Decommissioning on the UK Continental Shelf - an overview of regulations

Version 02 - January 2011

Move Forward with Confidence
a note from DECC

As the UKCS matures, offshore oil and gas installations and pipelines are going to be decommissioned in increasing numbers. There are approximately 500 installations and over 3000 pipelines on the UK Continental Shelf (UKCS) and the rate of decommissioning of these facilities is expected to accelerate rapidly in the years ahead. The scale of forthcoming activity will present both challenges and opportunities for all. To date just 7% of the infrastructure on the UKCS has been decommissioned.

The legislative framework for decommissioning offshore oil and gas facilities is provided by Part 4 of the Petroleum Act 1998 (as amended by the Energy Act 2008). DECC’s (The Department of Energy and Climate Change) Offshore Decommissioning Unit is responsible for ensuring that the decommissioning of offshore oil and gas installations and pipelines is carried out in accordance with the requirements of national legislation and with the UK’s international obligations. DECC maintains a set of decommissioning guidelines that operators must follow when putting their draft decommissioning programmes together and the Unit will work with operators to achieve a decommissioning solution which is timely, balanced and effective and with proper consideration of safety, the environment, economic and social considerations and other users of the sea. Good communication is vital and I would encourage operators to contact DECC as early as possible in their decommissioning agendas in order that we can build the trust and confidence required to deliver a successful programme.

This booklet is a helpful overview of the oil and gas decommissioning process and aims to provide operators with an overview of the considerations involved when decommissioning offshore oil and gas facilities in the UK, from the point at which a decommissioning obligation is served, through the steps required in obtaining the Secretary of State’s approval of a decommissioning solution and beyond, to the post decommissioning period of activity.

Wendy J. Kennedy

DECC

www.decomnorthsea.com
Executive Summary

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Executive Summary

The Challenge of Offshore Decommissioning

In the years to come, offshore decommissioning activity in the North Sea will inevitably increase as existing field infrastructure approaches the end of its useful life.

The decommissioning challenge involves the removal of heavy structures from the world’s most inhospitable environments. The physical process of taking offshore platforms and pipelines out of service safely and securely is a sensitive, complex and technically formidable undertaking.

The legislation governing offshore decommissioning activities presents its own unique set of challenges; the legal obligations required of operators, engineers and project managers are demanding and detailed, but unavoidable.

Maintaining complete compliance and operational best practice is fundamental to the success of the entire decommissioning process. Those responsible for decommissioning need to partner with experts who have the strategic strength and proven competence to deliver it all.

Understanding Offshore Decommissioning Regulations

‘Decommissioning on the UK Continental Shelf’ provides clear details of the regulations that apply to offshore decommissioning projects and provides guidance to operators to achieve full compliance with the relevant legislation.

This detailed report describes all of the necessary procedures for operators and duty holders to plan, execute and follow-up decommissioning work. For clarity, principal legislative and regulatory obligations are highlighted and recapitulated with extensive references to supporting information where further guidance can be obtained.
Report Structure

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Report Structure

This report aims to provide guidance for every person involved in decommissioning work and outlines all potential situations and requirements that are based on the legislation applicable to the United Kingdom maritime zone.

The report is organised into the following main sections:

**A Guide to Regulatory Process for Decommissioning** defines the structure on which this report is based and details the main decommissioning options, key regulations and, the main bodies that are involved in the decommissioning process.

**A Guide to Regulatory Process for Platform Decommissioning** provides information in cases where a platform is dismantled entirely or with some elements left on the seabed. This section describes the process of the entire decommissioning of a platform (the base case), and also details the adjustments that should be made when installation remains are left on the seabed (a derogation case).

**A Guide to Regulatory Process for Pipeline Decommissioning** describes legislative specifications, deferment or phasing and planning issues relating to pipeline decommissioning. The requirements for platform and pipeline decommissioning are described in separate sections because the owner of a platform may not be the owner of the pipeline to which it is connected.

**Other Mandatory Regulations** lists and describes all other relevant regulations. Although these regulatory requirements may not be directly related to oil and gas sector activities, they are, nonetheless, applicable and mandatory. These regulations cover obligations including waste management, safety and environmental issues.

**References** and **Appendices** provide further reading, information and contact information to support all areas covered by this document.

References in this report to DECC Guidance Notes relate to the DECC Guidance ‘Decommissioning of Offshore Oil and Gas Installations and Pipelines under the Petroleum Act 1998’.
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<td>BERR</td>
<td>Department for Business, Enterprise and Regulatory Reform</td>
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<td>CITES</td>
<td>Conventions on International Trade in Endangered Species</td>
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<td>CoP</td>
<td>Cessation of Production</td>
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<td>CT</td>
<td>Corporation Tax</td>
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<td>DECC</td>
<td>Department of Energy and Climate Change</td>
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<td>DEFRA</td>
<td>Department for Environment Food and Rural Affairs</td>
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<td>EA</td>
<td>Environment Agency</td>
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<td>EEMS</td>
<td>Environmental Emissions Monitoring System</td>
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<td>EIA</td>
<td>Environment Impact Assessment</td>
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<td>ES</td>
<td>Environmental Statement</td>
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<td>FPSO</td>
<td>Floating Production Storage and Offloading</td>
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<td>HSE</td>
<td>Health and Safety Executive</td>
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<td>JNCC</td>
<td>Joint Nature Conservation Committee</td>
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<td>JOA</td>
<td>Joint Operating Agreement</td>
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<td>LC</td>
<td>(Nuclear Site) Licensing Condition</td>
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<td>LSA</td>
<td>Low Specific Activity</td>
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<td>NORM</td>
<td>Normally Occurring Radioactive Material</td>
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<td>Acronym</td>
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<td>OCR</td>
<td>Offshore Chemical Regulations</td>
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<td>OPEP</td>
<td>Oil Pollution Emergency Plan</td>
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<td>OPPC</td>
<td>Oil Pollution, Prevention and Control Regulations</td>
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<td>OSPAR</td>
<td>Oslo and Paris Convention for the Protection of the Marine Environment of the North East Atlantic</td>
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<td>PLEM</td>
<td>Pipeline End Manifold</td>
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<td>PON</td>
<td>Petroleum Offshore Notification</td>
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<td>PRT</td>
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<td>REACH</td>
<td>Registration, Evaluation and Authorisation of Chemicals Regulations</td>
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<td>RNW</td>
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<td>SEPA</td>
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<td>SC</td>
<td>Supplementary Charge</td>
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<td>UKCS</td>
<td>United Kingdom Continental Shelf</td>
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<td>UTA</td>
<td>Umbilical Termination Assembly</td>
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A Guide to Regulatory Process for Decommissioning

Move Forward with Confidence
A Guide to Regulatory Process for Decommissioning

Under current legislation, every offshore platform must be decommissioned at the end of the field life. For environmental reasons, the decommissioning must be total and nothing can be left in place, however, if there are significant reasons that are defined by the law as to why an alternative should be considered, legislation offers alternative options which are detailed in this chapter.

This chapter also describes the regulatory bodies associated with offshore decommissioning.
1. THE MAIN DECOMMISSIONING OPTIONS

Two primary decommissioning options exist under UK legislation, although a third option is applicable to pipeline decommissioning. All three options are outlined below and are covered in detail in later chapters.

1.1 Option One: Complete decommission

The complete decommission solution is a requirement for all platforms installed after 9th February 1999. For platforms installed before 9th February 1999, UK law requires platform owners to work towards complete decommission where practicable, as this is the most environmentally sensitive solution available.

1.2 Option Two: Leaving the platform partly in place

Under certain circumstances, i.e. for reasons of safety or technical complexity, it is more practicable for parts of the platform to remain in situ. For example, this may be the case for some concrete installations and for the footings of a steel installation. The question of which elements are to remain in situ are determined in consultation with government bodies, supported by studies required by DECC and conducted by the operator.

In addition to these primary options for platform decommissioning, a third option is applicable to the decommissioning of pipelines.
1.3 Option Three: Leaving pipelines wholly in place

As with Option Two above and, under certain circumstances, i.e. for reasons of safety or technical complexity, the most suitable option may be to leave the pipeline wholly in place. It is important to note that pipeline decommissioning cannot be granted derogation under OSPAR Decision 98/3, although the process is subject to comparative assessments and dependent on the proposals submitted.

In cases where the owners of platforms and pipelines are separate parties, the decommissioning work scopes should be produced as individual projects.

Timescales must be defined for both pipeline and installation decommissioning projects. Any phased or deferred decommissioning schedules may be requested by Section 29 Notice Holders (see definition on page 24), but conditions apply and must be addressed at the start of the decommissioning project.

Please see page 36 for details of deferred or phased decommissioning of installations and page 74 for deferred or phased decommissioning of pipelines.

Please see page 79 for DECC’s Decommissioning Guidance Notes.
2. THE MAIN REGULATIONS

1.4 The Petroleum Act 1998

The purpose of The Petroleum Act 1998 is to regulate petroleum exploration and production. The Act is divided into five parts and the section relating to decommissioning is Part 4: Abandonment of Offshore Installations.

Under the terms of the Act, the Secretary of State can request that the appropriate parties submit a detailed programme of the proposed decommissioning measures.

N.B. Within the Act, such decommissioning measures are referred to as ‘the Abandonment Programme’. The Abandonment Programme is commonly referred to in standard documentation and guidelines as ‘the Decommissioning Programme’.

The Secretary of State’s definition of who is required to submit an abandonment programme is set out in Section 29 of the Act; those parties will receive what is commonly referred to as a Section 29 Notice or Notice under Section 29. These parties are referred to in this report as Section 29 Notice Holders.

NB: Section 30 of the Petroleum Act 1998 specifies who should receive a notice under Section 29.

The Abandonment Programme constitutes one of the primary documents required for approval of decommissioning projects. Please see page 33 for details of decommissioning of installations and page 71 for decommissioning of pipelines.

1.5 About the Energy Act 2008

The Energy Act 2008 modifies a number of sections of the Petroleum Act 1998 (c.17). The sections relating to decommissioning work are: Sections 72, 73, 74, 107, Schedule 5 and new sections, 38A and 38B.

Explanations of these changes are given in the Guidance Notes under ‘Decommissioning of Offshore Oil and Gas Installations and Pipelines under the Petroleum Act 1998’ (Sections 3.22-3.28).

References to specific amendments are made within this report.
1.6 OSPAR Decision 98/3 on the Disposal of Disused Offshore Installations

The Oslo and Paris Convention for the Protection of the Marine Environment of the North East Atlantic (OSPAR) is the mechanism by which fifteen Governments of the western coasts and catchments of Europe, together with the European Community, cooperate to protect the marine environment of the North-East Atlantic.

OSPAR Decision 98/3 defines those cases in which the decommissioning options cited above can be considered.

The Decision states, “the dumping, and the leaving wholly or partly in place, of disused offshore installations within the maritime area is prohibited”.

However, Section 3 of the Decision defines certain conditions under which the second option can be considered. If, following specific studies, such as a comparative assessment by the Section 29 Notice Holder, this option is chosen as the preferred decommissioning option, this course of action will constitute a derogation from the general rule of OSPAR Decision 98/3.

Section 29 Notice Holders must apply for derogation and meet pre-defined requirements before a permit allowing the derogation is issued by the OSPAR Commission (see definition on page 26).

Note that the OSPAR Decision applies only to the decommissioning of installations.
2. THE MAIN BODIES

Decommissioning work is complex, regulated by different protocols and requires that various parties shall be involved or consulted. The main bodies are defined as follows:

1.7 DECC

The Department of Energy and Climate Change (DECC) was formed in October 2008 and brings together the former Business, Enterprise and Regulatory Reform department (BERR) and Department for Environment, Food and Rural Affairs’ (DEFRA) energy policy.

Within its organisation, DECC has a dedicated Offshore Decommissioning Unit. The unit must be consulted at every stage of the decommissioning project, from the programme commencement (which can be up to five years before physical work begins in the case of complex projects) until the post-decommissioning surveys have been conducted. Details of DECC’s work are provided in this report.

1.8 OSPAR Commission

The OSPAR Commission was formed by the administrators of the Oslo and Paris Conventions to protect and conserve the North-East Atlantic and its resources.

The Commission comprises 15 governments; each is referred to as a Contracting Party. A ‘relevant Contracting Party’ refers to a party that has jurisdiction over specific offshore installations.

In the event that a Section 29 Notice Holder requests a derogation from the general rule of OSPAR Decision 98/3, each relevant Contracting Party is consulted and able to make representations and comments on the request.

Within the UK, various parties have interests in the running of oil production platforms, each having different duties and responsibilities. The following figure summarises the link between these parties.
Figure 1: The production installation

![Diagram](image)

1 From Section 3 of the Petroleum Act 1998.

2 HSE may appoint an Operator if HSE disagrees with the Licensee’s choice. As they are the regulator of the Safety Case Regulations, they retain the right to give their opinion on matters of safety.

Figure 2: The duty holders

![Diagram](image)

NB: The operator is appointed to directly manage and control the execution of the main functions of a production installations.
Figure 3: Decommissioning duties

- Section 29 Notice Holders will be asked to submit a Decommissioning Programme on a date fixed following consultation with the DECC.
- There could be one or more Section 29 Notice Holders. If there is more than one Section 29 Notice Holder, parties may work together to submit the Decommissioning Programme, although only one company will serve as the main point of contact. This is usually the operator, who will submit the programme(s) on behalf of the Section 29 Notice Holders.
- Section 30 of the Petroleum Act 1998 specifies who can receive a notice under Section 29. Typically the Operator and the Owner are the Section 29 Notice Holders.
SUMMARY

This chapter has defined the key decommissioning options, the main regulations and the primary bodies concerning the offshore decommissioning industry.

For further information relating to the main regulations, including The Petroleum Act 1998, The Energy Act 2008 and the OSPAR Decision 98/3 on the Disposal of Disused Offshore Installations as well as bodies including DECC and the OSPAR Commission, please refer to References and Appendices.

The next chapter of this guide describes the details and practical tasks for each person or group involved in the decommissioning of a platform.
A Guide to Regulatory Process for Platform Decommissioning

Move Forward with Confidence
A Guide to Regulatory Process for Platform Decommissioning

This chapter describes the regulatory process and obligations for platform decommissioning. It covers requests for deferred or phased decommissioning, Cessation of Production (CoP) permit applications and obligations and dismantlement safety cases in early and final decommissioning stages.

This chapter also deals specifically with platform installations, the requirements and procedures relating to production of the Decommissioning Programme and associated submission, consultation and approval.

The obligations of the operator and other parties during and after the decommissioning programme are detailed and include references to environmental practices and post-project monitoring.

The above details are applied to both base cases and derogation cases in separate sections, including the conditions that exist for a derogation application.
1. FOR ALL PLATFORMS

The main document required for any decommissioning operation is the Decommissioning Programme document. Development of the Decommissioning Programme document begins early in the platform lifecycle. The diagram below summarises the administrative procedure that leads to the Decommissioning Programme itself:

Figure 4: Administrative procedure leading to the development of a Decommissioning Programme

1. Before the commissioning
   - Field Development Approbation
     - (If not part of the Field Development Plan)

2. Installation has commenced
   - Facility Information Request (FIR)
     - Sent by DECC to the Operator to confirm information relating to the installations, pipelines and those companies involved in the field.

3. Once the FIR is returned
   - ‘Warning letter’
     - Sent by DECC to the Operator, the owners, the relevant licensees and JOA parties.

4. Within 15 days after conclusion of representation period for warning letters
   - Notice under Section 29
     - Sent by the Secretary of State to the parties cited above, and who have not made representations to explain why it should not receive such a notice.

5. Within final years of production
   - Decommissioning Programme
     - Sent by the Operator on behalf of all the parties to DECC.
The summary of the administrative procedure (figure 4) is clarified further in the following notes:

Step 1 is the agreement from the government to authorise petroleum exploration and extraction.

Once the parties receive the Warning Letter (Step 3), they have 30 days to make written representations.

At Step 4, the notice under Section 29 of the Petroleum Act 1998 states the requirements for a Decommissioning Programme. However, the period between the date of the notice and the fixed date of submission can be considerable. Submission will usually take place towards the end of the working life of the installation, although it could be at an earlier stage, i.e. in the case of an early shutdown of the field.

NB: In certain circumstances, the Secretary of State can decide to withdraw the notice under Section 29 from individual parties. The procedure and explanations of it are described in paragraphs 3.10 to 3.14 of the DECC Guidance Notes.

Eventually (Step 5), Section 29 Notice Holders will be required to submit a Decommissioning Programme document. Its content and the procedure itself are detailed on page 42.

NB: In certain circumstances, and during the procedure described above, the Secretary of State can also request financial information from individual parties. The conditions relating this request and procedure itself are detailed in Section 73 of the Energy Act 2008.

This administrative procedure represents the commencement of a decommissioning initiative. The Decommissioning Programme document is the primary part of this initiative; other reports, studies and activities will be undertaken simultaneously or following it.

For reasons described below, it is possible to request a deferral or phased decommissioning schedule; however, it must be considered as early in the process as possible. The following paragraphs describe this procedure in detail.
1.1 Requesting a deferred or a phased decommissioning

The operator can request a deferment or a phased decommissioning in any circumstances, i.e. whether derogated or not. This section describes the reasons for a request and the procedure required to obtain such an authorisation.

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<td>The Operator and all other Section 29 Notice Holders</td>
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<tr>
<td>To be referred to:</td>
<td>DECC</td>
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In what circumstances can a deferred decommissioning be requested?
- A deferred decommissioning can be requested as part of a robust case of specific opportunity (e.g. if the operator believes that further oil exploration or extraction could take place within the field or if existing reservoirs could be utilised for gas)

What factors could lead to a request for a phased decommissioning?
- Market factors
- Vessel availability, i.e. the coordination of offshore work with other projects in a similar timescale can be beneficial and decommissioning work could be spread across a period of time
- The potential to achieve savings through co-operation with other companies, as promoted by Oil and Gas UK, the Pilot Initiative and The Early Decommissioning Synergy Group (TEDS)
- Advances in technology
- An alternative robust case of specific opportunity
What is the procedure for asking for a deferred or phased decommissioning?

- As soon as any deferral or phasing is considered, the operator should consult DECC with a well-prepared case.

NB: In most instances, the deferral could be agreed simply through an exchange of correspondence.

- If DECC agrees with the deferral or phased decommissioning request, it will issue a formal letter setting out the conditions of the work. A date will also be fixed for the submission of the Decommissioning Programme.

NB: Other possibilities arise when the Decommissioning Programme document is required at the outset (particularly in the case of phased decommissioning), although it is also possible that the operator will be allowed to prepare a document pertaining solely to the initial stages of decommissioning (i.e. the removal of the topside).

Refer to section 5.19 of the DECC Decommissioning Guidance Notes.

Which factors will DECC take into account when considering the deferral or phasing request?

- The physical condition of the installation.
- The presence of any hazards (potentially hazardous substances and accurate information about the nature and location of hazards).
- HSE and DECC will also require strong evidence that:
  - The integrity of the installation will be maintained.
  - There will be no subsequent deterioration of the installation, such that no unacceptable risks will arise and no decommissioning activities will be compromised.
1.2 CoP Permit (Cessation of Production)

During the field development process, the Secretary of State for Energy and Climate Change will grant a production licence for the field. According to the law, the licensees shall not abandon any well without the consent in writing of the Secretary of State [1]. For this reason, the licensees will require a Cessation of Production (CoP) permit.

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>Production licence granted by the Secretary of State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>Guidance notes of procedures for regulation of offshore oil and gas developments</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Licensees</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>DECC – Licensing and Consent Unit Field Teams</td>
</tr>
</tbody>
</table>

In order to obtain the CoP permit, the licensees will need to provide evidence that all economic development opportunities have been pursued.

The Guidance Notes of Procedures for Regulations of Offshore Oil and Gas Developments states: “The normal economic criterion for deciding when a field’s production is no longer economic and that production should cease is that, taken over a reasonable period, the value of the hydrocarbons produced no longer covers the true costs of production.”

To ensure that every opportunity has been considered, the initiation of discussions with DECC relating to decommissioning should take place early (i.e. up to three years before the CoP is required for significant platforms).

If successful, at the end of these discussions, the licensees will need to submit a CoP document to DECC.
What is contained in the CoP Document?

- The content of the CoP document that is submitted to DECC serves as the basis of the CoP agreement delivered by DECC for the field. The content of the CoP document is described in Appendix 1

When should the CoP document be prepared?

- As described above, discussions with DECC should be initiated up to three years before the permit is required
- The preparation of the CoP document may be undertaken in conjunction with preparations for the draft Decommissioning Programme
- NB: In most cases, one or more Petroleum Chemical Notices will be required for the decommissioning work. The application for these permits can also undertaken in conjunction with the preparation of the CoP. For details of the procedure, please see page 89
1.3 Dismantlement Safety Case

During the decommissioning of the platform, the operational status of the installation will change and, with it, new hazards emerge. Even if the platform is completely shutdown, the decommissioning work itself can be extremely hazardous, e.g. through the chemicals used or during deconstruction tasks.

The Safety Case will therefore need to be updated.

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>Up-to-date Safety Case for the installations to be decommissioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>The Offshore Installations (Safety Case) Regulations 2005</td>
</tr>
<tr>
<td></td>
<td>The Offshore Installations (Safety Case) Regulations (Northern Ireland) 2007 for Northern Ireland</td>
</tr>
<tr>
<td></td>
<td>The Control of Major Accident Hazards Regulations 1999 (COMAH)</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Operator (or the Licensee under some circumstances defined in the regulation 11)</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>HSE</td>
</tr>
</tbody>
</table>

The regulatory requirements vary according to the decommissioning stage.

1.3.1 For the early stages

The earlier stages can be defined as the steps leading to the decommissioning work, before production is ceased.

These stages could represent, for example, the cleaning and emptying of parts of the platform or vessels that are no longer in use or adding or removing part of the accommodation, depending on the number of people needed for the final decommissioning, etc.

These stages are regulated by Regulation 14 of the Offshore (Safety Case) Installations 2005. See Appendix 4 for HSE’s guidance on this regulation.
1.3.2 For the final decommissioning stage

The operator must revise the safety case, addressing each phase of the decommissioning to reflect all changes and provide evidence that all risks and specific hazards have been identified and will be managed at each decommissioning stage.

This revised safety case should be sent to HSE within at least three months (or within a period determined by HSE).

Only when HSE has approved these revisions can the platform be dismantled.

Safety case specifications:

1. A Decommissioning Programme is usually submitted to the Secretary of State of Trade and Industry for approval before the submission of the safety case is made to HSE. The approval of the Decommissioning Programme document will affect neither HSE’s assessment of the safety case revision nor the decision pertaining to it.

2. The work is to be done by the operator. This refers to the person appointed by the licensee or any other person as described in the introduction of this report, or the licensee where, either it is not clear to the Executive that an operator has been appointed, or where the Executive deems the operator unable to manage the task satisfactorily.

3. The revisions should include all the particulars specified in Regulation 12 and Schedule 5 of the Offshore Installations (Safety Case) Regulations 2005. See Appendices 3 and 5.

4. The safety case revisions will include only the issues that are deemed reasonable that the operator should be of at the time of submission.

5. If a material change is identified while the Executive is assessing the proposed revisions to the current safety case, the operator should notify the Executive as soon as possible.

6. The guidance document ‘Assessment principles for offshore safety cases’ can be found on the following website: www.hse.gov.uk/offshore/aposc190306.pdf.
2. THE BASE CASE

The base case represents the total decommissioning of the platform. The majority of platforms fall into this category, unless they are listed in Annex 1 of the OSPAR Decision 98/3, which indicates the project may be a derogation case. If not, every part of the platform must be removed and taken onshore for re-use or disposal. The following section explains this base case situation.

NB: For more details of derogation cases, please see page 58.

In order to provide evidence that nothing will be left in place, the operator will submit a Decommissioning Programme document that details the complete process of decommissioning the installation and pipelines. (Please see page 76 for more information on pipeline decommissioning.)

Guidelines have been produced to produce the Decommissioning Programme document and are summarised below.

2.1 Decommissioning planning

According to Section 29 of the Petroleum Act 1998, the Secretary of State may require the Operator and other specific duty holders to submit a programme describing the planned measures for the decommissioning work. (see ‘A Guide to Regulatory Process for Decommissioning: The Main Regulations’).

This chapter describes the content required for the programme document.

NB: The first Decommissioning Programme draft should be processed in conjunction with the query for the CoP form.

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>Notice under Section 29 reception (the time between these two steps can be considerable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>Petroleum Act 1998</td>
</tr>
<tr>
<td></td>
<td>See also: Guidance Notes ‘Decommissioning of Offshore Oil and Gas Installations and Pipelines under the Petroleum Act 1998’</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Operator and all the other Section 29 Notice Holders</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>DECC</td>
</tr>
</tbody>
</table>
Where the general rule applies, “partial removal to land” and “leaving wholly in place” are not considered suitable options. In this case, the Decommissioning Programme is not required to contain a thorough assessment of the alternative options.

DECC Guidance Notes refer to the following table as the minimum requirement of the Programme and show the order in which the elements should be detailed:

- Introduction
- Executive summary
- Background information
- Description of Items to be decommissioned
- Inventory of materials
- Removal and disposal options
- Selected removal and disposal option
- Wells
- Drill cuttings
- Environmental impact assessment
- Interested party consultations
- Costs
- Schedule
- Project management and verification
- Debris clearance
- Pre- and Post-decommissioning monitoring and maintenance
- Supporting studies

These subjects are all described in the following subsections.

NB: Discussion with DECC will help to define the potential requirement to add other sections, according to individual circumstances.
2.1.1 Decommissioning Programme content description

- 2.1.1.1 Introduction
The aim of the introduction is to confirm that the Decommissioning Programme is being submitted for approval in accordance with the requirements of the Petroleum Act 1998. The parties involved in the programme, and information regarding their ownership status, should be clearly stated in this section.

- 2.1.1.2 Executive summary
The executive summary should outline the background to the decommissioning proposals. The essential features of the proposed method for the decommissioning are highlighted below.

- 2.1.1.3 Background information
This section should describe, including supporting layout and diagrams, the following subjects:
- The facilities to be decommissioned (installations, subsea equipment and pipelines)
- Other relevant facilities, e.g. telephone cables, other platforms and pipelines, along with details concerning their location, type and status
- The prevailing weather, sea states, currents, water depths, seabed conditions, etc
- Any other commercial activity in the area, i.e. fishing, shipping, etc
- Any other relevant background information relating to the Decommissioning Programme

- 2.1.1.4 Description of Items to be decommissioned
The DECC Guidance Note ‘Decommissioning of Offshore Oil and Gas Installations and Pipelines under the Petroleum Act 1998’ will be thoroughly described in this section (See Appendix 2).

- 2.1.1.5 Inventory of materials
The inventory of the materials section includes a list of all materials and items identified in the above subsections. The list should include hydrocarbons, sludges, heavy metals, sacrificial anodes and any radioactive materials (including Low Specific Activity scale). If some quantities cannot be specified accurately, estimates should be provided. The relative location of all materials should be indicated in the listing.
2.1.1.6 Removal and disposal options

This section describes the alternative removal and disposal options for the items listed in the subsection "Description of items to be decommissioned" that should be included. A short list of options and the reasons why they have or have not been chosen should also be included.

This section should also demonstrate that the potential for re-use has been fully explored in accordance with HSE expectations.

2.1.1.7 Selected removal and disposal option

This section should detail the proposed decommissioning option. DECC Guidance Note “Decommissioning of Offshore Oil and Gas Installations and Pipelines under the Petroleum Act 1998” indicates the contents of this section as follows:

"It should include:

The removal and disposal option, describing the removal method and the disposal route, recognising any potential transfrontier shipment of waste issues.

An indication of how the principles of the waste hierarchy will be met, including the extent to which the installation or any part of it, including the topsides and the materials contained within it, will be re-used, recycled or scrapped.

Details of any cleaning or removal of waste materials, including cleaning methods; cleaning agents and disposal of residues.

A clear outline of how the disposal of any radioactive material, including LSA scale, will be addressed. If appropriate this should include an indication of whether the potential disposal route requires authorisation under the Radioactive Substances Act 1993 and whether the appropriate authorisation is already in place.

Details of any materials and remains on the seabed after decommissioning.

Water clearances above any remains.

Predicted degradation, movement and stability of any remains.”
- 2.1.1.8 Wells

Individual licenses specify the regulations to be applied for well abandonment. Part IV of the Petroleum Act also details long-term obligations in respect of abandoned wells.

The Decommissioning Programme should contain:

- A listing of wells relating to the installation, including active, suspended and previously abandoned wells. The information has already been given in the section “Description of items to be decommissioned”, in which case, a reference to the list is sufficient

- A summary of the methods used or those proposed for the well abandonment

A confirmation that the work has been carried out in accordance with the Oil and Gas UK Guidelines will be required and a PON5 must also be submitted for any works that are to be carried out. For further information on PON5 applications, please see page 91.

The Oil and Gas UK Guidelines for the Suspension and Abandonment of Wells are available from www.oilandgas.co.uk

NB: Section 75 of the Energy Act 2008 gives the Secretary of State the power to require specific information and/or action to be taken.

- 2.1.1.9 Drill Cuttings

- 2.1.1.9.1 The OSPAR Recommendation 2006/5

In addition to the programme and measures contained in OSPAR 98/3, the operator and all other Section 29 Notice Holders must comply with OSPAR Recommendation 2006/5 concerning the Management Regime for Offshore Cuttings Piles. This recommendation requires certain measures to be taken and is divided into two stages. Whatever the outcome, it should be detailed in this section.

The Recommendation 2006/5 and its measures are explained in more detail on page 113.

- 2.1.1.9.2 The Hydrographic Office

If drill cutting accumulations are considered dangerous to surface navigation or if they alter the charted seabed significantly, they must be marked on Admiralty charts.

The operator should confer with the hydrographic office to determine if the drill cuttings fall into the ‘foul’ or ‘shoal depth’ category. If so, they should be marked on Admiralty charts.
2.1.1.10 Environmental Impact Assessment (EIA)

In accordance with the Offshore Petroleum Production and Pipelines (Assessment of Environmental Effects) Regulations 1999 (amended), an Environmental Impact Assessment must be carried out and an Environmental Statement (ES) submitted to DECC to support the Decommissioning Programme.

The DECC Guidance Note ‘Decommissioning of Offshore Oil and Gas Installations and Pipelines under the Petroleum Act 1998’ refers to the following findings, which are required in this section of the Decommissioning Programme:

- “All potential impacts on the marine environment, including exposure of biota to contaminants associated with the installation, other biological impacts arising from physical effects, conflicts with the conservation of species, with the protection of their habitats, or with mariculture, and interference with other legitimate uses of the sea
- All potential impacts on other environmental compartments, including emissions to the atmosphere, leaching to groundwater, discharges to surface fresh water and effects on the soil
- Consumption of natural resources and energy associated with re-use and recycling
- Other consequential effects on the physical environment which may be expected to result from the option
- Potential impacts on amenities, the activities of communities and on future uses of the environment”

A formal EIA must also contain a section concerning the EU Habitats and Birds Directive. The Decommissioning Programme, therefore, should contain the following findings (please see also page 99 for more information):

- The identification of any habitats or species listed in Annex I of the Habitats and Birds Directives and covered by the Offshore Petroleum Activities (Conservation of Habitats) Regulations 2001
- The impact of the decommissioning activities on them. Any suitable mitigation should also be proposed
- An appropriate management system

In the case of explosive use, an impact assessment on marine life, particularly on marine mammals, will be included in this section of the Decommissioning Programme. The reason for any explosive usage should be explained in the assessment, along with the possible mitigation measures that may be taken.

Annex C of the DECC Guidance Notes provides more information about EIA content. More details about ES submission and EIA can be found on DECC’s website: www.og.decc.uk/environment/opppr_2007.htm
- 2.1.11 Interested party consultations
Consultation with interested parties should be undertaken by the operator. An initial consultation with DECC will help Section 29 Notice Holders identify the relevant parties they will need to consult.

If wide ranging public consultation or dialogue is conducted, the approach and the outcome of it should be detailed here, along with the details of any informal consultations with OSPAR Contracting Parties.

The consultation correspondence can be included in the appendices.

- 2.1.12 Costs
An overall cost estimate in pound sterling should be presented for the proposed decommissioning option in this section together with details about the basis on which this estimate is made.

Oil and Gas UK has published a guidance book: OP018 ‘Guidelines on Decommissioning Cost Estimation (2006)’. These guidelines define the ‘Element Level’ of cost, until which an estimate of the costs should be detailed.

NB: DECC is aware that some cost data is dependent on commercial tendering processes or other factors. Any sensitive information should be discussed with DECC.

- 2.1.13 Schedule
The schedule should detail the decommissioning timescale for the proposed option. The schedule should also show the dates on which each stage of the decommissioning is expected to be completed.

- 2.1.14 Project management and verification
This section will detail how the operator will manage the decommissioning work. The procedure to provide DECC with verification of the progress of the decommissioning should be included, as well as a commitment to submit a report within four months of the completion, which explains how the work has been carried out. Please see Close-out Report on page 53.
- 2.1.1.15 Debris clearance
This section should present proposals for the identification and removal of seabed debris following the decommissioning work.
A report is also required to explain the outcome of the debris clearance on completion. Please see page 54 for further details on this report.

- 2.1.1.16 Pre- and Post-decommissioning monitoring and maintenance
As with the section on Debris Clearance above, this section will present proposals to cover the post-decommissioning phase. The survey strategy will be discussed with DECC’s Offshore Decommissioning Unit, who will take advice from the other DECC’s units and relevant Government Departments.
This section includes surveys that refer to the monitoring of levels of hydrocarbon, heavy metals and other contaminants in sediments and biota and inspection and maintenance where remains are to be left in place.
With regard to maintenance, proposals detailing the measures that will be taken to manage any potential risks arising from any legacies should be addressed in this section, including work undertaken with the Fisheries Legacy Trust Company (FLTC). Please see page 55 for more details.
With regard to surveys, inspections and maintenance, commitments should be given in this section to submit the outcome of the work and the results of the surveys to DECC. Discussion with DECC following the findings of the works will determine if any further work or any long-term schedule is required.

- 2.1.1.17 Supporting studies
If any supporting studies have been undertaken, they should be listed here and be made available on request.
2.1.2 Draft report submission

When should the draft of the Decommissioning Programme document be submitted?

- By mutual agreement, the operator and DECC will determine a fixed submission date when the operator is required to submit 26 copies of the document. (CD ROM is the preferred format, although hard copies will also be required)
- NB: Six copies of the final Decommissioning Programme document will be required when Section 29 Notice Holders are directed to submit it

To whom should the operator submit the Decommissioning Programme draft?

- The documents must be addressed for the attention of the Head of the Offshore Decommissioning Unit and sent to:
  
  The Department of Energy and Climate Change
  Atholl House
  86–88 Guild Street
  ABERDEEN AB11 6AR

  At the same time as the draft is submitted to DECC, the operator should also send copies to the statutory consultees (please see 2.1.3 Consultations section for further information) and make the requisite announcements of the proposals in the press and on the Internet

What happens after the submission?

- The Offshore Decommissioning Unit will circulate the draft of the Decommissioning Programme report to the relevant departments within DECC and relevant Government Departments
- DECC and the operator will discuss a timetable to consider the draft and submit it for approval to the Secretary of State
- NB: DECC will endeavour to complete their deliberations within 10 weeks
- During the consideration of the Decommissioning Programme draft, the Offshore Decommissioning Unit will co-ordinate all comments from concerned parties and will then submit a written answer to the operator. Meetings may be required to discuss additional information or prospective amendments to the draft
- Most cases will require only one draft, although more than one may be necessary
2.1.3 Consultations

Section 29(3) of the Petroleum Act 1998 allows the Secretary of State to request a consultation from Section 29 Notice Holders.

Who should be consulted?

- All representatives of the parties that may be affected by the Decommissioning Programme should be consulted (e.g. the fishing industry). A complete list of concerned parties should be sent in a formal letter to all Section 29 Notice Holders.
- The Statutory consultees should have a period of 30 days to respond with their comments.

What else is the operator required to do?

- The operator will also be asked to publish decommissioning proposals in a public notice in the appropriate national or local newspapers or journals. The notice should specify where copies of the Decommissioning Programme are held and to whom representations should be submitted.
- NB: DECC can provide a standard form of this public notice. Hard copies of the Decommissioning Programme should be made available at the operator’s office.
- The operator should also place details of the programme on the Internet, indicating that the programme has been issued for consultation. A link to an electronic copy of the Decommissioning Programme could also be placed in this text as well.

2.1.4 Decommissioning Programme approval procedure

The different stages of the approval procedure are as follows:

1. After the consultations, draft corrections and when the Decommissioning Programme has been finalised, Section 29 Notice Holders will receive a formal letter from the Secretary of State, requesting the Decommissioning Programme for approval.

2. In response to the request, the operator, on behalf of all the other Section 29 Notice Holders, will send six copies of the Decommissioning Programme to the Secretary of State. The latter should comprise a letter from each co-venturer, indicating that the submission by the operator is sent on their behalf.

3. The Secretary of State will inform all Notice Holders, in writing, when the programme is approved.

4. All Section 29 Notice Holders will be given the opportunity to make representations if there are specific conditions required by the Secretary of State that are indicated in the approval notice.

5. The approved programme will be published on DECC’s website.
2.2 During and after decommissioning operations

Once the programme has been approved, the major first step will have been accomplished. However, the following step, i.e. the decommissioning itself, is equally complex. During this stage of the project and following the dismantlement, the operator and duty holders will be required to comply with a series of requirements or conditions to ensure this stage of the work is carried out in accordance with government regulations and recommendations. Particular attention is paid to safety and environmental factors.

2.2.1 Contact with the Radio Navigation Warning

The first safety requirement is designed to prevent possible accidents with other sea users (e.g. fishermen, merchandise transport, etc.) in the decommissioning zone.

“The hydrographic office radio navigation warning section should be contacted 24 hours in advance of offshore activity concerning the removal of tow platforms, FPSO’s and other surface structures. The RNW duty officer can advise on details required and can be contacted on Tel: 01823 353448 (email: navwarnings@btconnect.com”). [2]

2.2.2 Changes to approved programmes

Once the programme has been approved, changes may still be proposed. The request can be made by the Secretary of State or by the parties who submitted the programme. The request could relate to the content of the programme or an amendment concerning the person tasked with the duty of ensuring that the programme is carried out. [3]

Prerequisite | Final Decommissioning Programme agreement
---|---
Regulations | Section 34 of the Petroleum Act 1998
Responsibility of: | Secretary of State and any Section 29 Notice Holders
To be referred to: | Secretary of State or any Section 29 Notice Holders depending on from whom the query is made

Subsections 34(2) to 34(5) of the Petroleum Act 1998 specify the procedure and conditions applicable to any amendments to the programme.

NB: Section 3 of the DECC Guidance Notes provides further information regarding the use of Section 34 of the Petroleum Act 1998.
2.2.3 Close-out Report

Within four months of the decommissioning operation, the operator must send a Close-out Report to DECC, to provide evidence that the approved programme has been implemented appropriately.

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>Platform Decommissioning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>Petroleum Act 1998</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Operator</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>DECC – Copy on the website</td>
</tr>
</tbody>
</table>

Any major variations from the approved programme should be detailed in this report together with the reasons for these changes. The report should also outline the following:

- How the Decommissioning Programme was carried out, with confirmation that it has been conducted in accordance with the approved programme
- How the major milestones were achieved
- Any monitoring undertaken during the work
- Information on the outcome of the Decommissioning Programme as a whole
- If there were any changes, the reasons and information concerning any resulting permit
- The actual costs of the decommissioning work and an explanation of any difference against forecast cost
- The result of the Debris Clearance (please see next section)
- The result of the post-decommissioning environmental sampling survey (please see page 55 for more information)

NB: Following submission of the Close-out Report to DECC, the operator will be asked to publish a copy on their website.
2.2.4 Debris Clearance

Following the completion of each decommissioning operation, surveys should be undertaken to verify the state of the seabed. Any debris should be identified and recovered if it is deemed to have arisen from the decommissioning operation or from past development or production activity.

Paragraph 15 of Annex C of the DECC Guidance Notes states the area to cover:

“As a minimum the area covered for debris clearance should include a 500m radius around any installation and a 200m corridor along the length of any pipelines. Identification of debris would normally be conducted by side scan sonar with an ROV deployed to investigate and recover any potential hazards located. Following this work, verification of seabed clearance by an independent organisation will normally be required. This requirement will depend on the circumstances of the case and will be decided in discussion with DECC.”

The results of the Debris Clearance must be included in the Close-Out Report and any independent verification (i.e. seabed clearance verification) should be attached. The independent verification will normally be required by DECC, based on a decision discussed with the operator.

NB: A copy of the seabed clearance certificate should also be submitted to the Seabed Data Centre (Offshore Installations) at the following address:

The United Kingdom hydrographic office
Seabed Data Centre (Offshore Installations)
Admiralty Way
Taunton
Somerset
TA1 2DN
2.2.5 Post-decommissioning environmental sampling survey

As defined in the Decommissioning Programme (please see page 49), a post-decommissioning environmental sampling survey should be carried out. This survey aims to monitor the level of hydrocarbons, heavy metals and other contaminants in sediment and biota immediately following the decommissioning operations.

The results should include any immediate consequences of the decommissioning activity, which may have been observed.

The results should be placed in the Close-out Report. The outcome and the future survey regimes will be discussed and agreed by both the Section 29 Notice Holders and DECC.

2.2.6 Monitoring of the decommissioned site

Following the decommissioning, and as required within the Decommissioning Programme, site monitoring should be implemented.

The operator should note whether any remedial action should be taken with regard to the monitoring programme as a result of significant advances in technology. A comparative assessment must be undertaken to determine the benefits of such action in relation to safety, technical, environmental, social and cost aspects.

NB: Dr Paterson states: “the operator must publish these monitoring reports (for example, on the internet), but there is ambiguity in the Guidance as to whether this requirement extends to proposals for remedial work. It would be safest to assume that it does.”[4]
2.2.7 Marking of remains

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>Platform Decommissioning</th>
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<tbody>
<tr>
<td>Regulations</td>
<td>Petroleum Act 1998</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Operator</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>DECC – Copy on the website</td>
</tr>
</tbody>
</table>

In the event of any change in the status of decommissioned installations, it is the operator’s responsibility to ensure that at least six weeks’ advance notification is given to:

The United Kingdom hydrographic office
Seabed Data Centre (Offshore Installations)
Admiralty Way
Taunton
Somerset
TA1 2DN

The charts will be amended accordingly. The operator must ensure that at least the position (horizontal datum to be stated), surveyed depth and dimensions of the remains are identified.

N.B. As detailed on page 46, drill cuttings accumulations will only be marked on Admiralty charts under certain conditions.

The operator must also keep the hydrographic office informed of the installation and maintenance of any navigational aids in respect of the remains of concrete installations that project above the surface of the sea.
2.2.8 Application for a removal of a Safety Zone

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>Platform Decommissioning</th>
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</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>Petroleum Act</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Operator</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>HSE</td>
</tr>
</tbody>
</table>

A 500m-radius Safety Zone exists around all offshore oil and gas installations that project above the sea at any tide state.

For some installations sited before the introduction of the Petroleum Act 1987 and for all subsea installations, statutory law regulates the Safety Zones. In these cases, it will be necessary to apply to HSE for removal of the Safety Zone following the decommissioning.

According to The Petroleum Act 1987 regarding the decommissioning of installations, the Safety Zones will automatically cease when the installation no longer projects above the surface of the sea.

NB: The Safety Zone will remain in place during the decommissioning operation and, if it becomes necessary to undertake any work on facilities that remain in place, the Safety Zone can be re-established to cover those works.

2.2.9 Geotechnical Data

Companies should know that geotechnical data collected under the petroleum licence should:

- Either be kept in perpetuity in accordance with the licence model clauses
- Or placed in the National Hydrocarbons Data Archive (NHDA, www.bgs.ac.uk/nhda). This option should be considered at Cessation of Production
3. THE DEROGATION CASE

The leaving, wholly or partly in place, of disused offshore installations is prohibited, but under certain conditions such as lack of safety, other decommissioning solutions can be considered. Annex 1 of the OSPAR Decision 98/3 describes the categories of disused offshore installation for which derogations may be considered.

To apply for derogation under Article 2 of OSPAR 98/3, the Decommissioning Programme must complete a comparative assessment of the different solutions. Following the Secretary of State’s agreement on the Decommissioning Programme, if the decommissioning is not planned to be total, the OSPAR Commission will be consulted and given the opportunity for comment and DECC will make the decision on the derogation approval.

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>Statutory and public consultations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>OSPAR Decision 98/3 on the Disused Offshore Installations</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>DECC, but the operator will be asked to prepare the document</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>OSPAR Secretariat: Executive Secretary</td>
</tr>
</tbody>
</table>

3.1 Conditions for applying for a derogation

There are four categories of disused offshore installation for which derogation under paragraph three may be considered. The Decision describes them as follows:

a. steel installations weighing more than ten thousand tonnes in air
b. gravity based concrete installations
c. floating concrete installations
d. any concrete anchor-base which results, or is likely to result, in interference with other legitimate uses of the sea

NB: The topside is not considered part of the installation.

All procedures begin as a basic case and only some changes will need to be made concerning the Decommissioning Programme. The following subsections detail these changes and the specific assessment is explained thereafter.
3.2 Decommissioning planning

3.2.1 Comparative assessment

The discussion with DECC concerning a possible derogation must begin at the earliest opportunity. While preparing the draft of the decommissioning report, the operator and other Section 29 Notice Holders must also prepare a comparative assessment of the alternative solution.

**Who is responsible for this assessment?**

As DECC is the Contracting Party responsible for the UK, it must submit the assessment to the Executive Secretary for the derogation. Nevertheless, DECC will ask the operator of the installation to support this assessment.

**Which options could be considered in the assessment?**

Apart from the proposed disposal at sea proposition, the assessment shall include the following options:

- Re-use of all or part of the installation
- Recycling of all or part of the installation
- Final disposal on land of all or part of the installation
- Other options for disposal at sea

**What is contained in the assessment?**

The content of the assessment is described in Annex 2 of the Decision. It states:

“The assessment shall consider the potential impacts of the proposed disposal of the installation on the environment and on other legitimate uses of the sea. The assessment shall also consider the practical availability of reuse, recycling and disposal options for the decommissioning of the installation.”
More specifically, the assessment report should contain this information:

a. “the characteristics of the installation, including the substances contained within it; if the proposed disposal method includes the removal of hazardous substances from the installation, the removal process to be employed, and the results to be achieved, should also be described; the description should indicate the form in which the substances will be present and the extent to which they may escape from the installation during, or after, the disposal

b. the proposed disposal site: for example, the physical and chemical nature of the sea bed and water column and the biological composition of their associated ecosystems; this information should be included even if the proposal is to leave the installation wholly or partly in place

c. the proposed method and timing of the disposal”

In addition, the assessment must be carried out using established methodologies to compare the following points for each option:

- Technical and engineering aspects, including the impacts associated with cleaning the installation while it is offshore
- The timescale of the decommissioning
- Safety considerations, including methods for assessing health and safety at work
- Economics aspects
- Environmental impacts, defined as follows by Annex 2 of the OSPAR Decision:
  “impacts on the marine environment, including exposure of biota to contaminants associated with the installation, other biological impacts arising from physical effects, conflicts with the conservation of species, with the protection of their habitats, or with mariculture, and interference with other legitimate uses of the sea
  impacts on other environmental compartments, including emissions to the atmosphere, leaching to groundwater, discharges to surface fresh water and effects on the soil
  consumption of natural resources and energy associated with re-use or recycling
  other consequences to the physical environment which may be expected to result from the options
  impacts on amenities, the activities of communities and on future uses of the environment”
**Which part of the platform can the permit be for?**

If the comparative assessment (described below) shows there are reasons why it would be impractical to remove all the installation, paragraph three of the OSPAR Decision states that a permit may be issued for:

a. all or part of the footings of a steel installation in a category listed in Annex 1, placed in the maritime area before 9 February 1999, to be left in place

b. a concrete installation in a category listed in Annex 1 or constituting a concrete anchor base, to be dumped or left wholly or partly in place

c. any other disused offshore installation to be dumped or left wholly or partly in place, when exceptional and unforeseen circumstances resulting from structural damage or deterioration, or from some other cause presenting equivalent difficulties, can be demonstrated

Undertaken in conjunction with the comparative assessment, Section 29 Notice Holders will also have to prepare the draft of the decommissioning report.

**3.2.2 Adaptation for the Decommissioning Programme and relative procedures**

- **3.2.2.1 Decommissioning Programme Content**

  The content of the Decommissioning Programme is the same as for the basic case (please see page 42). It is based on the preferred decommissioning option following the comparative assessment and using the findings of the other solution’s assessment.

  Only the ‘Post-Decommissioning monitoring and maintenance’ will need more specification, as in this case, the operator must determine a strategy to monitor the condition of the remains (concrete installation or footings of a steel installation) at appropriate intervals in this phase of the programme. This should be discussed with DECC who will take advice from other appropriate Government Departments.

  NB. The alternative disposal option’s environmental impact will be addressed in the Decommissioning Programme through the Environmental Impact Assessment, and as part of the Comparative Assessment.
- **3.2.2.2  Draft report submission**

The submission procedure is the same as the base case (please see page 50). However, some details have to be specified:

1. As the derogation case is more complex than the basic case, it is likely that more than ten weeks will be necessary for full consideration of the draft
2. Due to this complexity, it is also likely that more than one draft will be required before submission is made to the Secretary of State
3. The outcome of the statutory and public consultations should be discussed with DECC and the details should be added in a post consultation draft
4. When DECC has the post consultation draft, it should be sufficient to initiate consultations with other OSPAR Contracting Parties with the intention of delivering a derogation from the OSPAR Decision 98/3 permit (please see the following section for more information)
5. In the final decommissioning report that is submitted for approval, the findings of the OSPAR process for the derogation should be reflected

- **3.2.2.3  Consultations**

The requirements are the same as for the basic case (please see page 51), however the consultation will be wide-ranging and public. The operator should discuss the form and timing with DECC.

Consultations should be commenced at an early stage as they can take up to 12 months to complete.

To support the operator in this process, Oil and Gas UK wrote ‘Guidelines on Stakeholder Engagement for Decommissioning Activities’. This document is available on the organisation’s website (www.oilandgas.co.uk).

At the end of the consultations, stakeholders will have made a decision regarding the derogation request and the post-consultation draft of the Decommissioning Programme document should reflect this decision and the extent to which the views of the stakeholder were taken into account.

If the stakeholders agree the derogation proposition, then DECC is able to begin the process of consultation with other OSPAR Contracting Parties, using the post-consultation draft of the Decommissioning Programme and the comparative assessment as bases.
- 3.2.2.4 Discussion with the OSPAR Commission

Once the post-consultation draft of the decommissioning report and the comparative assessment have been finalised, DECC can begin the consultation procedure with other OSPAR Contracting Parties.

A period of at least 32 weeks should be allowed before any expected date of a decision, as every party will be given time to comment and/or make representations during the procedure. Annex 3 of the OSPAR Decision describes this procedure in detail.

3.2.3 Independent verification

Once the permit is received, the decommissioning operations are almost ready to begin. Annex 4 of the OSPAR Decision states:

“every permit shall […] require independent verification that the condition of the installation before the disposal operation starts is consistent both with the terms of the permit and with the information upon which the assessment of the proposed disposal was based”.

Therefore, before the physical decommissioning work can begin, an independent verification is required that will include details of the nature of any hazardous substances.

The approach for this verification will be considered on a case by case basis by DECC, so the operator should propose a suitable organisation to undertake it, with DECC’s agreement.
3.3 During and after decommissioning operations

3.3.1 Contact with the Radio Navigation Warning

Please see page 52 as the requirements are the same as those for the basic case.

3.3.2 Close-out Report

As with the basic case, the operator must submit a Close-out Report following the decommissioning operation. Despite the derogation, the content will remain almost the same. Please refer to page 53 for Close-out Report requirements and procedures. The following subsection will be added in a derogation case Close-out Report.

3.3.3 Risks arising from remaining infrastructure

This section of the Close-out Report will explain which measures the operator has taken to manage the potential risks arising from any legacies.

This includes:

- The participation in the Fisheries Legacy Trust Company (FLTC): (FLTC, established in 2007, manages interactions between the offshore oil and gas industry and the fishing industries in order to help them work safely and efficiently together. This may involve some post-decommissioning legacies and activities

  NB: more information can be found on the FLTC website: www.ukftc.com/home.aspx

- The confirmation of marking any remains on mariners’ charts

- Inclusion in the ‘Fishsafe’ system

- The installation of navigational aids
3.3.4 Report from DECC to OSPAR

Once the decommissioning is complete, paragraph ten of the Decision requires that:

“If any disused offshore installation is dumped or left wholly or partly in place within the maritime area, the relevant Contracting Party shall submit to the Commission, within six months of the disposal, a report in accordance with paragraph 4 of Annex 4.”

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>Platform decommissioning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>OSPAR Decision 98/3 on the Disused Offshore Installations (Especially paragraph 10)</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>DECC (Document based on the Operator’s close-out report, see page 42)</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>OSPAR Secretariat: Executive Secretary</td>
</tr>
</tbody>
</table>

This report seeks to explain how the disposal has been undertaken and describes any immediate consequences observed of the disposal at sea. It will also explain how the management measures, the monitoring or publication required by the permit will be carried out.

Once again, DECC is responsible for the submission of this report to OSPAR, but it will be based on the operator’s Close-out Report (please see page 53); the operator will have the opportunity to review the report before its submission.

This report must be submitted within six months of the disposal.

NB: More details are provided in Annex A of DECC Guidance Note ‘Decommissioning of Offshore Oil and Gas Installations and Pipelines under the Petroleum Act 1998’.

3.3.5 Monitoring of the decommissioned site

As explained in the Decommissioning Programme Section (see page 55), specific monitoring will need to be carried out in respect of the remains, as allowed by the permit issued by the OSPAR Commission.

Hence, the strategy, DECC and the agreed operator must be followed and if necessary, updated over time.

Each inspection report should be submitted to DECC’s Offshore Decommissioning Unit, including proposals for any maintenance or remedial work if required.

In the meantime, each report should also be published, e.g. on the Internet.
3.3.6 Marking of remains
The operator has the same responsibility as in the basic case (please see page 56).
In addition, the installation and maintenance of any navigational aids for the remains of concrete installations that project above the surface of the sea is the operator’s responsibility, as is the maintenance of such navigational aids. Their nature is discussed with DECC, the relevant lighthouse authorities and interested parties (e.g. fishermen, other mariners, etc.).
Also, when the footings of a steel installation, a concrete installation or a pipeline are to remain in place, the operator must ensure the following information is forwarded to the hydrographic office for inclusion on Admiralty charts:
- The position (horizontal datum to be stated) of the remains
- The surveyed depth of the remains
- The dimensions of the remains
Finally, the operator must ensure that, for the removal and tow of platform, FPSO’s and other surface structures, the hydrographic office Radio Navigation Warning (RNW) section is warned at least 24 hours in advance.
NB: RNW contact information for further details: Tel: 01823 353448 and email: navwarnings@btconnect.com.

3.3.7 Safety Zones
The procedures are the same as the base case. Please see page 57 for more details.

3.3.8 Geotechnical data
The procedures are the same as the base case. Please see page 57 for more details.
SUMMARY

This chapter has covered, in detail, the regulatory processes that concern platform decommissioning. It has set out the requirements and obligations relevant to both base case and derogation case projects and the grounds for requesting deferred or phased decommissioning activity.

Key to every project is the production of the Decommissioning Programme and guidance has been given on the content required, the submission, consultation and approval procedures involved.

For further information relating to the specific activities described for decommissioning operations, including reports, surveys, monitoring procedures and safety zone removal, please refer to References and Appendices.

The next chapter of this guide describes the regulatory processes that concern pipeline decommissioning. It has already been established that the owners of platforms and pipelines may not necessarily be one and the same; specific details for this element of offshore installations are covered in detail here.
A Guide to Regulatory Process for Pipeline Decommissioning

Move Forward with Confidence
A Guide to Regulatory Process for Pipeline Decommissioning

This chapter is dedicated to exploring the regulatory process for pipeline decommissioning. It takes into account the pipelines, flow lines, umbilicals and subsea facilities, including Pipeline End Manifold (PLEM), Umbilical Termination Assembly (UTA), riser anchor bases, etc.

As with platform decommissioning, the grounds and procedure for requesting a deferred or phased decommissioning are covered in detail, with references and contact details for further information.

Regulations for pipeline decommissioning differ slightly to those relating to platform decommissioning and the following subsection explains the appropriate laws with which the operator must be compliant.

The structure and content of the Decommissioning Programme are covered in detail in the third section of this document.
1. LEGISLATIVE SPECIFICATION

Pipeline owners must respect the Pipeline Safety Regulations 1996, administered by HSE’s Hazardous Installations Directorate (Specialised Industries Division).

These regulations detail the requirements that ensure pipelines are operated safely, from their design until their decommissioning.

From the dismantlement perspective, the requirements of these regulations can be summarised as follows:

1. The operator shall ensure that pipelines are decommissioned safely whatever the solution is (dismantlement and removal or left in place) (Regulation 14)

2. At least three months before the decommissioning work start is planned, the operator should notify the Executive (Regulation 22(2) and (3) and Schedule 5)

NB: The relevant articles from the Pipelines Safety Regulations 1996 concerning decommissioning are Regulations 14 (1) and (2), 22 (2) and (3) and schedule 5 (5).
The Petroleum Act 1998 represents a framework for the orderly decommissioning of both offshore installations and pipelines. It should therefore be noted that Section 29 Notices are addressed to pipeline owners and require them to set out the planned measures for the decommissioning work. This means that, even if there is no explicit requirement within the Safety Pipelines Regulations, the operator will need to prepare a Decommissioning Programme and obtain HSE’s approval.

Section 29 Notices could be issued to parties other than the operator (e.g. parent companies, associates, etc.), where the Secretary of State does not have sufficiently strong evidence that the operator alone would be able to ensure a satisfactory decommissioning (in the case of technical and financial issues, for example). The different notice holders must then work jointly to submit the Decommissioning Programme.

The provisions of OSPAR Decision 98/3 do not apply to pipelines.

Finally, there is no preferred method concerning pipeline decommissioning. Each project will then be deliberated on a case-by-case basis and each decommissioning solution will be studied in a comparative assessment of every possibility included within the Decommissioning Programme. The different options are detailed further on page 78.
2. REQUESTING A DEFERRED OR PHASED DECOMMISSIONING

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>Notice under section 29 reception (the time between these two steps can be considerable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>Petroleum Act 1998&lt;br&gt;See also: Guidance notes “Decommissioning of Offshore Oil and Gas Installations and Pipelines under the Petroleum Act 1998”</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Operator and all the other Section 29 Notice Holders</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>DECC</td>
</tr>
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</table>

As with installations, deferred pipeline decommissioning can be requested. The procedure to obtain a deferral is as follows:

1. When a pipeline reaches the end of its operational life before the other facilities of the field, the operator should inform DECC’s Offshore Decommissioning Unit that the pipeline is no longer in use and should be part of the Interim Pipeline Regime

2. DECC will then send a Disused Pipeline Notification to the operator

NB: A blank Disused Pipeline Notification can be found on DECC’s website.
3. The operator must complete this document, providing the following details:

“the length, diameter and construction of the pipeline; its location and the extent to which the pipeline is trenched or buried; and the stability and integrity of the pipeline including the presence of any spans in excess of 0.8 metres in height and 10 metres in length and/or which are likely to present a hazard to fishing activity” [1]

4. The operator then returns the form to DECC, either by e-mail or by posting it to the Offshore Decommissioning Unit, Atholl House, 86-88 Guild Street, Aberdeen AB11 6AR

5. Once DECC receives the form and following discussion with other relevant Government Departments, DECC will determine the best solution between the two, following:
   a. Immediate decommissioning
   b. Deferred decommissioning, if there is no safety issue pending (often in respect of platform decommissioning). The pipeline Decommissioning Programme will then be included with the platform Decommissioning Programme

6. If DECC opts to defer the decommissioning work, it will send a letter to the operator, specifying the conditions upon which it is prepared to defer formal decommissioning. These conditions will be set out to satisfy DECC that the deferral will not prejudice any final decommissioning and that appropriate monitoring and surveys will be carried out

7. Following the survey’s report, DECC will send confirmation regarding the status of the pipeline to the operator

NB: DECC’s Guidance Notes ‘Decommissioning of Offshore Oil and Gas Installations and Pipelines under the Petroleum Act 1998’ describe the factors that should be taken into account when considering a deferral.
3. DECOMMISSIONING PLANNING

3.1 The Pipeline Decommissioning Programme

In accordance with The Petroleum Act 1998, the pipeline operator must define the planned measures for pipeline decommissioning. Activities must be described in a formal Decommissioning Programme, with evidence that every potential risk has been identified.

<table>
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<tr>
<th>Prerequisite</th>
<th>Notice under section 29 reception (the time between these two steps can be considerable)</th>
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</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>Petroleum Act 1998</td>
</tr>
<tr>
<td></td>
<td>See also: Guidance notes ‘Decommissioning of Offshore Oil and Gas Installations and Pipelines under the Petroleum Act 1998’</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Operator and all the other Section 29 Notice Holders</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>DECC</td>
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</table>

As specified in the introduction of this document, decommissioning proposals for pipelines should be contained in a separate programme, even if the reports are to be submitted within a single document. This way, the specific obligations that apply to the lines are clearly identified and, since the pipeline owner could differ from the installation owner, any confusion may be avoided.
The content of a pipeline Decommissioning Programme is the same as the content developed for the installations document (please see page 42):

- Introduction
- Executive summary
- Background information
- Description of Items to be decommissioned
- Inventory of materials
- Removal and disposal options
- Selected removal and disposal option
- Wells
- Drill cuttings
- The OSPAR recommendation 2006/5
- The hydrographic office
- Environmental impact assessment
- Interested party consultations
- Costs
- Schedule
- Project management and verification
- Debris clearance
- Pre- and post-decommissioning monitoring and maintenance
- Supporting studies

Only the underlined parts above contain specific requirements and these are detailed in the following subsections. For the remainder, refer to the installations part as the requirements are identical.
3.1.1 Description of the items to be decommissioned

This section of the Decommissioning Programme will provide details about the pipelines to be decommissioned. This includes all pipeline types as referred to in the introduction. The minimum information required is as follows:

- **“Lengths, diameters, type of construction**
- **The extent of burial, trenching and details of any concrete mattresses, grout bags, rock-dump or other materials used to cover the lines**
- **Details of any subsea facilities that form part of the pipelines (e.g. PLEM, UTA, riser anchor bases)**
- **The stability of the pipelines including details of any spanning or exposure (survey data and history to support information given in this section should be included as an annex to the programme)**
- **Details of interaction between any part of the pipelines and other uses of the sea (e.g. fishing)**

3.1.2 Removal and disposal options

As confirmed above, the OSPAR Decision 98/3 does not apply to pipelines. It is important to remember that pipeline installations vary widely (in terms of model, location, environment, maintenance quality, etc.). For this reason, no specific prediction can be made regarding the approval of options for specific classes of pipeline. Each alternative solution is considered on its merits and a comparative assessment made. The entire assessment will be addressed in this section of the Decommissioning Programme. The different options and specific information needed for the programme are as follows:
3.1.2.1 Leaving in place

The DECC Guidance Notes specifies which class of pipeline may be left in place:

“As a general guide the following pipelines (inclusive of any "piggyback" lines and umbilicals that cannot easily be separated) may be candidates for in-situ decommissioning:

- those which are adequately buried or trenched and which are not subject to development of spans and are expected to remain so
- those which were not buried or trenched at installation but which are expected to self bury over a sufficient length within a reasonable time and remain so buried
- those where burial or trenching of the exposed sections is undertaken to a sufficient depth and it is expected to be permanent
- those which are not trenched or buried but which nevertheless are candidates for leaving in place if the comparative assessment shows that to be the preferred option (e.g. trunk lines)
- those where exceptional and unforeseen circumstances due to structural damage or deterioration or other cause means they cannot be recovered safely and efficiently”

With regard to the degree of burial or trenching, no exact value is defined as a threshold. Judgement is made on a case-by-case basis but, in most cases, it will be expected to be at least 0.6m above the top of the pipeline. DECC’s decision will be based on whether there is any obstruction to other users of the sea.

If the ‘leaving in place’ solution is chosen, a monitoring strategy must be determined. Please see page 81 for more information.
- 3.1.2.2 Removal

The option to remove entirely should apply to small diameter pipelines, including flexible flow lines and umbilicals, which are neither buried nor trenched.

Mattresses and grout bags installed for pipeline protection should also be removed for disposal onshore. If they cannot be removed safely or efficiently because of their condition, an appropriate comparative assessment must support any proposal to leave them in place.

If rock dump is protecting the pipes, removal of it is unlikely to be practicable. If no special circumstances warrant its removal, it is assumed that the rock dump will remain in place.

If the pipeline associated with the rock dump is to be removed, a minimum of disturbance of the rock dump will be expected. If the associated pipeline is to remain in place, it is expected the rock dump will remain undisturbed.

In all cases, leaving in place or removal, either wholly or partly, the Oil and Gas UK website specifies that DECC expects the following:

- “The potential for reuse of the pipeline in connection with further hydrocarbon developments should be considered before decommissioning together with other existing projects (such as hydrocarbon storage). If reuse is considered viable, suitable and sufficient maintenance of the pipeline must be detailed

- Any removal or partial removal of a pipeline should be performed in such a way as to cause no significant adverse effects upon the marine environment

- Any decision to leave a pipeline in place should have regard to the likely deterioration of the material involved and its present and possible future effect on the marine environment

- Account should be taken of other users of the sea”

Additionally:

- If reuse is considered viable, suitable and sufficient maintenance of the pipeline must be detailed

- A suitable study to support the desired solution should accompany the Decommissioning Programme and should include the survey history of the line

Finally, DECC Guidance Notes confirms:

“Determination of any potential effect on the marine environment at the time of decommissioning should be based upon scientific evidence. Guidance on cleaning topsides and pipelines prior to decommissioning has been developed through the Pilot Brownfields Initiative. This is available from the Oil & Gas UK website.”
### 3.1.3 Pre- and post-decommissioning monitoring and maintenance

With regard to the installation and any pipelines left in place, a monitoring strategy must be discussed with DECC and implemented. DECC will advise the pipeline owners in consultation with other Government Departments. The details (i.e. form and duration) of the strategy should be specified in this part of the programme.

Following the results of the relevant surveys, inspection reports should be sent to DECC’s Offshore Decommissioning Unit. The strategy may be adapted and the operator should undertake any remedial works or appropriate maintenance. These decisions will be taken in consultation with other Government Departments and fishermen representatives, conducted by DECC.

### 3.2 Iron (but not steel) pipelines

The Pipelines Safety (amendment) Regulations 2003 states that the decommissioning of iron (not steel) pipe used in pipelines shall be the subject of a particular programme. This will have to be approved by HSE.
4. DURING AND AFTER DECOMMISSIONING OPERATIONS

As the requirements are identical to the decommissioning of installations, please refer to the installations section of this document, beginning on page 52.

5. IF THE PIPELINE IS WITHIN THE TERRITORIAL SEA

If pipelines cross the territorial sea (12 nautical miles from the UK coastline), they are likely to be subject to a lease granted by The Crown Estate.

If this is the case, the operator may apply to The Crown Estate for termination of the rent upon completion of decommissioning works or suspension of the rent if the pipeline has fallen into temporary disuse.
SUMMARY

This chapter has dealt with the regulatory processes that govern pipeline decommissioning as a distinct project from platform decommissioning. It has described the legislative specifications and the deferred or phased decommissioning application process.

The Pipelines Decommissioning Programme has also been explored, with guidance given regarding its content, structure and regulations.

For further information relating to the specific activities described for pipeline decommissioning operations, including reports, surveys and procedures, please refer to References and Appendices.

The following chapter examines the other mandatory regulations that apply to offshore decommissioning projects. It is an exhaustive section which covers all aspects of decommissioning from marine licensing, chemical use, waste, environmental, transport, use of radioactive materials, wells, taxation issues and more general decommissioning requirements.
Other Mandatory Regulations

Move Forward with Confidence
Other Mandatory Regulations

In addition to the main regulations pertaining to platform and pipeline decommissioning that have been described in the preceding chapters of this guide, other regulations exist which must be complied with. Some are specific to decommissioning work, while others are more general in their nature, but are still, nonetheless, mandatory.

This section brings together a schedule of these other mandatory regulations together with descriptions and an overview of key information relating to these requirements. References and contact details of where a complete account of any quoted text and further information can be obtained is also provided.
1. FOR ANY TYPE OF DECOMMISSIONING

1.1 Marine licences

Since 2009, Part II of the Food and Environment Protection Act 1985 and Part II of the Coast Protection Act 1949 have been amended by the Marine and Coastal Access Act 2009 in England and Wales and by the Marine (Scotland) Act 2010 in Scotland.

These regulations redefine licensing and consent controls procedures. Even though many oil and gas activities are now legislated by The Petroleum Act, decommissioning operations are an exception and, to undertake such activities, a marine licence is required.

<table>
<thead>
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<th>Prerequisite</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>Marine and Coastal Access Act 2009</td>
</tr>
<tr>
<td></td>
<td>Marine (Scotland) Act 2009</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Operator is responsible for the licensable marine activity</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>The Secretary of State</td>
</tr>
</tbody>
</table>

The operator will require a marine licence for specific tasks that are planned during decommissioning activities if they involve the following:

“To deposit any substance or object within the UK marine licensing area, either in the sea or on or under the sea bed, from:

(a) any vehicle, vessel, aircraft or marine structure

2. To deposit any substance or object anywhere in the sea or on or under the sea bed from

(a) a British vessel, British aircraft or British marine structure

8. To use a vehicle, vessel, aircraft, marine structure or floating container to remove any substance or object from the sea bed within the UK marine licensing area

10. To deposit or use any explosive substance or article within the UK marine licensing area either in the sea or on or under the sea bed”
Since many activities are considered licensable, they are not quoted individually in this report. The operator should determine if a marine licence is required.

The Secretary of State has determined the conditions for a licence application. If a marine licence is required, the operator should request further information as no other guidelines relating to this procedure have yet been produced.

NB: The regulations also include new Marine Protection Areas. Special attention must be given to platforms located in these areas.

1.2 Chemical use and discharge

For specific tasks during decommissioning, such as pipeline cleaning, specific chemicals may need to be used. In this case, attention must be given to regulations that apply to specific chemical use. This subchapter aims to clarify which regulations are likely to apply.

NB: After their use, chemicals are considered waste and other specific regulations apply. Please see the waste section on page 93.

<table>
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<tr>
<th>Prerequisite</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>The Offshore Chemical Regulations 2002 amended by the Offshore Petroleum Activities (Oil Pollution, Prevention and Control) Regulations 2005</td>
</tr>
<tr>
<td></td>
<td>The Offshore Petroleum Activities (Oil Pollution Prevention and Control) Regulations 2005</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Operator or a company appointed by the licence group or the licensee if there is only one company or a company appointed by the operator to undertake the work but in this case it will be notified “on behalf of the operator”</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>DECC</td>
</tr>
</tbody>
</table>

"These regulations implement, OSPAR Decision 2000/2 on a Harmonised Mandatory Control System for the Use and Reduction of the Discharge of Offshore Chemicals. Where it is proposed to use or discharge chemicals during the decommissioning of an offshore installation or pipeline, the Operator will need to apply to DECC for the appropriate permit." [6]
As outlined above, any chemical used during decommissioning activities will need a chemical permit. Some of them are regulated by these regulations and the permit will be delivered following the OCR (Offshore Chemical Regulations) process. Others are regulated by the Offshore Petroleum Activities (Oil Pollution, Prevention and Control) Regulations 2005 which adapts OCR; the permit will be granted following the OPPC (Oil Pollution Prevention and Control) process.

In all cases, companies will need to apply for permits that cover the use and the discharge of chemicals. In the decommissioning context, which represents time-limited operations, uses and discharges are covered by ‘Term Permits’.

NB: The Offshore Chemicals (Amendment) Regulations differentiates between types of discharge and other emissions. These discharges are described as “an intentional emission of a chemical or its degradation or transformation products”. All other emissions are referred to as releases in the Regulations.

1.2.1 Permits under the OCR Regulations

The diagram below illustrates the OCR permit process, showing the links between the permit applicant, DECC and other bodies: CEFAS/Marine Scotland will advise DECC, while EEMS will liaise between the DECC and the Permit Applicant for different reporting purposes.

Figure 5: OCR Permit Process
The decommissioning of both pipelines and installations are covered by the OCR Permit process; only the standard form will differ.

1.2.1.1 Installation permits

With regard to both FPSO’s and fixed installations, term permits are required for decommissioning operations. The following table summarises which permit is required in each case.

<table>
<thead>
<tr>
<th>Specific situation</th>
<th>Form required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard situation (any situation not described below)</td>
<td>PON15E</td>
</tr>
<tr>
<td>If the installation will require or is already the subject of a production chemical permit</td>
<td>PON15D</td>
</tr>
<tr>
<td>If a well is to be suspended or abandoned</td>
<td>PON5 Part 2 (separate PON15E then superseded)</td>
</tr>
<tr>
<td>If the well is suspended or abandoned well before the drilling permit expires</td>
<td>PON15B (PON5 Part 2 still necessary)</td>
</tr>
<tr>
<td>If the well is suspended or abandoned well before the relevant well intervention/work-over permit expires</td>
<td>PON15F (PON5 Part 2 still necessary)</td>
</tr>
</tbody>
</table>

1.2.1.2 Pipeline permits

The pipeline operations (decommissioning, but also installation, commissioning, maintenance and repair) are all covered by the PON15C form, which can indicate that an Environmental Statement is not necessary. It will include the application for the proposed operations.

In both cases (i.e. permits for both installations and the pipeline), the duration of decommissioning chemical permit will be determined following the planned operations. It is possible to apply for a variation to the permit to cover a duration change and/or for chemical use at the appropriate time. The applicant should also be aware that the Secretary of State may grant the permit with any condition he deems necessary.

How to apply for a Permit under OCR

“All chemical permit applications and subsequent transactions, including the issue of the permits, are carried out electronically via the UK Oil Portal.[...] For further information in relation to obtaining access to the Portal system, which is similar to the Well Operations and Notification System (WONS), please contact ukop@decc.gsi.gov.uk”

NB: Under Section 7(2) of the Regulations, in most cases, as in accordance with an abandonment programme, such permits do not need to be the subject of a public notice.
1.2.2 Permits under the OPPC Regulations

The discharge of ‘oils’ is an activity covered either by the OPR or by the OPPC. Appendix six details the cases for which an OPPC permit is required.

In all cases, “applicants should refer to any associated discharges of reservoir hydrocarbons in their PON15 applications, and confirm whether they have submitted an application for an OPPC permit.” [6]

- 1.2.2.1 How to apply for a Permit under OPPC Regulations

If a permit under the OPPC Regulations is required, the operator must apply using the standard form, which can be accessed as follows:

- Download from the DTI website: www.og.dti.gov.uk/environment/index.htm
- The DTI can send the form to the operator in electronic or hardcopy format. The request should be addressed to the DTI administrative contact detailed in Section 2 of the OPPC Guidance Note (www.og.decc.gov.uk/environment/opaoppcr_guide.htm)

A period of 28 days should be allowed between the date of the application and the date where the decommissioning activities requiring chemical use will start to avoid delays to the planned activity.

One permit application may cover a number of separate discharge streams containing oils. The permit is not subject to public notice or statutory consultation with other government bodies.

- 1.2.2.2 Other cases

Another potential activity that may require a permit is the disposal of surplus chemicals which could be necessary before the decommissioning, e.g. after the cessation of production. This case is not detailed in this document but, if applicable, it is covered by the amended Offshore Chemicals Regulation (it is no longer regulated under the Food and Environment Protection Act 1985, Part II Deposits in the Sea).

Also,

“Where there are assets tied-back to an installation, the operator of the acreage or the field in which the tied-back installations are located will usually only be required to obtain a separate permit if there are direct discharges from the tied-back installations. Discharges made or mediated via the “host” installation, will normally be included in the relevant permits relating to the “host” installation. Under these circumstances the holder of the host installation permit would have to apply to vary the relevant permit to include details of any new assets or activities.” [6]
Concerning the oils discharge:

"Where there are other assets tied-back to an installation, the operators of the
tied-back facilities will only require an oil discharge permit if there are direct discharges
of oil from the tied-back facilities. Indirect discharges made via the “host” installation
will have to be included in the application for an oil discharge permit relating to the host
installation." [1]

1.2.3 About REACH

The REACH (Registration, Evaluation and Authorisation of Chemicals) regulation came
into force on 1st of June 2007, to replace a number of European Directives and
Regulations relating to chemical production, use and importation. Each substance is
studied in respect of its specific uses and aims to explore the real impacts the
substance may have on health and the environment. From 1st January 2009, end
users will usually have declared such uses.

During the decommissioning operation, specific chemicals may have to be used. Under
REACH regulations, the operator will then be a Downstream User (or end user) of the
chemical substance. As a Downstream User, the operator is not usually required to
demonstrate compliance with these regulations, although there is one exception: if the
use for which the substance is bought is not referenced in the Safety Data Sheet (to be
checked by the operator), it should be notified to the producer. The producer will then
have 12 months to officially declare the use in order to remain compliant with REACH
regulations.

This situation (‘non-declared use’ in the Safety Data Sheet) is unlikely to happen, but
the operator should still be aware of the potential.

1.3 Waste

During the lifetime of a platform, different types of waste will be generated, i.e.
chemicals, electronic devices, oily water and general waste such as food.
Decommissioning time is no exception; although quantities of waste may vary during
decommissioning operations, the type of waste will not vary widely from that generated
during the operational lifetime of the platform. The legislative compliances, therefore,
are unlikely to change.

For this reason, it has been assumed in this document that operators will already be
aware of the requirements concerning waste management and waste transfer.
Consequently, only a brief overview of the different regulations and main procedures is
provided in this chapter.
1.3.1 Waste management

The main regulations concerning waste management are as follows:

**In Europe:**
- European Waste Catalogue (EWC)
- The Landfill Directive 1999/31/EC
- Directive on PCBs and PCTs 96/59/EC
- Battery Directive 2006/66/EC
- Transfrontier Shipment of Waste Regulations 2007 as amended by Transfrontier Shipment of Waste (Amendment) Regulations 2008
- Transfrontier Shipment of Radioactive Waste Regulations 1993
- Restriction of Hazardous Substances (RoHS) Directive 2002/95/EC

**In the United Kingdom:**
- Offshore Chemicals Regulations 2002
- The Merchant Shipping (Prevention of Pollution by Sewage and Garbage from Ships) Regulations 2008
- Pipeline Safety Regulations 1996 amended 2003
- Environmental Protection (Duty of Care) Regulations 1991 as amended by the Environmental Protection (Duty of Care) (England) (Amendment) Regulations 2003 (SI 2003/63)
- Environmental Protection Act 1990 (Part II)
- Controlled Waste Regulations 1992 (amended)
- The Waste Electrical and Electronic Equipment (Amendment) Regulations 2010 SI 1155
In England and Wales:

- The Environmental Permitting (England and Wales) Regulations 2007 (SI 2007 No. 3538) amended 2009 and 2010
- Waste Management (England and Wales) Regulations 2006
- The Site Waste Management Plans Regulations 2008 SI 314 (England)
- The Waste Controls (England and Wales) Regulations 2010
- The Landfill (England and Wales) Regulations 2002 amended 2004 and 2005
- Explanatory Memorandum to the List of Wastes (England and Wales)
- The Waste Batteries and Accumulators Regulations 2009 SI 890

In Scotland:

- Waste (Scotland) Regulation 2005
- Special Waste Amendment (Scotland) Regulations 2004
- Landfill (Scotland) Amendment Regulations 2003 SI 343
- The Waste Incineration (Scotland) Regulations 2003 SI 170
- Waste Batteries (Scotland) Regulations 2009 SI 247

NB: Special and hazardous waste shares the same meaning, but the term ‘special waste’ is obsolete in England and Waste (although still used in Scotland) following the publication of the Hazardous Waste (England and Wales) Regulations 2005.
Within these regulations, there are specific requirements (these apply throughout the UK):

- The overboard disposal of waste from offshore installation is absolutely forbidden, except for ground food wastes if the installation is more than 12 miles away from the nearest land
- Every offshore installation must have a Garbage Management Plan and a Garbage Record Book
- Procedures for collecting, storing, processing and disposing of refuse should be provided
- All hazardous (or special) waste should be correctly classified
- Any controlled waste should be stored and segregated so as to prevent its escape into the environment. All hazardous (or special) waste is controlled waste
- In case of accidental loss, a Petroleum Operations Notice should be raised: PON 1 for liquid spillage and discharge incidents, and PON 2 for solid materials

NB: Other specific wastes are referred to in different regulations, which may apply during decommissioning operations and the operator should be aware of such compliance. For example, the following regulations may apply: The Waste Electrical and Electronic Equipment (Waste management Licensing (England and Wales) Regulations 2006 (amended), The Waste Electrical and Electronic Equipment Amendment (Waste management Licensing) (Scotland) Regulations 2007, Waste Batteries and Accumulators Regulations 2009, etc.
1.3.2 Waste transfer

As the disposal of waste offshore is forbidden and hazardous (or special) waste must be sent onshore for treatment or disposal, certain requirements must be observed to ensure that onshore regulations are also met.

The main regulations for this issue are the same as for waste management (please see subsection above).

The specific requirements are as follows:

- To transfer waste to shore, a Waste Transfer Note is required and must accompany the shipment. The Transfer Note should specify the types and quantities of waste being shipped and provide the basis for onward carriage and disposal.

- If the substance is hazardous or special waste, rather than a Transfer Note, the transfer will require a Consignment Note, which discharges the requirements of Duty of Care but invokes similar requirements. The Consignment Note should accompany any movement of special or hazardous waste. The application for a Consignment Note must be made to SEPA/EA.


- The waste producer must ensure that waste is transferred to a licensed carrier (Waste Carrier Registration, Waste Management Licence of Exemption).

- Even if the vessels carrying the waste are not required to be registered, it is the shipmaster’s duty to ensure that waste is appropriately handled and stored in line with the International Maritime Dangerous Goods (IMDG) Code.

1.3.3 International shipment of waste

Different legislation applies if waste is sent to a country where it has not been produced. In this case, the waste producer should be compliant with the Transfrontier Shipment of Waste Regulations 1994 (amended), which gives effect in the UK to international regulations such as the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal 1992.

For guidance on this particular situation, refer to the following documents:

- The Transfrontier Shipment of Waste - A Guide to the International Shipment of Waste

1.4 Environment

One of the major issues to consider during decommissioning work is the environment. Through different activities, such as chemical use and platform parts removal, harm to the environment is a risk the operator is responsible for.

Government bodies have issued a series of regulations in respect of planning mitigation measures that minimise risk and take effect in the event of an accident. It is the operator’s duty to remain compliant with all relevant regulations.

1.4.1 The Merchant Shipping (Oil Pollution Preparedness, Response and Co-operation Convention) Regulations 1998

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>The Merchant Shipping (Oil Pollution Preparedness, Response and Co-operation Convention) Regulations 1998</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Operator</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>The Secretary of State for Energy and Climate Change</td>
</tr>
</tbody>
</table>

These regulations implement, in part, the International Convention on Oil Pollution Preparedness, Response and Co-operation, 1990, and apply to every offshore installation in United Kingdom waters and within any area designated under the Continental Shelf Act 1964.

These regulations require the operator of installations and pipelines to prepare an Oil Pollution Emergency Plan (OPEP).

Before any decommissioning work, the operator (or the company appointed by the operator to undertake the work) should verify that decommissioning activities have been included in the last version of the OPEP (reviewed at least every five years, Regulation 4-(5)(a)).

If this is not the case, the operator is responsible for adapting the existing plan to reflect the decommissioning activity “within three months of such change becoming known” (Regulation 4-(5)(b)).

This can be undertaken via amendments or incorporation into the plan or through the submission of a decommissioning specific OPEP. In addition, if offshore installations and oil handling facilities are associated with pipelines, the plans may be submitted jointly (Regulation 4-(2)).

All plans, amendments or advice should be addressed to the Secretary of State for Energy and Climate Change as he “has equivalent powers in relation to offshore installations and pipelines (Regulation 4(7)).”


### 1.4.2 Wildlife protection

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>Environmental Impact Assessment (EIA) and its Environment Statement (ES)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>The Offshore Petroleum Activities (Conservation of Habitats) (amended) Regulations 2001</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Operator</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>The DECC (in consultation with JNCC and/or countryside agencies)</td>
</tr>
</tbody>
</table>

These regulations implement the Habitats Directive and the Wild Birds Directive, concerning oil and gas activities taking place wholly or partly on the UKCS and within UK waters. It requires the Secretary of State to consider any significant impact before granting a consent, permit or licence under the Petroleum Act 1998 if the project is likely to affect a European Offshore Marine Site.

Through the EIA and the ES, DECC (in consultation with JNCC and/or countryside agencies) will make a decision concerning the likelihood of any significant effect on the habitats and species protected by the regulations. It will also be decided whether an “appropriate assessment” is to be undertaken, in which case, guidance will be provided to the operator.

Theoretically, these regulations do not apply to artificial habitats created by the infrastructure to be decommissioned. However, the presence of species covered by the regulations and their extent should still be established on the artificial habitats. In some cases, an “appropriate assessment” will be undertaken and mitigation measures will be determined.

NB: Subsea structures such as manifolds, pipelines, wellheads and platform jackets can act as an artificial reef and become a haven for marine life.
1.4.3 Lophelia Pertusa coral protection

The cold-water coral, Lophelia Pertusa, is often present on offshore installations. It is a species quoted in Appendix II of CITES, i.e. it is not currently threatened with extinction, but may become so.

Therefore, if this particular coral is discovered during an environmental study (e.g. EIA) prior to decommissioning, and if the part of the installation where it is installed is to be returned to shore, discussion with the DEFRA will become necessary. This will ensure the requirements of CITES are met.

1.4.4 Environmental surveys – Recording the results

Some environmental permits will ask the operator specifically to report certain emissions and discharges. The operator must:

- Report the results within the timescales specified by the permit conditions
- Report the emissions and discharges through the Environmental Emissions Monitoring System (EEMS). Reporting it by any other means will breach the permit condition

When using EEMS for the first time, the Operator must contact the company managing EEMS on behalf of DECC to obtain authorisation. More information, including contact details can be obtained at www.eems.co.uk. [10]
1.5 Transport

For safety reasons, offshore material transport, work in harbours and export are regulated activities. The type of potential accident is as wide as the requirements for managing the risk, so this chapter aims to indicate where information can be found.

NB: The waste transfer is explained in the earlier Waste chapter (page 97).

1.5.1 Dangerous Substances in Harbour Areas Regulations 1987 and the Waste Management Licensing Regulations 1994

These regulations control work with dangerous substances in port areas (i.e. loading, unloading, carriage and storage).

Every duty holder planning to undertake such activities during the decommissioning process should contact HSE for more guidance on the specific requirements.

1.5.2 Coast Protection Act 1949, Section 34 Part II

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>Decommissioning schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>Section 34 of the Coast Protection Act 1949</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>Any person planning to carry out the activities described in the Section 34(1) of Part II</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>The Minister of Transport</td>
</tr>
</tbody>
</table>

"Before a structure can be placed on the UKCS, the consent of the Department of Transport is required under S. 34 of the Coast Protection Act 1948, as applied to designated areas of the UKCS by s.4(1) of the Continental Shelf Act 1964."[11]

The application procedure varies within the United Kingdom; the duty holder should contact the appropriate government body for guidance on the procedure.

NB: The Scottish appliance procedure can be found on this website: www.scotland.gov.uk/Topics/Transport/ferries-ports-canals/17699/applicant
1.6 Radioactive material

During platform operations, radioactive materials can be used, i.e. through gauging equipment or work with radiotracer and Naturally Occurring Radioactive Materials (NORMs) can be generated or accumulated (scales or sludges).

As radioactive materials represent a risk for health and safety, they must be handled properly. Several British regulations provide guidance and requirements on handling, treatment and disposal methods.

As it has been assumed that the operator will have to deal with radioactive material before decommissioning time, every regulation will not be detailed here, but the main decommissioning requirements are highlighted.

1.6.1 Main regulations

There are numerous legal requirements relating to safety that apply to any decommissioning work that involves radioactive materials. Compliance with the regulations and standards listed below is mandatory when carrying out such operations.

1. The Health and Safety at Work Act 1974 (amended)
3. Environmental Protection Act (EPA) 1990
4. Radioactive Substances Act 1993
5. Ionising Radiation Regulations (IRR) (1999) plus the associated Approved Codes of Practice (ACOPs)
7. Pollution, Prevention and Control Regulations 2000 (IPPC)

Concerning the radioactive waste, the following regulations also apply:

9. Special Waste Amendment (Scotland) Regulations 2004
10. The Environmental Permitting (England and Wales) Regulations 2010
1.6.2 Regulations and principles specific to decommissioning

Of the regulations listed above, some are applicable when using radioactive materials or dealing with radioactive waste; others contain particular requirements for decommissioning operations.

Certain safety and environmental principles should be met throughout decommissioning time. For more clarity, these have been listed in Appendix nine.

1.6.3 Guidance

It has been assumed that the need to handle radioactive materials, such as NORM, LSA scale and radiography sources, will have occurred during the operational phase of the facility life cycle. However, if guidance is needed, the HSE provides further information as follows:

- HSE Offshore Safety Division Operations Notice 4 - Radioactive Substances Act 1993
- Special Waste Explanatory Note 019 - Radioactive Waste
- Radioactive Substances - Use
- Radioactive Waste – LSA and NORM
- Radioactive Waste – Storage and Disposal
1.7 Wells

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>Offshore Installations and Wells (Design and Construction, etc) Regulations 1996</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The operator</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>N/A</td>
</tr>
</tbody>
</table>

This regulation shall apply in Britain and where Sections 4(1) and (2)(b) of the Health and Safety at Work etc. Act 1974 (Application outside Great Britain) Order 2001 apply.

The two relevant regulations for this report are as follows:

“10. Decommissioning and dismantlement
The duty holder shall ensure that an installation is decommissioned and dismantled in such a way that, so far as is reasonably practicable, it will possess sufficient integrity to enable such decommissioning and dismantlement to be carried out safely.”

“15. Design with a view to suspension and abandonment
The well operator shall ensure that a well is so designed and constructed that, so far as is reasonably practicable:

a. It can be suspended or abandoned in a safe manner and

b. After its suspension or abandonment there can be no unplanned escape of fluids from it or from the reservoir to which it led”

Even if these regulations are applied during the design and the construction phases of offshore installations and wells, while planning the decommissioning, the duty holder should still ensure both regulations are adhered to. This means, for example, that wells will be suspended following the design provision in order to avoid any escape of fluids.

NB: Northern Ireland has its own Offshore Installations and Wells (Design and Construction, etc.) Regulations, but Regulations 10 and 15 and their requirements are the same.
1.8 Taxation issues

As with every industrial sector, oil and gas field operators in British waters are obliged to pay specific taxes. Most operators pay only the Corporation Tax (CT) and the Supplementary Charge (SC), while a number in the North Sea also pay Petroleum Revenue Tax (PRT). The Energy Group of the Large Business Service of HM Revenue and Customs administers these taxes.

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>Finance Act</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The operator</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>HM revenues</td>
</tr>
</tbody>
</table>

During decommissioning, such costs will be met, in part, by the British Government through tax allowances. The following two subsections explain how these taxes are applied along with possible allowances and corresponding rates.

1.8.1 Corporation Tax (CT)

Corporation Tax is payable by every company involved in oil and gas exploration and production, based on the overall oil exploration trade profits. The rate is 28% for non-ring fenced profits and 30% for ring-fenced profits. Since 1st January 2006, an additional 20% charge is also payable by all ring-fenced profits field.

Regarding decommissioning and tax allowances, two situations may arise:

- **If the operator has other fields**

  In this case, in the first year, the operator will receive a 100% allowance on Corporation Tax of decommissioning expenses as a deduction on the amount due.

- **If the operator owns this field only**

  Here, the operator will have to recalculate the due taxes and HM Revenue and Customs will refund the over-taxed sum relating to decommissioning costs. The allowance will apply to 100% of the expenses, and any recalculation can be backdated to 2002.


1.8.2 Petroleum Revenue Tax (PRT)

The Petroleum Revenue Tax is a field-based tax charged on individual field profits. It is in addition to Corporation Tax, but deductible as an expense against CT and the Supplementary Charge. The current rate is 50%.

For decommissioning, as for CT, the operator will have to recalculate tax bills and a 100% of the cost allowance will be refunded. In this situation, any refund can be backdated to the start of the field.[13]

NB: This refund will be made with interest.

• Ring Fencing is a practice used by a company or states which creates legal entities separate from themselves in order to protect specific assets or tax revenues.[14] For CT, the SC and the PRT, there is a ring fence, prohibiting the offsetting of losses from non-UKCS activities (refining and marketing, for example) against income from the UKCS. This protects tax revenues to the state. The ring fence is around each field for the PRT. Non-ring fence refers to any activity outside the UKCS. [15]

1.9 General requirements

1.9.1 Inshore and onshore activities

If, during decommissioning operations, activities are undertaken within inshore waters or onshore, it is the operator’s duty to ensure all requirements of the relevant regulations are met.

For example, in the case of discharge in coastal waters, an environmental permit will be required under the Environmental Permitting (England and Wales) Regulations 2010.

Contact with DECC, HSE, the EA/SEPA and any other competent authorities will help ascertain whether specific compliances are missing.
1.9.2 Safety

During decommissioning work, particular attention should be paid to safety. This relates to working methods and mitigation measures taken to ensure that no harm will arise to employees, any other person or the environment. It also aims to ensure that work on the removed installations or pipelines will be handled properly and that any additional risks arising through decommissioning work will be controlled and managed.

A range of statutory health and safety provisions will then have to be complied with. For example, the Health and Safety at Work etc Act 1974 makes some requirements, either generally relating to the employee’s safety at all times or, more specifically, where installations, pipelines and/or waste are brought onshore.

As there are too many potential situations to cover in this document, these other regulations and/or requirements are not detailed in this report. More regulatory details or advice on specific cases can be obtained from the Health and Safety Executive (HSE), which enforces all safety regulations.

The following table indicates the division responsible for each part of the regulations:

<table>
<thead>
<tr>
<th>Part of the regulations</th>
<th>HSE’s Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offshore health and safety legislation</td>
<td>Hazardous Installations Directorate (Offshore division)</td>
</tr>
<tr>
<td>Pipeline safety legislation</td>
<td>Hazardous Installations Directorate (Specialised Industries Division)</td>
</tr>
<tr>
<td>Application of the Health and Safety at Work etc Act 1974 (and regulations made under the Act)</td>
<td>For any activities associated with decommissioning carried out onshore: Field Operations Division</td>
</tr>
</tbody>
</table>

Table 1: HSE’s divisions knowing the different legislation parts
1.9.3 Control of Substances Hazardous to Health compliance

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>Control of Substances Hazardous to Health Regulations (COSHH) 2002 (amended)</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The operator</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>HSE</td>
</tr>
</tbody>
</table>

As decommissioning activities are likely to involve the use of hazardous substances, the operator must adhere to the requirements of COSHH regulations.

Under COSHH regulations, the employer must undertake a detailed risk assessment regarding the use of hazardous chemicals.
1.9.4 Miscellaneous

Other regulations may be relevant during decommissioning operations; the operator must ensure that the decommissioning work is compliant with these regulations, where appropriate.

<table>
<thead>
<tr>
<th>Regulations</th>
<th>Subject</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Control of Asbestos at Work Regulations 2002</td>
<td>Legal requirements for the dismantling and disposal of asbestos and asbestos containing materials</td>
</tr>
<tr>
<td>Provision and Use of Work Equipment Regulations (PUWER)</td>
<td>Relevant generally to items of plant and infrastructure, and there are other regulations that will apply only to specific items, for example regulations pertaining to pressure vessels</td>
</tr>
<tr>
<td>Electricity at Work Regulations</td>
<td></td>
</tr>
<tr>
<td>PPG 6 Working at Construction Design and Management (CDM) Regulations 2007</td>
<td>Any required dismantling of buildings will be undertaken in accordance with environmental agency pollution control guidelines and other requirements</td>
</tr>
<tr>
<td>Pollution Prevention and Control (PPC) Regulations</td>
<td>All activities associated with decommissioning must be designed to take an integrated environmental approach to prevent pollution of the local and global environment</td>
</tr>
</tbody>
</table>
2. SPECIFIC LEGISLATION

Aside from the regulations outlined above, other specifications may be subject to compliance with other regulations. This section aims to highlight other regulations. It will be the operator’s duty to determine if any are applicable for platform decommissioning.

2.1 Combined Decommissioning Programmes

In some cases, it can be agreed with DECC that it would be beneficial to include more than one programme within the same decommissioning document (e.g. in the context of simultaneous pipelines and platform decommissioning). In this situation, the programme should take account of the following:

- A clear statement in the introduction should specify that the document contains more than one programme, one for each set of associated Section 29 Notice Holders
- The obligations associated with each programme should also be clearly identified in the introduction
- A list indicating which installations or pipelines are covered by each programme and which company will be involved in each programme should also be included
- The costs section should clearly identify which costs refer to each programme
- Notice 29 Holders can be different companies: pipeline duty holders are not always the installation duty holders, for example. In a combined Decommissioning Programme, if the responsibility for any survey and monitoring requirements is specific to a programme, it should be clearly indicated. Otherwise, it should be clearly specified that a collective responsibility is shared between all companies
- A timetable covering the work for all programmes should be included

NB: There is no need to duplicate sections and record the same information twice in the programme. Reference and hyperlinks can be used to highlight the allocation of the information already explained elsewhere in the programme.
2.2 Offshore combustion installations

2.2.1 The Greenhouse Gases Emission Trading Scheme (ETS) Regulations 2003

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsibility of:</td>
<td>The permit holder under these regulations</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>DECC</td>
</tr>
</tbody>
</table>

These regulations support the EU Emissions Trading Scheme (EUETS).

Usually, if the aggregated thermal capacity of the combustion equipment on the installation exceeds 20 MW, the operator should apply for, and receive, a permit covering the emission of greenhouse gases (presently only CO₂) prior to decommissioning.

When the aggregated thermal capacity falls below the threshold of 20 MW, the operator must surrender it. Once the permit is surrendered, “the installation will then be deemed “closed”, and will drop out of the EU Emissions Trading Scheme. Installations will be able to retain and trade any surplus allowances for the year of “closure”, i.e. when they fall below the threshold and drop out of the Scheme, but will not receive any allowances for future years.”

Regulation 15 provides information on the procedure to surrender the permit. Further details can be obtained by contacting DECC, as it represents “the regulator” as quoted in the text in the context of this report.

Also, to provide evidence of the allowances surrendered, an independent verification under the EU Emissions Trading Scheme will be necessary.
2.2.2 The Offshore Combustion Installations (Prevention and Control of Pollution) Regulations 2007

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>The offshore Combustion Installations (Prevention and Control of Pollution) Regulations 2007</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The permit holder under these regulations</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>DECC - The Environmental Management Team</td>
</tr>
</tbody>
</table>

These regulations support the Integrated Pollution Prevention and Control (IPPC) Directive for offshore oil and gas installations.

These regulations require that, if the aggregated thermal capacity of the combustion equipment on the installation exceeds 50 MW(th), the operator must apply for a permit.

When the decommissioning operations are planned, a forecast of when the aggregated thermal capacity of the combustion equipment on the installations will fall below the 50 MW(th) threshold can be made. The operator is then required to surrender the permit by notice to DECC for this period.[16]

As no specifications have been published concerning this element of the regulations, the operator should contact the following department for further information:

The Environmental Management Team  
Department of Energy and Climate Change  
Energy Development Unit (EDU)  
Offshore Environment and Decommissioning (OED)  
4th Floor, Atholl House  
86-88 Guild Street  
Aberdeen   AB11 6AR  
Telephone: 01224 254050/254045  
Fax: 01224 254019
2.3 Environment

2.3.1 OSPAR Recommendation 2006/5 on a Management Regime for Offshore Cutting Piles

Drill cuttings are materials extracted during drilling operations; deposited drill cuttings on the seabed are referred to as cutting piles. In some case, cutting piles surround the platform footings and measures should be taken to manage them during decommissioning operations. OSPAR Recommendation 2006/5 on a Management Regime for Offshore Cutting Piles covers this issue.

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>OSPAR Recommendation 2006/5 on a Management Regime for Offshore Cutting Piles</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The operator</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>DECC</td>
</tr>
</tbody>
</table>

The Management Regime for Offshore Cutting Piles is divided into two stages:

1. Within two years of the recommendation taking effect (i.e. before the 30th June 2008), the first stage should have been carried out, i.e. the screening of every cutting pile should have been undertaken to determine the cutting piles that are in need of further investigation.

2. Where further investigations have been required and the results appear to be above the thresholds, Stage two should be initiated (described in detail on the recommendation). The timing would usually have been determined by the operator, in accordance with the DECC and taking into account the results of Stage one.

At the time of decommissioning, the following scenarios may arise:

- No further investigation is required after the first screening, but further investigations have been carried out and the outcome shows that the cutting piles could be left in place. Therefore, no more action is necessary regarding the cutting piles during the decommissioning.

- Further investigations have been carried out and the results are above the required thresholds, but the work regarding the cutting piles has already been done. No further action is necessary.

- The investigations show results above the thresholds and Stage two, normally detailed in the document, indicates the cutting piles will be treated or removed while the decommissioning work is underway. In this case, the operator must take these findings into account and add the work on the cutting piles into the scope of work.

If the operator plans to leave the cutting piles in place, the OSPAR Decision states that an authorisation from the competent authorities is needed. In this case and in the absence of specific regulations, the operator should contact DECC to discuss the assessment and notification procedures.[17]
2.4 Explosives

The use of explosives during decommissioning is considered to pose a risk to marine life. For this reason, two regulations and JNCC guidelines have been developed. It is the operator’s duty to comply with these regulations when using explosives.

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations</td>
<td>The Habitat Regulations (HR) for England and Wales 2001 (as amended in 2007 and 2009) and the Offshore Marine Conservation (Natural Habitats, &amp;c.) Regulations 2009 (as amended)</td>
</tr>
<tr>
<td>Responsibility of:</td>
<td>The Operator or any person designed by the Operator to undertake works with explosives on his behalf</td>
</tr>
<tr>
<td>To be referred to:</td>
<td>Joint Nature Conservation Committee (JNCC)</td>
</tr>
</tbody>
</table>

To kill, injure or disturb European marine protected species (including all cetaceans, such as whales, dolphins or porpoises) is an offence under the Habitat Regulations (HR) for England and Wales 2001 (amended 2007 and 2009) and the Offshore Marine Conservation (Natural Habitats, &c.) Regulations 2009 (amended). As it has been recognised that the sound generated from explosive use has the potential to cause injury or death to marine mammals, the JNCC produced guidelines to help the potential users of explosives minimise such risks. Therefore, if any explosive activities are planned for the decommissioning work, the operator, or any person working on the behalf of the operator, must ensure compliance with these guidelines.

The guidelines define the protocols to be followed during the planning and the explosive activity. The three main stages are as follows:

1. The planning stage
2. During the explosives activity
3. Reporting to JNCC

For more information on these requirements, consult the JNCC guidelines ‘Minimising the risk of disturbance and injury to marine mammals whilst using explosives’
2.5 Export Control

If some parts of the decommissioned installations, pipelines or individual items are to be re-used outside the UKCS, a licence may be required, depending on the nature of the re-used part.

<table>
<thead>
<tr>
<th>Prerequisite</th>
<th>None</th>
</tr>
</thead>
</table>
| Regulations      | The Export Control Act 2002 and the associated secondary legislation (known as “orders”)  
                  | The Export Control Order 2008  
                  | The Export of Radioactive Sources (Control) Order 2006. |
| Responsibility of: | The operator or any person designed by the operator to undertake the export |
| To be referred to: | Export Control Organisation, part of the BIS (Department for Business Innovation & Skills) |

As many scenarios can potentially arise, the following paragraph will only indicate where information can be found.

Further information relating to the export of decommissioned equipment from the UKCS can be found on the BIS website on the Export Control Policy and Consultations page and also on the Businesslink website on the Export.

SUMMARY

The list of other mandatory regulations detailed in this section has been intended to provide key information concerning further legislation and procedural obligations that govern offshore decommissioning projects.

Supporting evidence, references and points of information for further information are provided in References and Appendices together with links to complete texts that have been quoted from in this section.

If the regulatory information you require is not included in this document, please contact Bureau Veritas using the contact details provided.
References
References

[1] Section 16(2) of The Petroleum Licensing (Exploration and Production) (Seaward and Landward Areas) Regulations 2004
[3] Section 34 of the Petroleum Act
[11] United Kingdom Oil and Gas Law, Sweet & Maxwell
[12] Oil Taxation Act 1975
[14] Discussion with Professor Alex Kemp, Professor of Petroleum Economics, Director of Aberdeen Centre for Research in Energy Economics and Finance (ACREEF)
[16] Discussion with Doctor John Paterson, School of Law, The University of Aberdeen
[17] Guidance on HSE and LC requirements concerning radioactive materials during decommissioning operations, Doctor George Shircliffe, Rolls Royce
Appendices

Move Forward with Confidence
Appendices

Appendix 1: Content of the CoP document

Appendix 2: Content of “Description of Items to be decommissioned” from the Decommissioning Programme

Appendix 3: Regulation 12: Management of health and safety and control of major accident hazards of the guide to the Offshore Installations (Safety Case) Regulations 2005

Appendix 4: Regulation 14: Revision of safety case of the guide to the Offshore Installations (Safety Case) Regulations 2005

Appendix 5: Schedule 5: Particulars to be included in a current safety case in respect of the dismantling of a fixed installation of the guide to the Offshore Installations (Safety Case) Regulations 2005

Appendix 6: When is a permit under OCCP regulations required?

Appendix 7: Section, “Offshore installations”, The Health and Safety at Work etc. Act 1974 (Application outside Great Britain) Order

Appendix 8: Section, “Pipelines”, The Health and Safety at Work etc. Act 1974 (Application outside Great Britain) Order 2001

Appendix 9: Environmental and Safety principles concerning radioactive materials and decommissioning
Appendix 1:

Content of the CoP document

“The amount of detail required in the Cessation of Production (CoP) Document will depend on the size and complexity of the field and its production facilities. It is recommended the operator discusses the format of the CoP document with the Department before detailed drafting begins.

The document should provide:

Executive summary

A management summary of what is in the body of the document. The summary should also contain a statement of the Licensees’ intentions with regard to retention of relinquishment of the licence following decommissioning.

Field economic limit criteria

This section should include a detailed analysis of:

- Definition of economic limit
- Determination of cut-off rates and timing
- Cash flow over the period up to this economic limit and approximately 2 years beyond
- It is important to include detailed information on any factors that would advance or postpone the economic limit so that the Department can form a view as to the main sensitivities and uncertainties involved
- The costs and any revenues associated with CoP itself (capital and operating expenditures and any residual value of field assets)
- The form and costs of abandonment if these affect the timing of the economic limit
**Field life extension - options investigated**

Outline of concepts and scope/timing of possible incremental activity investigated together with potential economics. Annual data for production, capital and operating costs should be provided for all projects, with summary economic indicators (Net Present Value and Internal Rate of Return) on a pre tax basis. Examples could be:

- New 3D seismic or re-processing of existing seismic data
- Infill/additional wells (incl. coiled-tubing, multi-lateral drilling or any novel techniques)
- Re-completions
- Development of undrained horizons/fault blocks
- Increased gas/water/oil handling facilities
- Increased injection facilities
- Artificial lift
- Gas compression
- Gas import/export and utilisation
- Power import/export
- Maintenance regime
- Reduced manning

It is important to record for potential future operators why opportunities were not viewed as economic to pursue.

**Final field status including third party-production processed/transported**

A summary of the field surface layout in terms of platforms, wells, subsea wells and manifolds, intra-field flow lines, topside facilities, and transportation of products, e.g. pipelines and/or offshore loading.

Production and injection profiles together with projections through to economic limit and approximately two years beyond.

Brief details of any third party production that is processed and transported via the current facilities. This discussion should consider the impact of removal/alteration of platforms and subsea manifolds and the future handling of satellite and/or third party production.

Details of any remaining licence obligations.

The document should also contain appropriate reservoir maps indicating the estimated location and distribution of remaining technically recoverable oil/gas that will be undrained at the time of Cessation of Production. In addition some conception of likely changes in such distributions over time should be given for completeness of the record.
**Additional developments status including third party**

A summary of all nearby fields which can potentially be developed from the existing facilities and infrastructure should be listed. This should also include all third parties fields. The following information will assist in making an assessment on the viability or otherwise of potential additional development.

- Field details and status, location, exploration, appraisal etc
- Hydrocarbon reserve estimate i.e. type oil/condensate/gas and size
- Outline of development scheme considered or under consideration
- Viability or otherwise of the development
- Reasons why the development cannot proceed, i.e. requires new technology, economics, difficulty in agreeing tariff rates with third parties etc
- Impact of life extension for the parent facilities
- What needs to be done to promote and accelerate development?

Conceptual decommissioning plans. The decommissioning of offshore installations and pipelines are the subject of the Petroleum Act 1998. The Act provides the Secretary of State with powers to require those parties with a decommissioning liability for offshore oil and gas facilities to submit costed Decommissioning Programmes for his approval. This process is administered by the Department’s Offshore Decommissioning Unit in Atholl House, Aberdeen. They should be contacted separately to discuss the necessary arrangements.

Such approval is separate from approval of the CoP document. It will be important, however, to include in the CoP document an indication of decommissioning plans. This should provide a general outline of the sequence of events which will take place from production cessation until complete decommissioning of wells, facilities and pipelines and include an estimate of the timetable and cost of such operations. It will be important to clarify in the CoP document that all reasonable steps will be taken during the decommissioning stage to facilitate decommissioning, whether immediately or at some time in the future, and to ensure that any requirements related to decommissioning (including environmental considerations) will not be prejudiced. This is especially important when there is a considerable time delay between CoP and actual decommissioning, e.g. a tariffing phase of operations involving the whole or part of the field facilities and pipelines."[19]
Appendix 2:

Content of “Description of Items to be decommissioned” part of the Decommissioning Programme

*A description, inclusive of diagrams, covering:

Installations
- Support structures for fixed and floating installations (type, size, arrangement and weights)
- Topsides for fixed and floating installations (type, size, configuration, equipment and weights)
- A list of all wells (including subsea and satellite wells and whether active, suspended or abandoned)
- Subsea equipment on or in the seabed (size, weight, height above seabed, whether piled or not, type of construction and material, details of interaction between equipment and other uses of the sea, e.g. fishing)
- Offshore loading facilities
- Any other installed items

Pipelines, flow lines and umbilicals
- Lengths, diameters, type of construction
- The extent of burial, trenching and details of any concrete mattresses, grout bags, rock-dump or other materials used to cover the lines
- Details of any subsea facilities that form part of the pipelines (e.g. PLEM, UTA, riser anchor bases)
- The stability of the pipelines including details of any spanning or exposure (survey data and history to support information given in this section should be included as an annex to the programme)
- Details of interaction between any part of the pipelines and other uses of the sea (e.g. fishing)

Materials on the seabed
- Drill cuttings (amount, composition, dimensions) or cross-reference the drill cuttings section of the programme if appropriate
- Debris
- Any other materials

In some cases there will be related equipment, usually within the same field, that is not covered by the Decommissioning Programme. If appropriate this should be listed here for clarity and an explanation given of why it is not part of the programme. The requirement for this will vary with each case and will be established during early discussions with DECC in stage one of programme development.*
Appendix 3:

Regulation 12: Management of health and safety and control of major accident hazards of the guide to the Offshore Installations (Safety Case) Regulations 2005

Regulation (1) The duty holder who prepares a safety case pursuant to these Regulations shall, subject to paragraphs (2) and (3), include in the safety case sufficient particulars to demonstrate that:

(a) his management system is adequate to ensure:
   (i) that the relevant statutory provisions will, in respect of matters within his control, be complied with
   (ii) the satisfactory management of arrangements with contractors and sub-contractors

(b) he has established adequate arrangements for audit and for the making of reports

(c) all hazards with the potential to cause a major accident have been identified

(d) all major accident risks have been evaluated and measures have been, or will be, taken to control those risks to ensure that the relevant statutory provisions will be complied with

Guidance 176 The safety case must provide ‘sufficient particulars’, i.e. enough information to show that the required demonstrations have been made. These demonstrations are in addition to the descriptions and other details required by the relevant schedules. This applies both to new safety cases submitted under regulations 7 and 8 and to revisions submitted under various regulations, including the transitional arrangements for existing safety cases under regulation 27.

177 Demonstrations should include evidence that:

(a) there is an effective safety management system (SMS) which ensures that the organisational arrangements in place, if fully implemented, will enable the duty holder to comply with relevant health and safety legislation. The RSPs (see paragraph 80 for an explanation of this term) referred to in regulation 12(1)(a)(i) are not restricted to those dealing with major accident risks because the demonstration should consider the adequacy of the SMS as a whole

This does not mean that the safety case must detail compliance with every legal provision; the major accident risk aspect of the demonstration is covered by regulation 12(1)(d). The focus here is on the capability of the management system including, for example, arrangements to co-operate with other duty holders. Sub-paragraph 12(1)(a)(ii) specifically requires the demonstration to cover the arrangements for managing contractors.
The demonstration should include a description of how the SMS is integrated with the duty holder’s general business management systems and practices, particularly in relation to managing change.

(b) hazards with the potential to cause a major accident have been identified and that risks arising from those hazards are or will be adequately controlled. The evidence should show that reasoned arguments have been used to make professional judgements about the nature, likelihood and consequences of potential major accident events that may occur, and the means to prevent these events or minimise their consequences should they occur. The evidence should also show that the duty holder’s risk acceptance criteria are appropriate.

178 Regulation 12(1)(d) requires the risks of a major accident to be controlled in order to ensure compliance with the relevant statutory provisions, i.e. for the purpose of meeting the requirements of the HSW Act, PFEER, DCR and other provisions relevant to major hazards. In assessing the safety case, HSE will look for assurance that the measures identified are capable of achieving compliance with these provisions. To provide this assurance, duty holders need to evaluate the risks in an integrated manner and consider whether further measures are needed to reduce risks to the level required by law. As a minimum, the HSW Act requires risks to be eliminated so far as is reasonably practicable (equivalent to reducing risks to as low as reasonably practicable). Other provisions, such as PFEER, may set different standards - all must be met. Duty holders may not directly control all activities giving rise to major accident risks and will need contributions from others (under MAR regulation 8 duty of co-operation) to ensure a comprehensive evaluation.

179 ‘Connected activities’ (see regulation 2(8) and guidance) must be taken into account in the safety case demonstration under regulation 12(1)(a), regarding the adequacy of the duty holder’s management system to ensure compliance with health and safety legislation. The potential of any ‘connected activity’ to cause a major accident on the installation (regulation 12(1)(c) and (d)) also needs to be addressed in the safety case.

The risk assessment demonstration

180 The evaluation of a major accident risk requires the systematic use of appropriate techniques; these may be qualitative, semi-quantitative or quantitative. The choice of approach should be proportionate to the level of risk and the complexity of the problem. Guidance on the selection of an appropriate approach to risk assessment is available in the offshore information sheet 3/2006 Guidance on risk assessment for offshore installations.27 This guidance also describes the importance of management ownership of the risk assessment process.
181 For each identified major accident hazard, the safety case demonstration should contain sufficient details of the following process:

(a) identification of a range of potential measures for further risk reduction
(b) systematic analysis of each of these measures to evaluate the safety
(c) benefit associated with each of them
(d) evaluation of the reasonable practicability of the identified measures
(e) implementation (or planned implementation) of reasonably practicable measures
(f) a record of the process and results

182 The systematic analysis of options for reasonable practicability should make reference to relevant good practice and sound engineering judgement.

Where appropriate, this should be supported by reference to suitable and sufficient risk assessment. If a measure appears practicable and the cost of the measure is not grossly disproportionate to the benefit gained, then the measure is reasonably practicable and should be implemented. Further guidance is available in offshore information sheet 2/2006 Offshore Installations (Safety Case) Regulations 2005 Regulation 12: Demonstrating compliance with the relevant statutory provisions. [Available at: www.hse.gov.uk/offshore/sheet22006.pdf]

Regulation (2) Paragraph (1) shall only require the particulars in the safety case to demonstrate the matters referred to in that paragraph to the extent that it is reasonable to expect the duty holder to address them at the time of sending the safety case to the Executive.

Guidance 183 Safety cases need include only those particulars that could reasonably be expected to be provided when the safety case is submitted. This applies only to the demonstrations required by regulation 12, not to the descriptions required by the schedules. It will be unusual, however, for this situation to occur. Once accepted, the safety case must be kept up to date. If there is a material change after HSE accepts the safety case this will require a revision under regulation 14(2).
Regulation (3) In this regulation, “audit” means systematic assessment of the adequacy of the management system to achieve the purpose referred to in paragraph (1)(a) carried out by persons who are sufficiently independent of the system (but who may be employed by the duty holder) to ensure that such assessment is objective.

Guidance 184 This definition means that the arrangements described must demonstrate that audits are systematic and independent. They should address the adequacy of the management system in complying with the relevant statutory provisions (i.e. the health and safety legislation applying to offshore installations). The guidance on independence for the purposes of regulation 2(7) may also be relevant. Audit reports are required to be kept under regulation 18, which also requires subsequent actions to be recorded - see paragraph 219.

Review and revision of safety case and conforming with a safety case

185 The safety case is intended to be a living document that reflects the reality of the current operating status on the installation. Changes are likely to occur in the environment, in the activities carried out or in other factors that may affect risks to people. It is therefore important that the safety case is reviewed in the light of any such changes and revised as often as may be necessary to ensure it reflects reality. Such reviews are likely to be limited but frequent and should not be confused with the periodic thorough review required by regulation 13. HSE may direct a revision or a thorough review where the duty holder has failed to identify the need.

186 The Offshore Installations (Safety Representatives and Safety Committees) Regulations 1989 require duty holders to consult installation safety representatives when reviewing or revising a safety case. This provides an opportunity to share information on developing the safety case and for safety representatives to contribute their knowledge of day-to-day operations. Such consultation should help to secure additional confidence in the safety case arrangements. See paragraphs 37-41 for further guidance on consulting safety representatives.
Appendix 4:

Regulation 14: Revision of safety case of the guide to the Offshore Installations (Safety Case) Regulations 2005

Regulation (1) In addition to the other occasions on which a duty holder must revise a current safety case pursuant to these Regulations, a duty holder shall revise a current safety case:

(a) when appropriate
(b) when directed to do so by the Executive pursuant to regulation 15(1)

Guidance

196 Regulation 14(1) requires the safety case to be kept up to date, reflecting the current state of the installation and its operations, as well as correcting any errors. Even apparently minor changes should be assessed and logged, and all relevant documentation updated as appropriate. Careful logging of modifications is essential in enabling duty holders to demonstrate that they continue to operate the installation in conformity with their safety case, as required by regulation 16. A non-production installation that leaves UK waters or is temporarily taken out of use need not keep its safety case up to date, but the safety case must be updated before returning to operations in UK waters.

197 The need for revision may be triggered by events such as an accident or incident, an audit, a change of duty holder or changes to the emergency procedures. As well as the general requirement under regulation 14, revisions may also be required under regulation 9(5) (converting a non-production installation to a production installation), regulation 11 (dismantling a fixed installation), when HSE directs under regulation 15(1), or under the transitional arrangements in regulation 27.

198 Revisions do not need to be submitted to HSE unless they:

(a) make material changes to the safety case (see regulation 14(2) below)
(b) are required by regulation 9(5) or regulation 11
(c) follow a direction by HSE under regulation 15(1)
(d) are under the transitional arrangements (relating to combined operations) in regulation 27(2)

199 The Offshore Installations (Safety Representatives and Safety Committees) Regulations 1989 require duty holders to consult installation safety representatives when revising a safety case.
Regulation (2) Revisions made under sub-paragraph (a) of paragraph (1) which make a material change to the current safety case shall not be effective unless:

(a) the duty holder has sent a version of the current safety case which incorporates the proposed revisions, showing clearly where they are to be made, to the Executive:

(i) at least 3 months, or such shorter period as the Executive may specify

(ii) where the revisions relate to a combined operation, at least 6 weeks, or such shorter period as the Executive may specify, before the revisions are to be made

(b) the Executive has accepted the revisions.

(3) Without prejudice to the generality of paragraph (2):

(a) no well operation shall constitute a material change

(b) no revision prepared or made pursuant to regulation 27 shall constitute a material change

(c) the movement of a production installation to a new location to be operated there shall constitute a material change

(d) the conversion of a production installation to enable it to be operated as a non-production installation shall constitute a material change, to the current safety case for the purposes of paragraph (2)

Guidance 200 Any revisions that make a material change to a safety case must be submitted to HSE for acceptance. A material change is likely to be one that changes the basis on which the original safety case was accepted. This would involve changes to the basis on which risk control decisions are made or which necessitate a review of the adequacy of major hazard control measures. It includes both physical modifications and operational management changes of sufficient significance.

201 The duty holder must decide, in the light of all the circumstances of the installation, what constitutes a material change. If in doubt, duty holders are welcome to discuss prospective changes with HSE. The need for a material change may become apparent following an accident or incident on the installation, or as a result of an audit of the SMS by the duty holder or HSE. Some examples of changes that would warrant revisions to be submitted are:

(a) modifications or repairs to the structure or any plant and equipment where the changes have or may have a major negative impact on safety

(b) the introduction of new activities on the installation or in connection with it, including new kinds of combined operation
(c) changes of operator or ownership involving significant changes in the management system, and the contracting out of or significant change to the management function

(d) an extension of use of the installation beyond its original design life

(e) decommissioning a production installation and connected pipelines (see paragraph 168) prior to dismantling

(f) major changes in technology

202 Regulation 14(3) specifies certain actions that either are or are not material changes. Moving a production installation to a new operating location and converting a production installation to a non-production installation are both material changes. Well operations are not in themselves material changes, as they must be notified under regulation 17. However, material changes could arise from the equipment used, for example introducing a well-testing surface package or an underbalanced drilling surface package. Any revision made under the transitional arrangements in regulation 27 is not material change, though transitional revisions relating to combined operations have to be submitted under regulation 27(2).

203 Implementing a material change before HSE accepts the revised safety case would breach the duty in regulation 16 to follow the procedures and arrangements set out in the current (accepted) safety case. Any necessary preliminary work (for example, preparatory plant modifications that do not change operational parameters) could be done so far as this is covered by the existing safety case, but the material changes could not take effect before HSE accepts the revised case.

204 For ease of assessment, the duty holder must submit a complete version of the safety case, clearly showing the proposed revisions in context. This will also incorporate any revisions made under regulation 14(1) which did not have to be accepted by HSE. There is no requirement to indicate such changes since the last safety case acceptance, but doing so will also speed up HSE’s assessment. HSE’s acceptance decision will relate solely to the proposed material changes, so if HSE is unable to accept the revisions for some reason the previously accepted safety case will not be affected. Regulation 24 provides to the duty holder a right of appeal to the Secretary of State if HSE does not accept a revision.
Appendix 5:

Schedule 5: Particulars to be included in a current safety case in respect of the dismantling of a fixed installation of the guide to the Offshore Installations (Safety Case) Regulations 2005

Schedule

1. The name and address of the operator of the installation
2. The dates on which dismantling is expected to commence and finish
3. A summary of how any safety representatives for that installation were consulted with regard to the revision of the safety case pursuant to regulation 23(2)(c)(i) of the Offshore Installations (Safety Representatives and Safety Committees) Regulations 1989
4. The maximum number of persons expected to be on the installation at any time during its dismantling
5. A description of how the duty holder will comply with regulation 4(1) of the PFEER Regulations with regard to the dismantling of the installation
6. A description of arrangements made for protecting persons on the installation from toxic gas at all times other than during any period while they may need to remain on the installation following an incident which is beyond immediate control
7. A description of how the proposed arrangements, methods and procedures for dismantling the installation and connected pipelines take adequate account of the design and method of construction of the installation and its plant

Guidance

296 These particulars are to revise the current safety case to the extent that they are not already covered. Many other details will remain unchanged. The revision needs to cover the period from the start of dismantling operations to their completion. The revision can draw upon the work required to comply with DCR regulation 10.

297 Further information relevant to these matters is included in Assessment principles for offshore safety cases.
Appendix 6:

When is a permit under OCCP regulations required?

6.1 The Regulations prohibit the discharge of oil into the sea otherwise than in accordance with the terms of a permit issued to cover the discharge. Operators of offshore installations must therefore identify all oil discharges to relevant waters, and apply to the DTI for an oil discharge permit to cover those discharge streams. It should be noted that, in the context of these Regulations, relevant waters includes areas below relevant waters, and an oil discharge permit will therefore be required for the injection, or re-injection, of discharge streams containing oil.

6.2 Notwithstanding the above, oil discharge permits will not be required for the discharge of hydrocarbons or substitute hydrocarbons that are the subject of a permit issued under The Offshore Chemicals Regulations 2002 (see Annex A, Paragraph A2.1). The use and potential discharge of chemicals such as low toxicity oil-based drilling fluids, synthetic-based drilling fluids and lubricants added to water-based drilling fluids will therefore be permitted under The Offshore Chemicals Regulations 2002. Thus, the discharge of cuttings contaminated with low toxicity oil-based drilling fluids that had been treated to meet the 1% Oil on Cuttings (OOC) standard would be controlled under The Offshore Chemicals Regulations 2002, but the discharge of cuttings contaminated with reservoir hydrocarbons would be controlled under these Regulations.

6.3 Oil discharge permits will also not be required for the discharge of hydrocarbons, or substitute hydrocarbons that are controlled under the Merchant Shipping (Prevention of Oil Pollution) Regulations 1996 and the Merchant Shipping (Prevention of Oil Pollution by Garbage) Regulations 1998.

6.4 Following application and consideration by the DTI, an oil discharge permit will either be issued or refused. If issued, the permit will include a schedule for each discharge stream that will detail any conditions attached to the permit. If refused, the reason for the refusal will be provided. It should be noted that permits will not be issued in connection with operations or processes that, under normal circumstances, should not give rise to a discharge of oil to sea.

6.5 Under certain circumstances, for example in the case of discharges associated with the disconnection of a pipeline, the DTI will issue a permit that does not include detailed conditions relating to the discharge stream, or will include the discharges in the general schedule attached to an existing oil discharge permit. The decision to issue such a permit, or include the discharges in the general schedule, would take account of the nature and magnitude of the discharge operation, and the potential environmental impact.\[7\]
Appendix 7:

Section, “Offshore installations”, The Health and Safety at Work etc. Act 1974 (Application outside Great Britain) Order

Offshore installations

7. (1) The prescribed provisions of the 1974 Act shall apply within the territorial sea or a designated area to and in relation to:

(a) Any offshore installation and any activity on it

(b) Any activity in connection with an offshore installation, or any activity which is immediately preparatory thereto, whether carried on from the installation itself, in or from a vessel or in any other manner, other than:

(i) Transporting, towing or navigating the installation

(ii) Any activity in or from a vessel being used as a stand-by vessel

(c) A diving project involving:

(i) The survey and preparation of the seabed for an offshore installation

(ii) The survey and restoration of the seabed consequent on the removal of an offshore installation

(2) In this Order "offshore installation" means:

(a) The fixed structures consisting of six towers referred to in the Schedule to this Order as NSR M-1, NSR R-1, NSR R-2, NSR R-3, NSR R-4 and NSR R-5 and settled on the sea bed at the locations specified in the Schedule and the related cables between each of those towers at sea bed level and the related cables which lie or extend outside the said locations

(b) Subject to paragraph (3) of this article, a structure which is, or is to be, or has been, used while standing or stationed in water, or on the foreshore or other land intermittently covered with water:

(i) For the exploitation, or exploration with a view to exploitation, of mineral resources by means of a well

(ii) For the storage of gas in or under the shore or bed of any water or the recovery of gas so stored

(iii) For the conveyance of things by means of a pipe

(iv) Mainly for the provision of accommodation for persons who work on or from a structure falling within any of the provisions of this sub-paragraph, together with any supplementary unit which is ordinarily connected to it, and all the connections
(3) Any reference in paragraph (2)(b) to a structure or unit does not include:

(a) A structure which is connected with dry land by a permanent structure providing access at all times and for all purposes

(b) A well

(c) A structure which has ceased to be used for any of the purposes specified in paragraph (2)(b) of this article and has since been used for a purpose not so specified

(d) A mobile structure which has been taken out of use and is not yet being moved with a view to its being used for any of the purposes specified in paragraph (2)(b) of this article

(e) Any part of a pipeline
Appendix 8:

Section, “Pipelines”, The Health and Safety at Work etc. Act 1974 (Application outside Great Britain) Order 2001

Pipelines

8. (1) The prescribed provisions of the 1974 Act shall apply within the territorial sea or a designated area to and in relation to:

(a) Any pipeline

(b) Any pipeline works

(c) The following activities in connection with pipeline works:

(i) The loading, unloading, fuelling or provisioning of a vessel

(ii) The loading, unloading, fuelling, repair and maintenance of an aircraft in a vessel, being in either case a vessel which is engaged in pipeline works

(2) In this article:

"Pipeline" means a pipe or system of pipes for the conveyance of any thing, together with:

(a) Any apparatus for inducing or facilitating the flow of any thing through, or through part of, the pipe or system

(b) Any apparatus for treating or cooling any thing which is to flow through, or through part of, the pipe or system

(c) Valves, valve chambers and similar works which are annexed to, or incorporated in the course of, the pipe or system

(d) Apparatus for supplying energy for the operation of any such apparatus or works as are mentioned in the preceding paragraphs

(e) Apparatus for the transmission of information for the operation of the pipe or system

(f) Apparatus for the cathodic protection of the pipe or system

(g) A structure used or to be used solely for the support of a part of the pipe or system

But not including a pipeline of which no initial or terminal point is situated in the United Kingdom, within the territorial sea adjacent to the United Kingdom, or within a designated area
"Pipeline works* means:

(a) Assembling or placing a pipeline or length of pipeline including the provision of internal or external protection for it

(b) Inspecting, testing, maintaining, adjusting, repairing, altering or renewing a pipeline or length of pipeline

(c) Changing the position of or dismantling or removing a pipeline or length of pipeline

(d) Opening the bed of the sea for the purposes of the works mentioned in sub-paragraphs (a) to (c) of this definition, and tunnelling or boring for those purposes

(e) Any activities incidental to the activities described in sub-paragraphs (a) to (d) of this definition

(f) A diving project in connection with any of the works mentioned in sub-paragraphs (a) to (e) of this definition or for the purpose of determining whether a place is suitable as part of the site of a proposed pipeline and the carrying out of surveying operations for settling the route of a proposed pipeline
Appendix 9:

Environmental and Safety principles concerning radioactive materials and decommissioning

1. A facility should be made passively safe before entering a care and maintenance or demolition phase

2. All decommissioning activities should be justified and performed in full compliance with requirements established at the point of decommissioning and demonstrated to present a risk to workers, the public and the environment that is tolerable and satisfies the concepts of ALARP/BPEO/BPM

3. Decommissioning should be carried out as soon as is reasonably practicable. Unless a significant benefit can be ascertained in delaying decommissioning activities, such activities should be conducted at the earliest appropriate time

4. Appropriate records and documentation associated with the decommissioning of the facility should be retained for a period specified by the regulatory body and for a period following completion of decommissioning activities

5. The more specific decommissioning safety and environmental principles that are addressed within this strategy document and that satisfy the above principles can be summarised as follows:

   (a) In general, decommissioning should be carried out as soon as it is reasonably practicable taking account of all relevant factors

   (b) Decommissioning should be carried out using methods/techniques consistent with the Best Practicable Environmental Option (BPEO) and use of Best Available Techniques (BAT)

   (c) Hazards should be reduced in a progressive and systematic. Prior to decommissioning all hazardous substances, nuclear material and contaminated items should be removed and facilities made passively safe

   (d) Radioactive waste should be managed using Best Practicable Means (BPM) and disposed of where existing routes allow, otherwise it should be put into a passively safe state for interim storage pending future disposal or other long-term solution

   (e) Radioactive discharges should be minimised using BPM and increases in discharges should only be considered in exceptional circumstances. The impact of decommissioning should not result in an increase in authorised discharge limits
(f) The risk on-site personnel and to members of the public resulting from any decommissioning activity should be ALARP

(g) The decommissioning process should be controlled by detailed plans and written procedures

(h) Appropriate records, documentation and safety reports that record and support the decommissioning activities shall be retained for a specified period[18]