
UK: oil spill response arrangements

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Offshore Petroleum Regulator
for Environment & Decommissioning

Agenda

- **The OPRED offshore environmental inspectorate:** A day in the life of an inspector and role in oil spill response
- **The OPRED OPEP Regime:** Oil Pollution Emergency Plans - What, Why and Exercising
- **Financial Responsibility:** Who pays and why
- **Case study:** Inspection and oil spill exercise activity for the Colter appraisal well



A day in my life...


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A day in the life of an Inspector



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OPRED Inspectors – Incident response

On call 24/7 - Pollution incidents and out of hours environmental issues for all UK offshore oil and gas operations.

In the event of a pollution incident notification the Duty inspector:

- Liaises with Operator – Incident status, worst case potential, implementation of OPEPs, ST/MT plans etc
- Assesses incident/potential and determine/make notifications:
 - OPRED Incident Response Co-Ordinator (OPRED press office)
 - Maritime & Coastguard Agency CPSO/SOSREP
 - Oil & Gas Authority (security of supply)
 - Senior BEIS team (Ministers)
- Monitors incident and response measures – Referencing approved OPEP(s). Inspectors can and do attend the Operators Emergency Response Centres (ERC)



The OPRED Oil Pollution Emergency Plan (OPEP) Regime

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THE MERCHANT SHIPPING (OIL POLLUTION PREPAREDNESS, RESPONSE AND CO-OPERATION CONVENTION) REGULATIONS

Responsible Persons are required to:

- Ensure that operations relating to any offshore installation and well operations are subject to an approved OPEP;
- Take account of the OPRED Guidance Notes when drafting OPEPs;
- Submit (or resubmit), maintain and implement each OPEP;
- Undertake exercises;
- Report any oil release without delay (1hr/6hrs);
- Submit all Major/Minor OPEP changes to OPRED for review; and
- Undertake a full OPEP review every five years.



The Responsible Person

NPI Owner: The person who controls or is entitled to control the operation of a non-production installation i.e. The Dutyholder.

Installation Operator: The person appointed in accordance with The Offshore Petroleum Licensing (Offshore Safety Directive) Regulations 2015 to conduct any offshore petroleum operations, other than the planning or execution of any well operations

Well Operator: A person appointed in accordance the Licensing Regulations to conduct the planning or execution of well operations.

Operator of an Oil Handling Facility: When applied to offshore oil and gas activity this is the Pipeline Operator.



OPEP practicalities

In simple terms the OPEP:

- Facilitates the implementation of a robust response to an oil pollution incident in order to minimise environmental impact;
- Required for every offshore oil and gas operation that presents a risk of an oil pollution incident;
- Is implemented for any oil pollution incident - Tier 1/2/3
- Must be prepared in accordance with the guidance issued by the Secretary of State (Issued by OPRED on behalf of the Department for Business, Energy & Industrial Strategy)



OPEP must include:

- Scope/fast facts;
- Infrastructure diagrams;
- Oil spill response initiation;
- Contractor mobilisation;
- Cap/Relief well: details, mobilisation authority and timings to execute;
- Oil spill notifications/reports;
- Regulatory authority liaison;
- Training/exercises;
- Oil inventories;
- Oil characteristics;
- Oil spill response strategies
- Arrangements for limiting environmental risk;
- Inventory of all available oil spill response equipment;
- Response effectiveness;
- Dispersant – type, efficacy and decision making process for use;
- Modelling - worst case and real time;
- Emergency contacts;
- Sensitivities;
- Transboundary impacts;
- OCU members/arrangements; etc



Response mobilisation

The responsible person for the relevant OPEP **must** be able to mobilise all response resources detailed in the OPEP without seeking the authority of any other persons (such as the Licensee).

This includes all Teir2/3 response equipment, personnel and aerial resources provided by any contractor.

Each OPEP **must** interface with the UK National Contingency Plan for Marine Pollution



National Contingency Plan

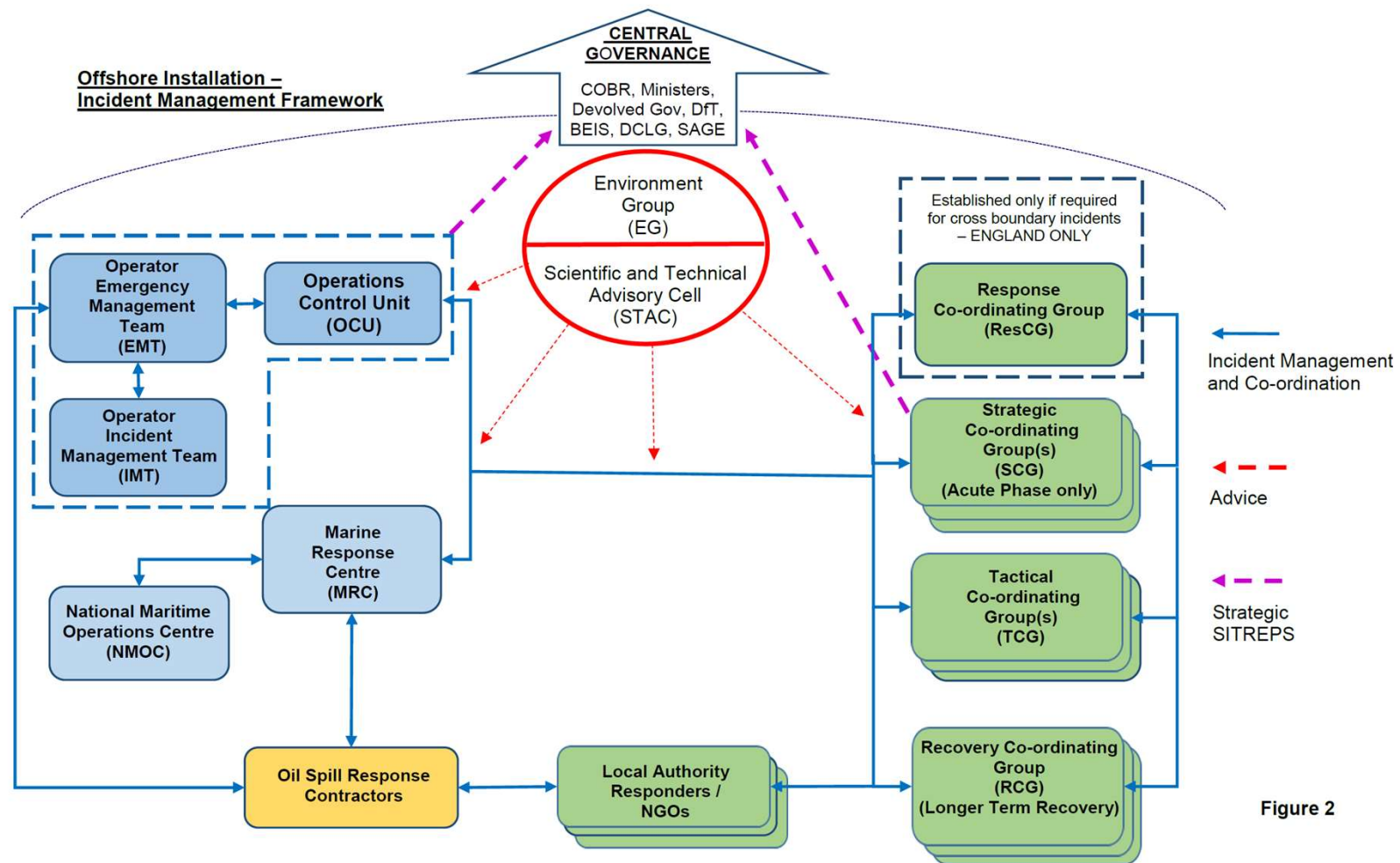
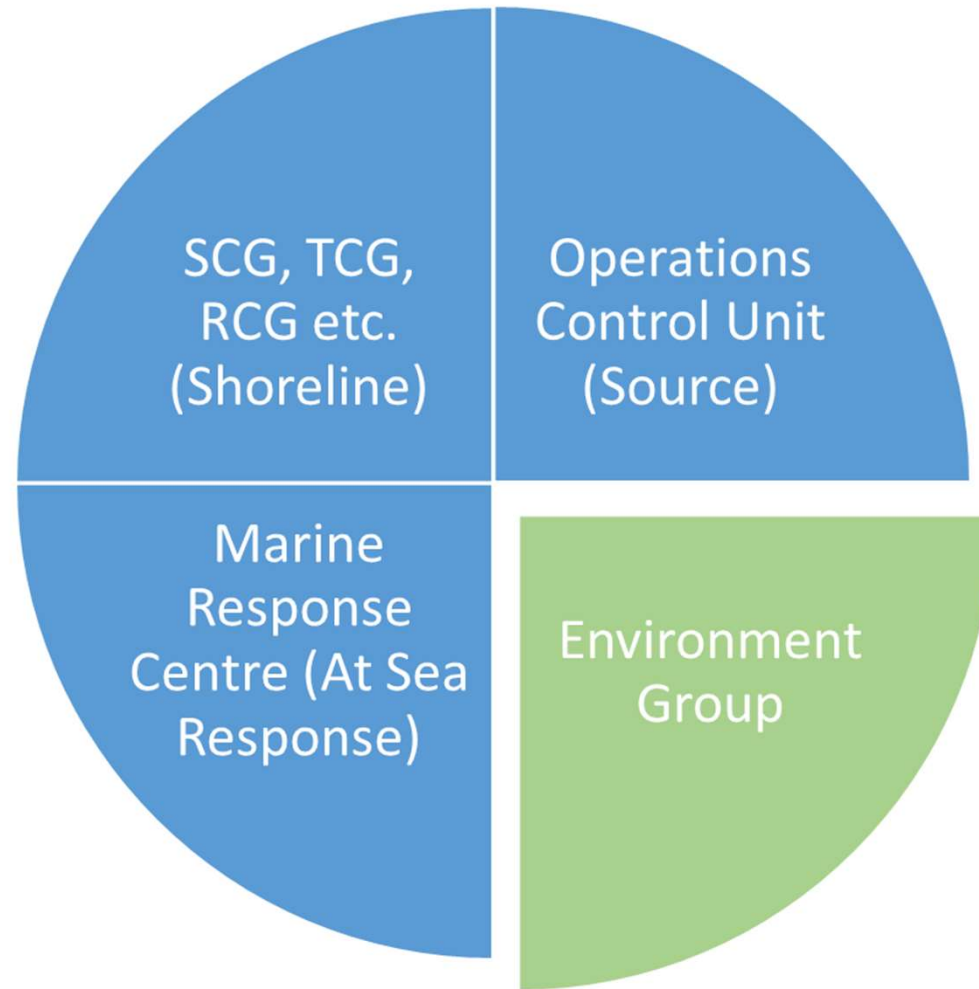


Figure 2



Cells established



Pollution Response Exercises

Offshore oil spill
response exercises

OPRED inspection
of Operator
Exercises

SOSREP Exercises

National Exercise

Gas Operators
workshops

Well Operator/NPI
workshops



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Financial Responsibility

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Liabilities – Financial Responsibility

To implement Directive Article 4(3) in the UK Regulations 9(a) & 10 of the 2015 Licensing Regulations:

Place a statutory duty on licensees to make adequate provision to cover liabilities which potentially derive from their offshore petroleum operations and to maintain sufficient capacity to meet all the financial obligations which may result from any liability for offshore petroleum operations carried out by operators appointed by or in respect of it.

The obligations include financial liability for the prevention and remediation of environmental damage which is or may be caused by offshore petroleum operations carried out by or on behalf of the offshore licensee or operator under an offshore licence.



Liabilities – Financial Responsibility

Oil & Gas UK 'Liability Provision Guidelines for Offshore Petroleum Operations' are available for all licensees and operators and have been agreed with OPRED.

A specific demonstration of liability provision is required for the drilling of exploration, appraisal, remote subsea development and pre-drilled platform development wells, and for the re entry of abandoned Phase 1 and Phase 2 exploration or appraisal wells.



OPOL & Additional provisions

Offshore Pollution Liability Association Ltd (OPOL): voluntary industry agreement under which each operator accepts strict liability for pollution damage/reimbursement of third parties (including public authorities) for clean-up and compensation costs. Under the terms of the OPOL agreement there is a limit of US \$250 M per occurrence.

In addition to OPOL UK operators are directed to the OGUK guidelines to determine and demonstrate the additional liability provision required with respect to well control, clean-up costs and legal liability to third parties as a result of a release of hydrocarbons.

The acceptable methods of the demonstration provision include insurance, credit/financial strength ratings and parent company/affiliate undertakings.



Colter appraisal well


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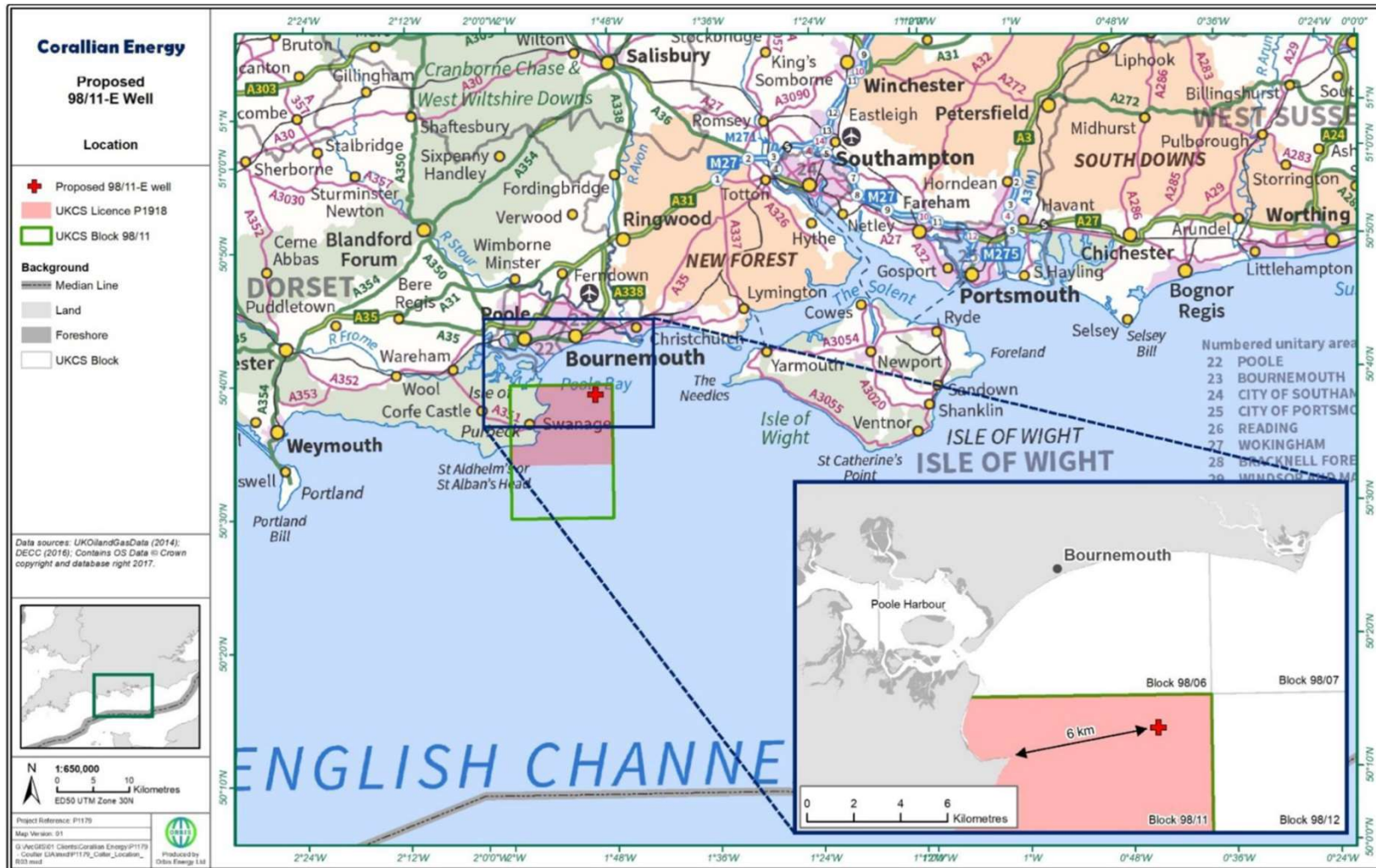
Well objective: Appraisal

The objective of the Colter oil well (98/11-E) was to appraise the 98/11-3 Colter prospect discovery as originally drilled by British Gas and BP in 1986.

- UKCS Block: 98/11
- Latitude: 50°39'16.86"N, Longitude: 1°49'49.547"W
- Nearest landfall:
 - Studland, Dorset, 6km west north-west
 - Bournemouth, 8km north
 - The Needles, Isle of Wight, 17 km east
- Water Depth: 16 metres

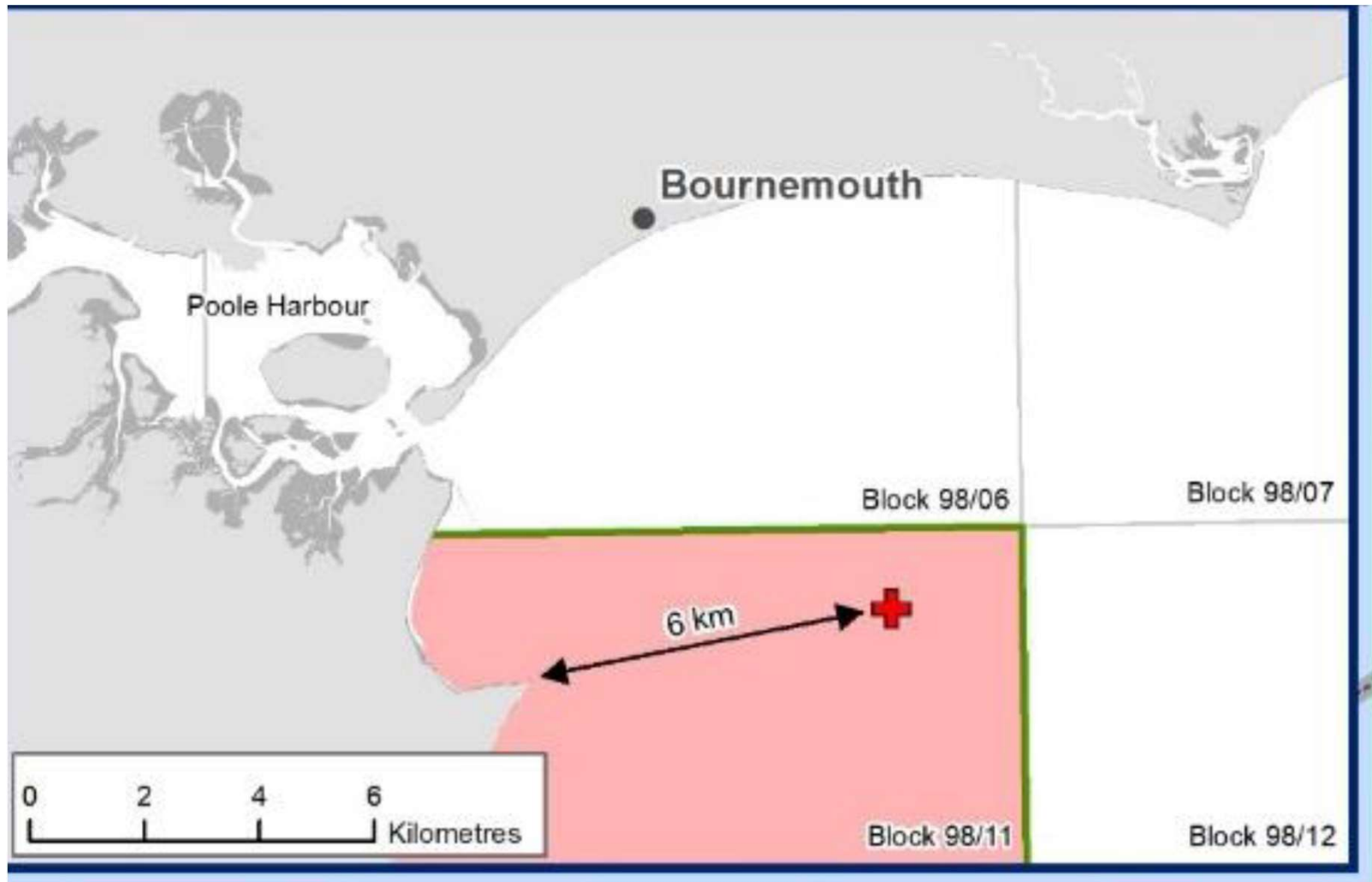


Location



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Location



Well Operator & NPI Owner

Fraser Well Management Limited (FWM) were the appointed well operator under the requirements of the 2015 Licensing Regulations.

FWM were required to hold and implement the approved OPEPs for the well operation (and the associated Shoreline Protection Plan).

- FWM had primacy for developing and co-ordinating the oil spill response for Tier 2 and 3 releases

Ensco Offshore UK Limited (Ensco) were the owners of the contracted drilling rig

- ENSCO had primacy for the initial offshore incident response and notifications



Installation – Ensco 72



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Colter - OPRED inspections and Oil spill exercises

- Rig inspection - Able shipyard Hartlepool (pre operations)
- Onshore inspection of FWM oil spill response capability during exercise (pre operations)
 - Mobilisation of ERC -Norwich & Environment Group (EG) - Aberdeen
 - EG: MS (chair) , SEPA, Highland Council, OPRED, SNH & JNCC
- Local Authority workshop – Interface of offshore operations with shoreline pollution plan arrangements (pre operations)
- Full evaluated SOSREP Exercise including Operations Control Unit and Mobilisation of Local Authority emergency planners, EG and Marine Response Centre
- Rig inspection - offshore during well operations (pre reservoir)



Questions?

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