

Changes in UKCS Regulatory Regime Post Macondo Interspill 2012

Craig Bunyan Senior Offshore Environmental Inspector



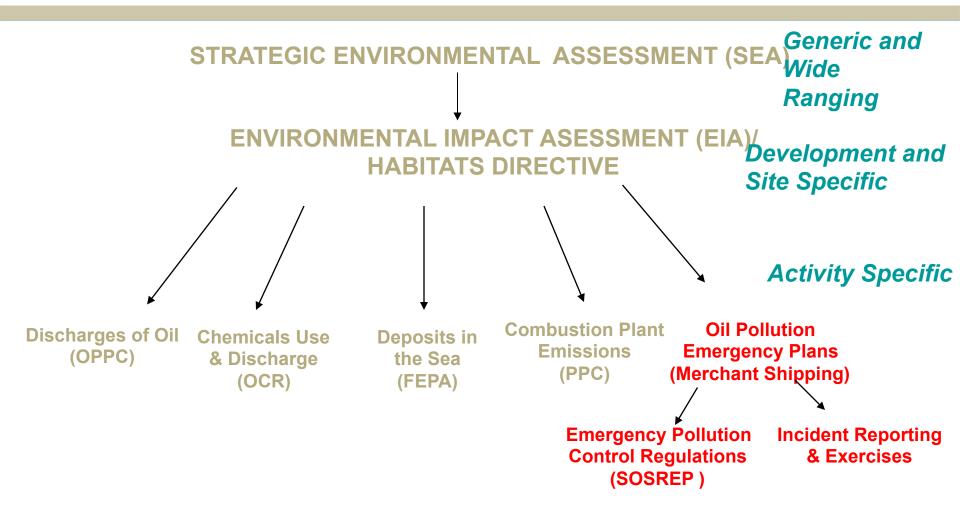
Department of Energy and Climate Change (DECC)

Energy Development Unit :

- Issues Licences to Operators to carry out oil and gas offshore operations after DECC assured of technical, financial and environmental competence.
- Primary UK Offshore Environmental Regulator
 - Offshore Environment & Decommissioning
- Issues Environmental Regulatory Consents, Approvals and Permits
- Approves Oil Pollution Emergency Plans (OPEP)
- Inspect and Enforce against regulatory requirements
- 24/7 Incident Response capability and acts as assistant to Secretary of States Representative (SOSREP)

Pre-Operations to Operational Phase Environmental Regulatory Process





Environmental Inspection, Investigation and Enforcement

Oil Pollution Emergency Plans Pre-Macondo



OPEP Regulatory Guidance – Reviewed with industry and updated in 2009

- OPEP must be approved by DECC
 - Consultation with main response authorities: MCA, JNCC , MMO/MS
- Details Offshore and Onshore Response
- Provides clear concise procedures for responding to offshore oil pollution incidents
 - Including reporting, management, resources and response strategy
- Details potential pollution scenarios including relevant worst case
- Co-ordinates with the National Contingency Plan
- Regular training exercises onshore and offshore personnel



Questions Asked

- Could it happen in the UK?
- Are Companies/Organisations prepared?
- Are OPEPs fit for purpose and staff ready and able to respond ?
- Is the UK prepared and able to respond?

Action: Reviewed arrangements in light of above

Macondo Incident (cont)



- Current OPEP Guidance viewed as robust and enabled operators to produce an OPEP which is a fit for purpose operational document which sets out clear procedures to respond to offshore oil pollution incidents
- However:
 - Issued Supplementary Guidance : <u>http://og.decc.gov.uk/en/olgs/cms/environment/leg_guidance/deepwater/</u> <u>deepwater.aspx</u>
 - Considered to be interim guidance to further strengthen arrangements
 - Seminars held in Aberdeen and London with Licensed Operators at Senior Management and Operational level
 - Meeting with Drilling Contractors in Aberdeen

Macondo Incident (cont)



- Re-confirmed that primary purpose of OPEP is to inform operator, to allow implementation of a robust, effective and tested emergency response procedure.
- All OPEPs must assess, and provide for an effective response to, an identified worst case scenario where all containment barriers have failed resulting in a blow-out, which would normally result in the requirement for a relief well to be drilled.
- DECC now require additional information within Oil Pollution Emergency Plans to provide evidence that systems and procedures are in place to allow both Operator personnel and Contractor personnel to respond effectively to a major oil spill situation.
- Initiated Exercise SULA in May 2011 to test the UK's National Contingency Plan
 - Deployment exercise of Industry Tier 2/3 counter pollution equipment

Macondo Incident (cont): DECC & OSPRAG OPEP Sub-Group

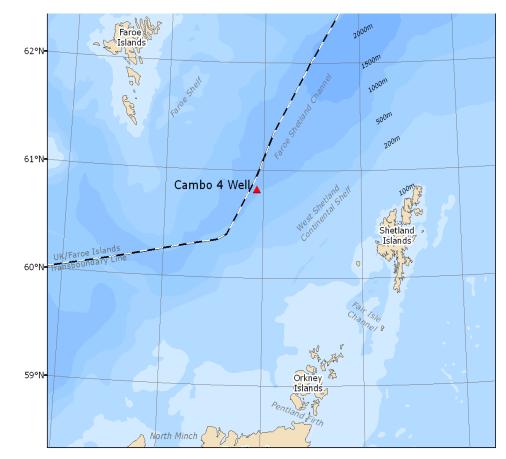


Oil Spill Prevention & Response Advisory Group (OSPRAG)

- Subsequently formal OGUK Oil Spill Response Forum
- DECC represented on all groups including OPEP Sub-group:
- Review of current OPEP Guidance
- OSPRAG subgroups investigating strengthening i.e. modelling; environmental sensitivities, waste management, use of dispersants; capping, containment and recovery; OPOL and Insurance
- Take into account learning from Macondo reports, exercise SULA & Maitland
 review recommendations and NCP review
- Investigating potential for shared web site to access response information Marine Pollution Incident Information Portal
- Aim: Develop, strengthen, update and implement Regulatory OPEP Guidance



- Live multi-agency emergency response exercise designed to test the UK NCP
- Aim to exercise the UK's response to a major oil spill resulting from a deep water offshore drilling incident
- The drill ship Stena Carron conducting deep water drilling operations approximately 100nm West of Shetland, in water depths of up to 4000ft



Exercise Sula : Response Cells



- Chevron Upstream Europe
- -Asset Emergency Management Team
- -Technical Support Team
- -Legal and Financial
- Marine Response Centre
- Operations Control Unit
- Environment Group
- Media Briefing Cell
- Shetland Islands Council
- -Shoreline Response Centre
- -Crisis Management Team
- Oil Spill Response Limited



Exercise Sula :

Oil and Gas Recommendations



Recommendation 3

 MCA to define roles and responsibilities of oil and gas operator and Marine Response Centre (MRC) during pollution incidents and how these will be communicated

Recommendation 4

Marine Response Centre to be exercised at least once per year with an offshore oil and gas operator being involved biennially

Recommendation 7

 Oil and gas industry in consultation with environmental regulators to ensure there are suitable arrangements in place to deal with reception, storage, treatment and final disposal of the types and quantities of from a major pollution incident

Recommendation 11

 Working groups established following the final OSPRAG Report – develop a mechanism to capture and disseminate good practices Deepwater Horizon Review : Maitland Recommendations



Recommendation 2.6

 Regular testing of the deployment of capping device in a range of scenario's including NCP exercises

Recommendation 3.4

 Frequency of NCP exercises being increased to every 3 years (at present every 5 years)

Recommendation 3.4.2

The frequency of DECC OCU exercises with operators should reflect the risk particular installations pose to the environment

Recommendation 3.4.3

 Requirement of Tier 2/3 response contractors is to provide evidence to DECC every 5 years to deploy of their ability to respond and deploy counter pollution equipment and the frequency of demonstration should align with NCP exercises



Changes in UKCS Regulatory Regime Post Macondo Interspill 2012

Craig Bunyan Senior Offshore Environmental Inspector