

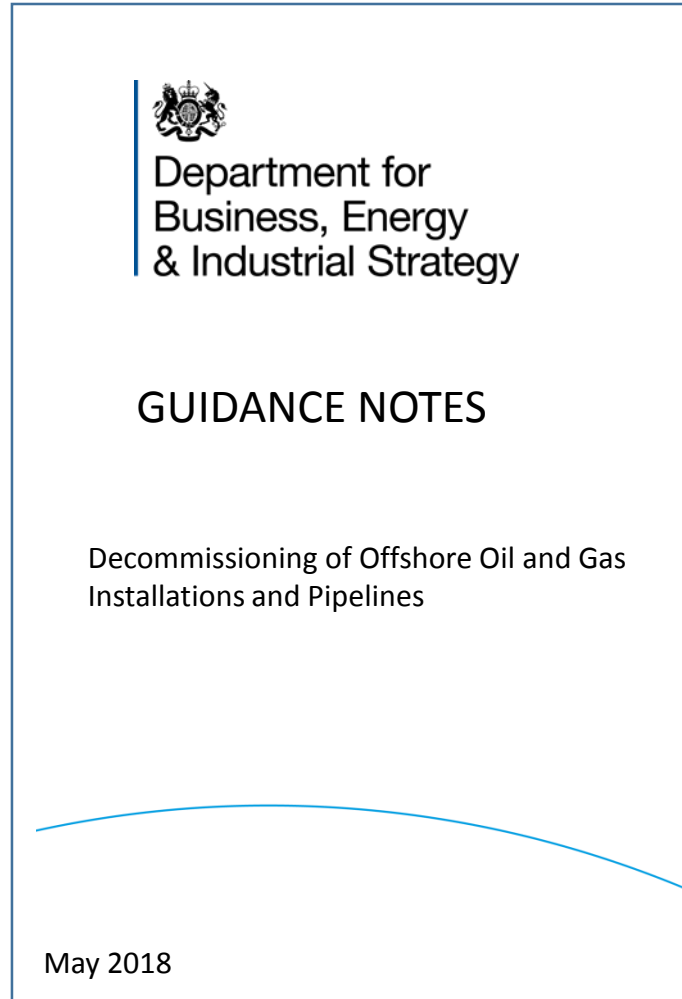
---

# Decommissioning – Where are we now?



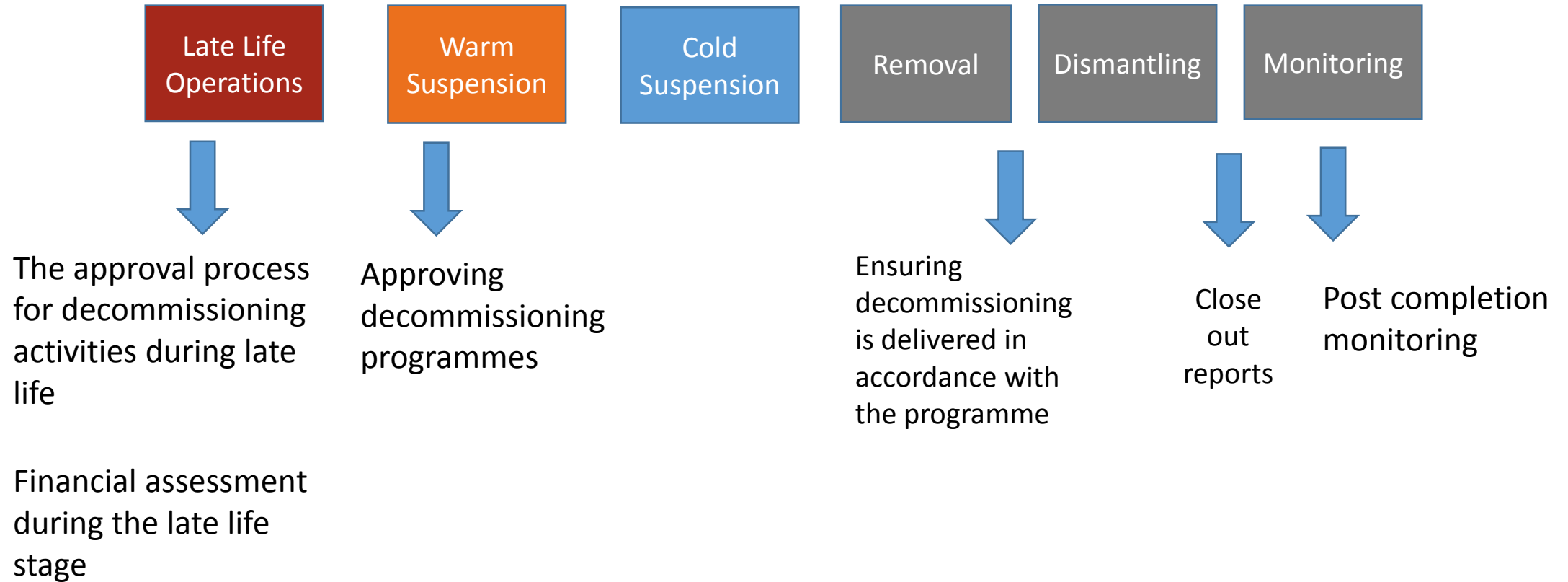
  
Department for  
Business, Energy

# 2017 Highlights



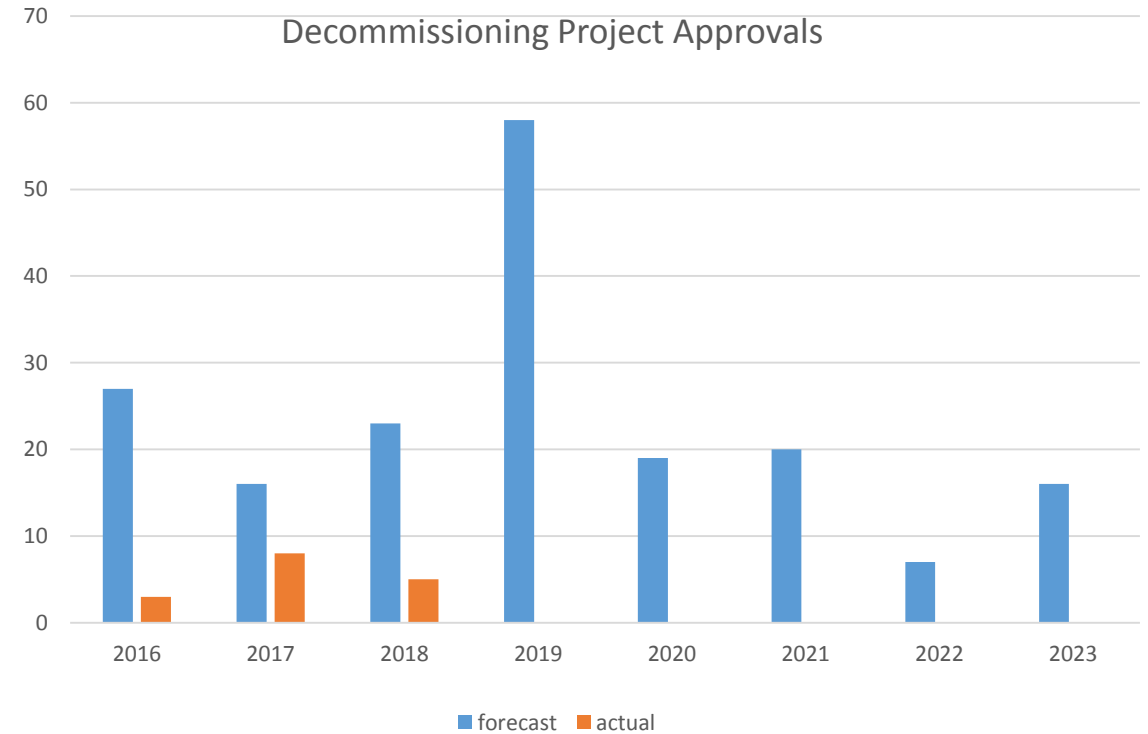
- Decommissioning Guidance Notes updated:
  - Decommissioning must aim to achieve a **clear seabed**.
  - Confirmation of our overall policy objective
  - A clarification of the decommissioning pathways
  - Clearer definitions
  - Risk based approach to pipeline monitoring
  - Updated guidance on environmental appraisal
    - No UK policy on artificial reefing
- Financial risk assessment process refined
- Engagement with stakeholders

# Regulatory Focus 2018



# The scale of the decommissioning challenge – where are we now?

- Decommissioning programme is required before execution can take place
- Decommissioning projects “under discussion” (OPRED)
- Cessation of Production dates (OGA)
- Decommissioning is increasing
- Approvals do not reflect estimates
- 2019 remains a potential “peak” year



# Reflections

---

Is deferral of decommissioning a good or bad thing?

---

Supply chain needs/wants/would benefit from certainty, but is this realistic?

---

“Well p&a is/isn’t happening on the scale we anticipated”

---

Different views on port capacity, and the significance of this

---

Operator appetite for moving from an exploration company to a decommissioning company



# Final thoughts.....

- Government is keen to see decommissioning costs meet the £39bn target
- Is culture change happening at the pace that is needed?
- What are you doing to minimise the cost of decommissioning?
- What more needs to be done?

£59.7bn → £39bn