



Decommissioning and Restoration – Fostering Excellence through Regulations, Innovation, and Sustainable Practices

30–31 JULY 2024 | BANDAR SERI BEGAWAN, BRUNEI



Towards efficient EoFL planning and execution: IOGP's perspectives

Ping Teo

IOGP- The International Association of Oil and Gas Producers



How can we achieve effective/ sustainable decommissioning?

Go to www.menti.com

Use code 7251 7697

or scan QR code



IOGP- A unique forum for the upstream industry since 1974

IOGP has 93 Members (as of 17th May 2024)

Companies



Associations



Associate Members



We engage with regional and international regulatory forums, and organizations - provide industry knowledge and technical expertise. We support local trade associations in their decommissioning advocacy role.



Global decommissioning hotspots

~ 200 billion USD

in the next 10 years
(Wood MacKenzie)



How can we achieve effective/ sustainable decommissioning?

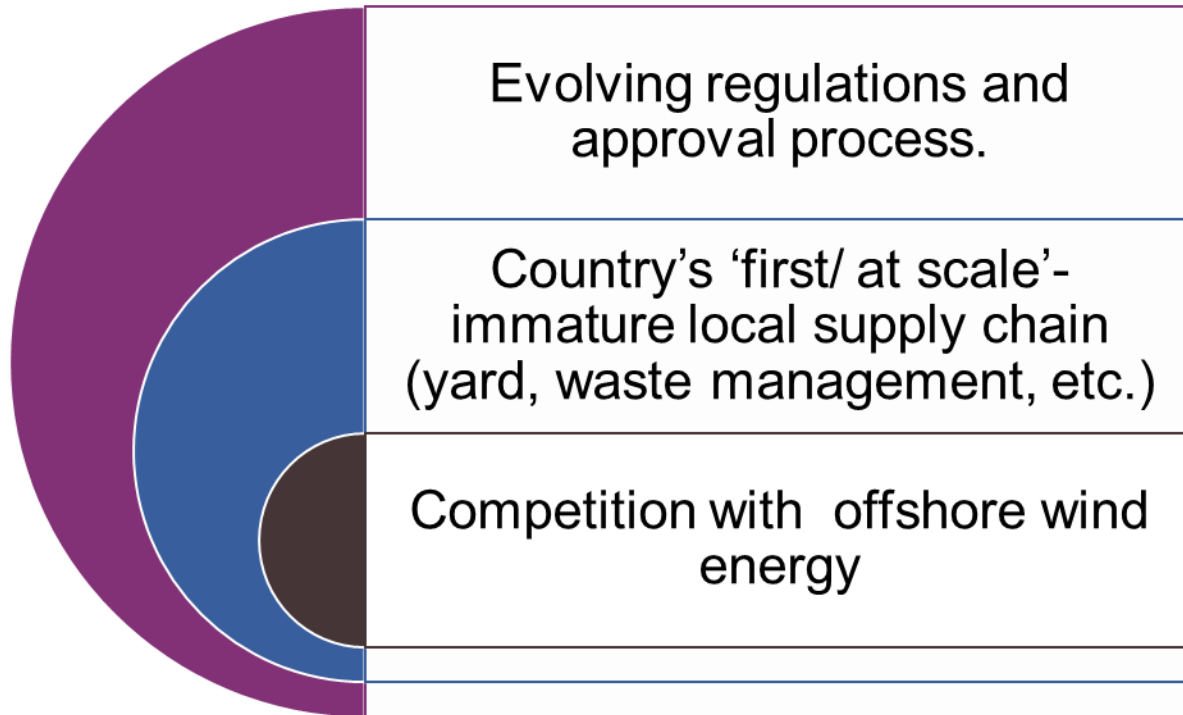
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Decommissioning projects globally are facing challenges:



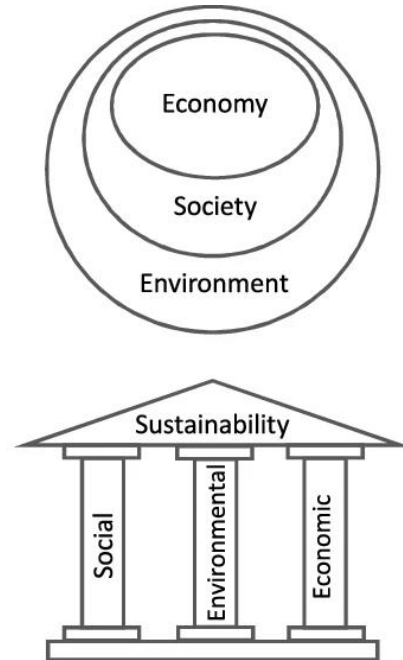
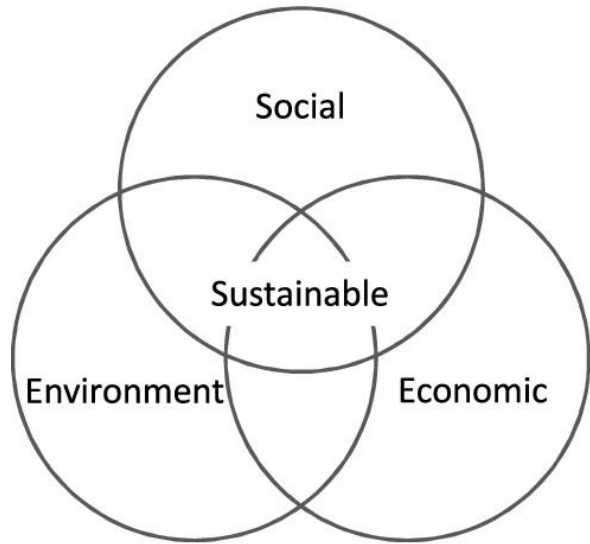
Industry has the technical expertise, should be genuinely consulted – for risk-based effective new policies. Socio-economic impact on nations should be assessed.

Greenfield development yard ≠ Demolition/ waste processing yard

Increase in vessel day rate, increased decommissioning costs and/ or delayed execution, need improved insight of execution timing to the market

Early preparation is key. Regulatory framework also enabler to effective decommissioning for the interest of all involved including to support national objectives.

'Effective' / 'Sustainable' decommissioning?



Comparative Assessment (CA)/ Multi
Criteria Decision Analysis (MCDA)

=

'Balanced' solution considering various
criteria:
technical, safety, environment, societal,
economics aspects

IOGP aims to enable effective decommissioning



INDUSTRY ALIGNMENT



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Regulatory framework for effective decommissioning?

High-level principles to inform discussions on the development of regulatory frameworks

Predictable, stable and clear decom. policies

= credible estimates, appropriate EoFL/ CoP* timing

* End of Field Life/ Ceassation of Production

Efficient



REPORT 584 | MARCH 2023

Overview of International Offshore Decommissioning Regulations

Volume 1 – Facilities



Use of CA/



REPORT 585 | MAY 2023

Overview of international offshore decommissioning regulations

Volume 2 – Wells plugging and abandonment



Allow flexible



ty to optimise contracting

Clear rules on ownership and tax treatment.

= New owners can execute decom., mitigate risk of orphaned assets

Regulatory framework for effective decommissioning?

High-level principles to inform discussions on the development of regulatory frameworks

Predictable, stable and clear decom. policies

= credible estimates, appropriate EoFL/ CoP* timing

* End of Field Life/ Ceassation of Production

Efficient approval process with single oversight authority

= predictable timeline for approval & therefore execution



Oil + gas: decommissioning of offshore installations + pipelines

Decommissioning programmes, including dates, locations, installations decommissioned, method of decommissioning and close-out reports where available.

From: [Offshore Petroleum Regulator for Environment and Decommissioning](#)

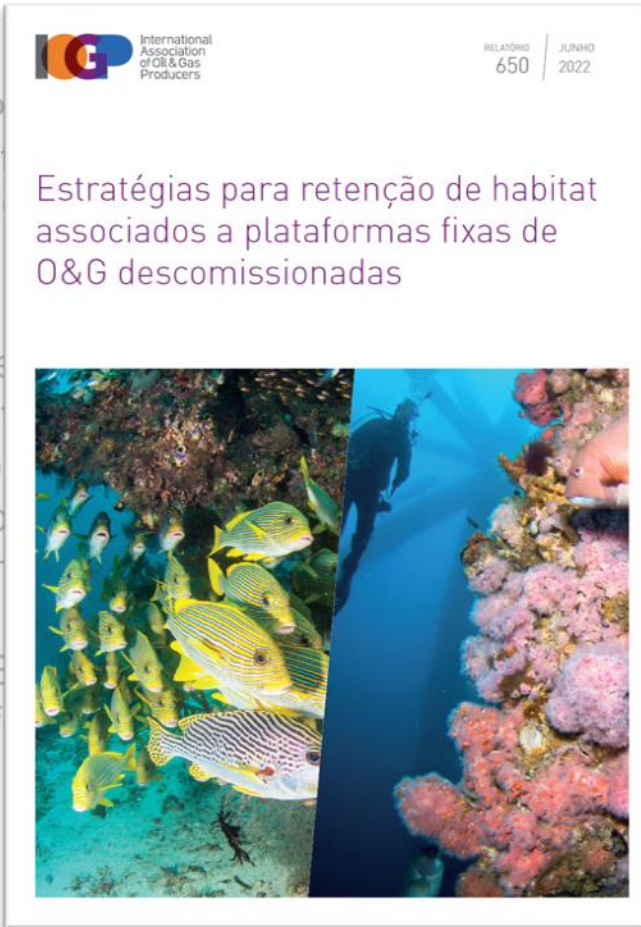
impacts etc.

Especially for complex decommissioning, to enable efficient approval and execution,

- Topsides and Jacket decommissioning approval are split
- Further, upper jacket and lower jacket approval are split, where lower jacket are pending derogation approval process

Regulatory framework for effective decommissioning?

High-level principles to inform discussions on the development of regulatory frameworks



Use of CA/
MCDA to select
the most
suitable option

=

'balanced' solution
considering
environment,
economic and
social impacts etc.

=

'sustainable'

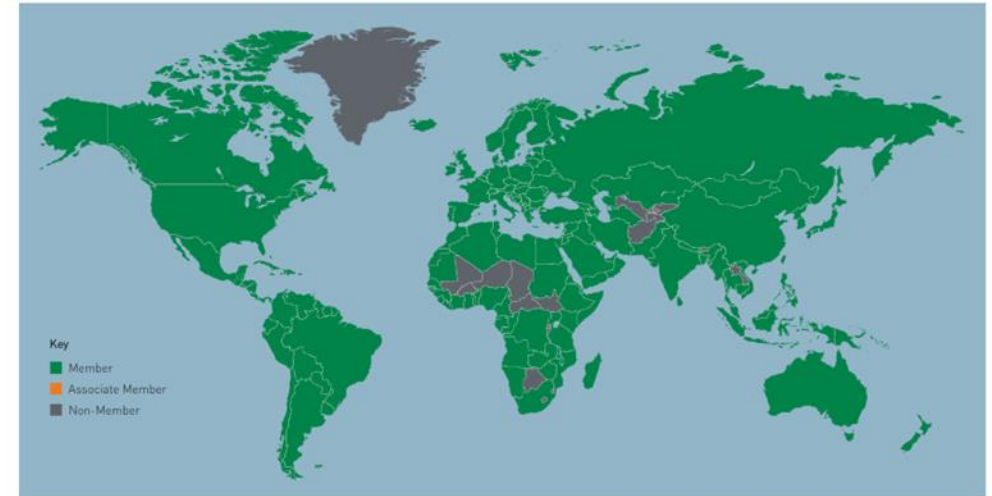


Figure 2-3: Members of the IMO

IMO LC/ LP Guidelines for assessment of platforms or other MMS at seas: 'consider comparative risk assessment...'

Regulatory framework for effective decommissioning?

High-level principles to inform discussions on the development of regulatory frameworks

Predictable, stable and clear decom. policies

= credible estimates, appropriate EoFL/ CoP* timing

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Oceanering Secures Multi-well, Multi-operator P&A Contract in Dutch North Sea

Jan 21, 2022



Credit: xmentoys

Six oil and gas companies operating in the Dutch sector of the North Sea have signed a deal with subsea services firm Oceanering for the decommissioning of Mud Line Suspension (MLS) wells in the Dutch North Sea.

Allow flexible execution windows post approval

= Ability to optimise contracting


(safety and environmental risk must be managed)

Clear rules on ownership and tax treatment.

= New owners can execute decom., mitigate risk of orphaned assets

Regulatory framework for effective decommissioning?

High-level principles to inform discussions on the development of regulatory frameworks



Predictable, stable and clear decom. policies


=
credible estimates, appropriate EoFL/ CoP* timing

* End of Field Life/ Ceassation of Production




Efficient approval process with single oversight authority

=
predictable timeline for approval & therefore execution




Use of CA/ MCDA to select the most suitable option

=
'on balance' solution considering environment, socio-economics impacts etc.



Allow flexible execution windows post approval

=
Ability to optimise contracting



Clear rules on ownership and tax treatment.

=
New owners can execute decom., mitigate risk of orphaned assets

Takeaways and actions?



INDUSTRY ALIGNMENT



1. **Provide/ Compile** data – benchmarking & foresight
2. **Connect** for industry alignment *supports good practice, build trust*
3. **Enable** clear policies & procedures- Align decommissioning policies to national goals

What is the one thing you will do post workshop? We ALL play a role

Join at menti.com | use code 1387 9201

 Mentimeter

How can we achieve 'sustainable/ effective' decommissioning?

26 responses

Transparency

Collaboration between service provider and operator and better understanding on scope and commercials

Engagements

Careful integrated planning and execution of multi platform campaign

Data and loads of pre- planning

Dare to think 'out of the box'

Collaboration between regulator, operator and service provider plus NGO.

Plan ahead and work the plan.

Provide scale...conveyor belt approach

Learning and sharing experiences, leverage technology, continuously improve

Have continuous work ongoing and not stops and starts. Operators paying 'fair pricing' to promote innovation and new technology. From service companies.

Recycle in country where we can

Four pillars: 1. Aggregate of scope 2. Regulations- risked base decision process 3. Excellent Supply chain - Experienced contractor 4. Technology investment and deployment

Anson Yard as part of a larger eco system

Good data

Regulators need to enforce Decommissioning requirements and set time lines to operators.

Prudent early planning and explore various methodology viable for decom execution, clear scoping coupled with collaborative inputs from various experts coupled refined project management

Capable people

Regulatory clarity upfront

Do it right the first time

Selective reefing

Removing assets returning the site to original as close as possible. To the most cost efficient and safest manner

Regional consistent regulations

Data transparency, sharing and learning from experience

Funding

Collaborate!

Terima kasih!

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