convention for the Protection of the Marine Environment of the Northeast Atlantic (OSPAR Convention). The leaving in situ, in whole or in part, of offshore installations is governed by OSPAR Decision 98/3.

The responsibility for ensuring that the requirements of the Petroleum Act 1998 are complied with rests with the Offshore Petroleum Regulator for Environment and Decommissioning (OPRED), and OPRED has accountability for decisions on decommissioning programmes. OPRED sits within the Department for Energy Security and Net Zero and acts on behalf of the Secretary of State. OPRED is also the competent authority on decommissioning of offshore oil and gas installations in the UK for OSPAR purposes.

The aim of this guidance, which has been prepared by OPRED, is to provide supplementary information on the application of OSPAR Decision 98/3 on the disposal of disused offshore installations.

It is aimed at those engaged in considering installations which may be within the derogation categories detailed in OSPAR Decision 98/3, to enable operators to determine whether a case for derogation can be made by complying with the UK criteria for assessment. This assessment will consider full removal of the installation against the following five criteria:

- Technical and engineering aspects (including project schedule)
- Safety considerations
- Environmental impacts
- Societal impacts
- Economic (total cost estimate of project)

Only if the assessment shows that full removal is not considered reasonably achievable against the five criteria, will a derogation application be able to progress.

This guidance is structured in line with OSPAR Agreement 2024-04 (the Agreement) as well as OPRED's practices and requirements, as a methodology to support the assessment required under Annex 2 of OSPAR Decision 98/3.

OPRED's intention is to make the process of considering whether a case for derogation for an installation can be made as clear as possible within the updated methodology. This process will fully comply with the precepts set out in the Agreement and enable the consideration of potential derogations to progress, providing a way forward in managing the UK's legacy offshore oil and gas installations.

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# Scope of Guidance

This guidance is for UK offshore oil and gas installations, excluding their topsides, where a derogation from OSPAR Decision 98/3 may be considered, as listed in Annex 1 of the Decision, namely:

- Steel installations weighing more than ten thousand tonnes in air
- Gravity based concrete installations
- Floating concrete installations
- Any concrete anchor-base which results, or is likely to result, in interference with other legitimate uses of the sea

# Methodology for considering decommissioning derogations

If an installation falls within the OSPAR Decision 98/3 categories for potential derogation it should be assessed using this step process. There is an inherent presumption of full removal and only where this has been conclusively ruled out should the installation go forward to a potential derogation application, including a comparative assessment. This methodology is also known as a Harmonised Comparative Assessment Methodology.

**Note:** OSPAR Agreement 2024-04 should be read in its entirety. The schematic in its Annex is there only as a marker to the individual steps and does not detail all the considerations of these steps and should not be considered in isolation.

If it has already been established that full removal can be undertaken, then the procedure would be to compile a decommissioning programme in the normal way (as set out in the Offshore Oil and Gas Decommissioning Guidance Notes).

## Step 1: Full removal evaluation

A detailed case for full removal of the installation should be prepared. This will be assessed against 5 criteria to determine whether full removal is reasonably achievable.

#### Case for full removal

An exhaustive evaluation of the capability to fully remove the installation to the seabed should be undertaken. A report on the case for full removal containing the evaluation should be both of a detailed technical nature and also be described in a clear non-technical narrative so as to be accessible to all interested parties. The report should contain the following:

- A comprehensive description of the installation's specifications, including but not limited to the footings, mud mats and other possible obstructions at the seabed, as well as relevant information on construction and design which might influence the execution of removal.
- An assessment of how it could be removed. The assessment should be evidence-based, detailing the engineering scope of the removal and sequence of the specific actions from day one of execution through to full removal. Detail how it can be undertaken safely and what mitigations may be required. Assessment of impacts on safety should use up to date data and describe its relevance to the operations.
- A description of what action, including technology development, would need to be developed to enable removal. An assessment of the capability of the supply

chain/contractors to undertake the work should also be included as part of the evidence case within the overarching report.

- An evaluation of the environmental impacts which should be undertaken for all aspects
  of full removal and include consideration of any mitigation. This should include
  consideration of how any drill cuttings piles at the site would be impacted.
- An assessment of the impact on other users of the sea should also be included in the report.
- Detail of the economic impact and costs should be provided.

#### Assessment criteria

We will use the following proposed criteria for evaluating whether the full removal case is reasonably achievable:

- Technical and Engineering Aspects: Technical solutions associated with the work scope should be presented and any identified gaps in available technology should be supported by an independent competent authority report. Where pragmatic, any risks associated with the proposal should be included.
  - Timing: The planned schedule for the work scope should be included along with any risks identified in terms of supply chain availability. Any lead time for technology development proposed should also be included.
- Safety Considerations: Assess health and safety risks associated with removal and disposal. Any safety reasons for the work not to commence should be supported by an independent competent authority report
- Marine Environment Impacts:
  - Examine exposure of biota to contaminants, biological impacts, conservation conflicts, and interference with other sea uses.
  - Other Environmental Impacts: consider emissions to the atmosphere, groundwater leaching, surface water discharges, and soil effects.
  - Resource Consumption: evaluate natural resource and energy use associated with re-use or recycling.
  - Physical Environment Consequences: assess other physical environmental impacts.

#### Societal

- Community and Amenity Impacts: consider effects on amenities, community activities, and future environmental uses.
- Economic: include the full cost estimate for the removal work scope.

The evidence will be scrutinised in an OPRED due diligence process undertaken with other regulators and relevant stakeholders to test its reliability and that it is sufficiently

comprehensive to support the conclusions. OPRED may request further information to support its decision making. If OPRED agree that full removal is not reasonably achievable the operator will be able to move to Step 2 which involves compiling a derogation proposal including undertaking a comparative assessment and engaging the OSPAR consultation process.

### Step 2: Derogation proposal

#### Compiling derogation proposal

If full removal is not considered reasonably achievable by OPRED then the operator will move to compilation of a derogation proposal alongside its decommissioning programme. This proposal will ultimately be submitted to OSPAR contracting parties for consultation, as per the process set out in OSPAR Decision 98/3, alongside a description of the assessment undertaken by OPRED. As much of the installation as practically possible should be removed. The derogation proposal should:

- Contain an assessment considering the lowest level of cut at the footings of the installation.
- Comprehensively detail the evidence considered for full removal in both technical evidence and a non-technical narrative.
- Include a Comparative Assessment, detailing how the evaluation criteria in Annex 2 of Decision 98/3 (technical, safety, environmental impact, societal and economic matters) have been considered for both full removal and partial removal to enable an accurate comparison.
- Detail what up-to-date safety assessments of risks and incidents were used and how they reflect industry experience.
- Detail the future impacts of the installation or part of the installation being left in situ, both in the short term and long term through fate modelling of the structural integrity, as well as other factors impacting on its lifespan.
- Detail other areas of concern such as drill cuttings piles, and different lifespan of materials and their impacts on the environment as well as how these impacts can be mitigated.
- Include the potential hazards to other users of the sea and how these can be mitigated.
- Consider the long-term management of the site and how post decommissioning liability will be demonstrated and managed.
- Set out the consideration of relevant stakeholders and how they were consulted, what impact their views had on the comparative assessment outcomes, including feedback from UK consultation, compiled into a report.

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- Include details of all background evidence and consideration by an Independent Review Group.
- Detail how and where all documentation, supporting evidence and reports can be easily accessed.

#### Derogation proposal consultation process

Once OPRED is satisfied that the steps above have been completed and that the evidence is sufficient to make a reasoned case for derogation, OPRED will send a notification to the OSPAR Executive Secretary with the derogation proposal and OPRED's supporting report. This will be forwarded to the OSPAR Contracting Parties for consultation as per the process set out in Annex 3 of the Decision. The notification will also include a package of accompanying documents and access to the relevant evidence and reports such as:

- The comprehensive technical reports and evidence
- Report of stakeholder engagement and consultation
- Report detailing the Independent Review Group's findings
- Supporting technical studies and consideration of technology development
- Reports relating to safety and risk considerations and mitigations
- A document register and details of how the documents can be easily accessible.

Within its supporting report, OPRED will also detail the proposed scope and frequency of monitoring of the footings and related materials which are proposed to be left in situ. It will also detail the draft approval conditions (also called permit conditions), and details of how the site and liability will be managed in the short and long term.

As per the consultation process in Annex 3 of the Decision, following considerations on any objections raised, if it is accepted that an 'Alternative Disposal' to 'Full Removal' is appropriate (i.e. potential derogation), OPRED as the competent authority will consider issuing a derogation permit in line with OSPAR Decision 98/3. Where a derogation does go forward, as much of the installation as possible should be removed, as required under Decision 98/3.

# Step 3: Post decommissioning project knowledge transfer

Upon approval of any derogation, OPRED will inform the OSPAR Executive Secretary (who will in turn inform the OSPAR Contracting Parties) of the approval and Permit Conditions agreed, including details of any ongoing monitoring requirements in accordance with OSPAR Decision 98/3. Upon project completion of the decommissioning derogation, or of any remedial works, or any amendments to the derogation proposal the (if necessary revised) 'Project Close Out Report', including any relevant lessons learnt, will be submitted to OSPAR.

OPRED will also regularly provide an update to OSPAR on what assessments have been undertaken on potential derogations that have not been taken forward to derogation proposal,

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as well as advancements in technology development. This will help enable OSPAR Contracting Parties to evaluate the progress towards meeting the OSPAR Decision 98/3 expectations of reducing derogations and removing more offshore installations from the marine environment.

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