

DEVELOPMENT AND PRODUCTION CONSENTS

- Consents issued under Petroleum (Current Model Clauses) Order 1999
- After Field Development Plan agreed Dev. and Production Consent issued. Gives rates of oil/gas that may be produced over a given period.
- May contain conditions

OFFSHORE FLARING CONSENTS

- Start-up of new field
(Meet with operator to discuss commissioning strategy)
- Up to operators to tell us what design flare likely to be when plant running at stable conditions and how long it is anticipated this will take
- Initially a flare consent for 28 days
- DTI aim is to ensure no wastage of valuable resource (gas) but recognise that some flaring necessary for safety reasons.

Offshore Flaring Continued

- Once at stable conditions longer flare consents issued (3-12 months)
- For those on annual consents ANNUAL FLARE EXERCISE – requests go out in September to enable applications to be considered and consents issued by end of year
- 2004 exercise move to mass measurement
- Inaccuracies in returns – looking at streamlining guidance and forms

Offshore Flaring Continued

- Revised flare consents.
- Train-wrecks and unplanned outages – call us as soon as there is a problem.
- When consent running out write/email/meet with justification and request for revision.

Flare Transfer Pilot Trading Scheme

- Introduced in 2001 – opportunity to prepare operators for EU-Emissions Trading Scheme
- DTI consent levels do not increase but greater flexibility to increase individual field consents within scheme
- Eligibility – companies with annual flare consents or, with DTI approval, those on 6 month consents
- Have official DTI consent – operators set VAT below this
- Can trade between fields in same company or between companies in the Scheme
- For 2004 some 67 fields in scheme (9 operators) achieved some 17.8% less than DTI consents

OFFSHORE PIPELINES

- Regulated under Petroleum Act 1998 – must have an authorisation before construction/use of PL
- Process:
 - Information required on website
 - Review application on behalf of SOS
 - Send to our consultee
 - Instruct operators to go to Public Notice
 - If no objections/FDP cleared and Environmental issues resolved Pipeline Works Authorisation will be issued

Offshore Pipelines Continued

- 4-6 months – takes longer with major trunk lines/median lines
- Terms of PWA standard but SOS may include any terms she decides appropriate
- Extended Variations/Variations
- Require prior application if any change to Holder/User/Operator/Owner

DEPOSIT CONSENTS

- Used in conjunction with PWA – otherwise FEPA
- “for purpose of constructing or maintaining a PL as respects any part of which an authorisation is in force”