# Decommissioning; the sustainability challenge

**Tom Baxter** 

#### FOI release Government definitions of sustainability

Definitions of sustainability.

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Applies to: England

**Documents** 

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#### **UK'S SUSTAINABILITY INDICATORS**

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3.	Poverty			24	Noiso
4.	Knowledge and Skills		Department	24.	
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6.	Social Capital			26.	UK CO <sub>2</sub> Emissions by Sector
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10.	Natural Resource Use	19.	Avoidable Mortality	31	Origins of Food Consumed in the LIK
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14.	Debt			34.	Priority Species and Habitats
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#### **UK'S SUSTAINABILITY INDICATORS**



#### **UK'S SUSTAINABILITY INDICATORS - SOCIETY**



#### **UK'S SUSTAINABILITY INDICATORS - ENVIRONMENT**

1. 🤇	Economic Prosperity	
2.	Long Term Unemployment	L åda≻
3.	Poverty	
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8.	Housing Provision	17. Research and Development
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10.	Natural Resource Use	19 Avoidable Mortality
11.	Wildlife	
12.	Water Use	20. Obesity
13.	Population Demographics	21. Lifestyles
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#### **UK'S SUSTAINABILITY INDICATORS - ECONOMICS**

All business decisions have economic, resource, environmental and social impacts.

The three pillars;

PEOPLE PLANET PROFIT

The triple bottom line

#### **MEASURING SUSTAINABILITY – FULL COST ACCOUNTING**



#### THE SUSTAINABILITY ASSESMENT MODEL (SAM)

#### ALL VALUES ARE MONETISED



#### THE SUSTAINABILITY ASSESMENT MODEL (SAM)

## Oil and gas project

## Landfill gas capture

## Tree planting scheme



#### SAM EXAMPLE APPLICATIONS



#### **OIL AND GAS SIGNATURE**



#### LANDFILL GAS CAPTURE



#### **TREE PLANTING**

# Department for Business, Energy & Industrial Strategy, HM Revenue & Customs, HM Treasury

2.17 HMRC forecasts that the cost of tax relief to the taxpayer because of decommissioning expenditure will be approximately £24 billion from 2018-19 to 2062-63.

#### **DECOMMISSIONING – WHO PAYS?**

Where in OSPAR is the underpinning evidence that removal has positive environmental benefits?







#### **OSPAR**



#### The potential for artificial reefs

The alternative to removal is leaving the structure as it is. Although this may seem like abandonment and dumping at sea, there can be ecological benefits to leaving oil rigs in place. For example, fish and other marine organisms are often attracted to large structures such as the 'legs' of oil rigs, using them as artificial reefs, and species such as the rare cold-water coral *Lopnelia pertusa* have been found growing on oil platforms in the North Sea.

There can be ecological benefits to leaving oil rigs in place.

Additionally, fishing activity is restricted up to 500m from oil platforms. These restricted zones make up approximately 1% of the North Sea area and could provide important refuge areas for fish. Once the oil rig is removed, these marine communities disappear and fishing returns to the area.

#### **SCOTTISH WILDLIFE TRUST**



Discussion Paper – Decommissioning Offshore Petroleum Infrastructure in Commonwealth Waters

## 5. Complete removal is the "base case"

There are three main options for decommissioning property: complete removal, partial removal, and repurposing or reuse.

#### **AUSTRALIA**

1. The base line	Social	2. The alternative –
<ul> <li>the current</li> </ul>	Progress	plug and abandon
decommissioning	Dervingen antal	the wells, make
plans	Ouality	clean and safe and
		leave in place.
	Availability	Redirect the capital
	of Resources	saved (tax payers'
	Economic	money) through no
	Prosperity	removal into green
		energy.

#### THE COMPARATIVE STUDY – QUALITATIVE LOOK

Drain on the treasury

Few long term jobs – when the task is complete there is no follow on Energy intensive – carbon footprint and additional emissions Dis-benefit for marine life End product of limited value to society



#### **1. THE CURRENT PLANS – P&A AND REMOVAL**

#### Green stations making profits and contributing to the treasury Long term jobs End product of huge value to society and environment



### 2. P&A, LEAVE IN SITU, SAVINGS TO GREEN ENERGY



#### **OPTION COMPARISON**



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#### **OPTION COMPARISON**

Removing redundant industry architecture must be the starting point.

Only a special set of circumstances would lead to a different conclusion.

Those circumstances present themselves with decommissioning.

#### A POINT OF PRINCIPLE

- 1. Marine Regulations, though well intentioned, are taking the country to a poor outcome for the environment, the economy and for society.
- 2. We have sufficient information now to conduct a holistic comparative assessment to include taxpayer options.
- 3. The comparative assessment will form the basis for a regulation challenge.
- You can't pocket the savings offer the NGOs a much more positive environmental outcome – otherwise more Brent Spars.



If not green energy, then; Health Education Manufacturing base recovery – renewables Marine conservation Land conservation Smart grids Flood defences Tackling poverty.....

#### CONCLUSIONS

#### **IN PLACE SINCE 1943!**



## The Triple Bottom Line does it all add up?

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ASSESSING THE SUSTAINABILITY OF BUSINESS AND CSR



SPE 73968

The Sustainability Assessment Model (SAM) Tom Baxter, Genesis Oil <u>And</u> Gas Consultants; Jan Bebbington, The University Of Aberdeen; and David Cutteridge, BP

**OTHER STUFF** 



North Sea decommissioning will cost taxpayers billions – here's a better idea



http://www.bbc.co.uk/program mes/b08dnrqb

https://theconversation.com/fi ve-myths-about-dismantlingnorth-sea-oil-rigs-76063

https://theconversation.com/n orth-sea-decommissioning-willcost-taxpayers-billions-heres-abetter-idea-69509