

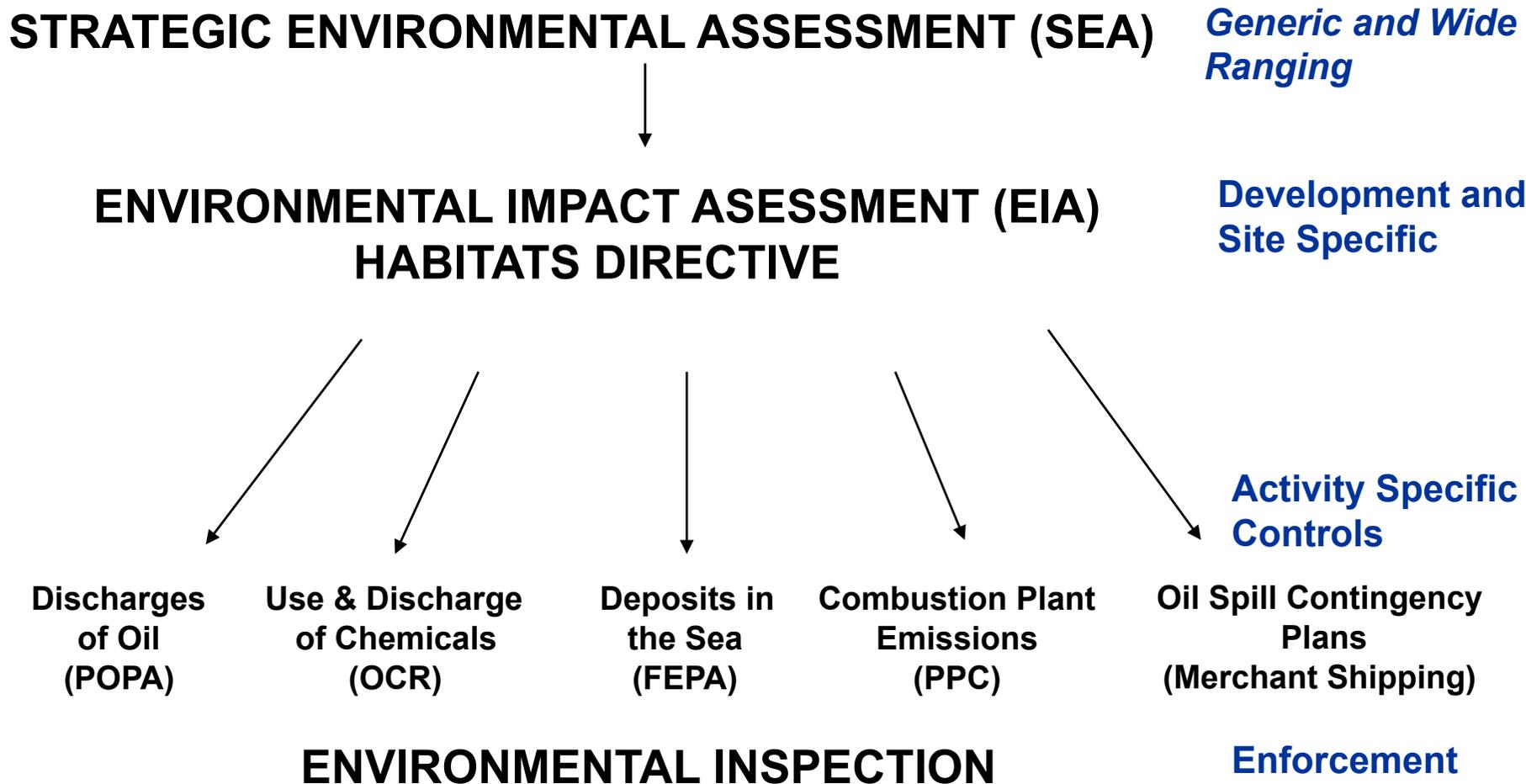
Offshore Pipelines The Environmental Perspective

Derek Seward

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Environmental Legislation Over-arching Objective

**Minimise the Impact of Oil and Gas Activities on the
Marine Environment**



Environmental Regulatory Process

Development / Site-Specific Assessment

- **EC Directive 85/337/EEC as amended by EC Directive 97/11/EC on the assessment of effects of projects on the environment**
- **Offshore Petroleum Production and Pipelines (Assessment of Environmental Effects) Regulations 1999**
- **Mandatory environmental impact assessment (EIA) for certain projects**
 - **Mandatory for pipelines > 40 km in length and > 800 mm diameter**
 - **DTI can insist upon EIA if proposals are considered “sensitive”**

If full EIA is required

- **Operators must conduct an environmental assessment to identify and assess the impacts of the proposed development**
- **Operators must produce an Environmental Statement**
- **Public Notice (consultation) period - 28 days**
- **Review by DTI and Statutory Consultees (DEFRA/SEERAD and JNCC)**
- **If no objections, then works authorisation can be granted**

**Guidance Notes can be found on the DTI Oil & Gas website
-<http://www.og.dti.gov.uk/environment/index.htm>**

Environmental Statement

The Environmental Statement must include the following:

- **Description of the project**
- **Option selection**
- **Description of the project area**
- **Assessment of impacts**
- **Description of mitigation measures**
- **Non-technical summary**

If full EIA is NOT required

- **A PON15 is a request for Direction that an ES is not required**
 - **PON15B Drilling**
 - **PON15C Pipelines**
 - **PON15D Production**
 - **PON15E Decommissioning**
 - **PON15F Well Interventions etc**
- **Review by DTI / Statutory Consultees (CEFAS/FRS and JNCC)**
- **If Direction is given, then works authorisation can be granted**
- **Post Direction Amendment (PDA) required for variations**

Development / Site-Specific Assessment

- **EC Directive 92/43 on the conservation of natural habitats and of wild fauna and flora, and EC Directive 79/409 on the conservation of wild birds**
- **The Offshore Petroleum Activities (Conservation of Habitats) Regulations 2001**
- **Applies to all offshore activities**
- **Usually addressed in ES or PON15C but specific requirement to obtain consent for certain survey activities (e.g. seismic surveys)**

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Site Specific Assessment

Potential impact will depend to a great extent upon the location of project

- **Irish Sea**
- **Southern North Sea**
- **Moray Firth**
- **Liverpool Bay area**
- **West of Shetland**
- **Northern North Sea**

Site Specific Sensitivities

Irish Sea

- Habitats Directive (Cetaceans)
- Species Directive (Seabirds – oil spills)
- Transboundary issues
- Other sea users

Southern North Sea

- *Habitats Directive (Sandbanks and Reefs)*
- Pipelines and drilling issues
- Transboundary issues
- Other sea users

Moray Firth

- *Habitats and Species Directives (Cetaceans)*
- Species Directive (Seabirds)
- Coastal sensitivities
- Large number of other sea users

Site Specific Sensitivities

Liverpool Bay

- Species Directive (Seabirds)
- Close to populations (sour gas and spills)
- Coastal sensitivities
- Intensive use

West of Shetland

- Habitats Directive (Cetaceans and Coral)
- Species Directive (Seabirds)
- Transboundary issues

Northern North Sea

- Habitats Directive (Cetaceans and pock marks)
- Produced water issues
- Cuttings piles and derogations
- Transboundary issues
- Other sea users

Site Specific Sensitivities

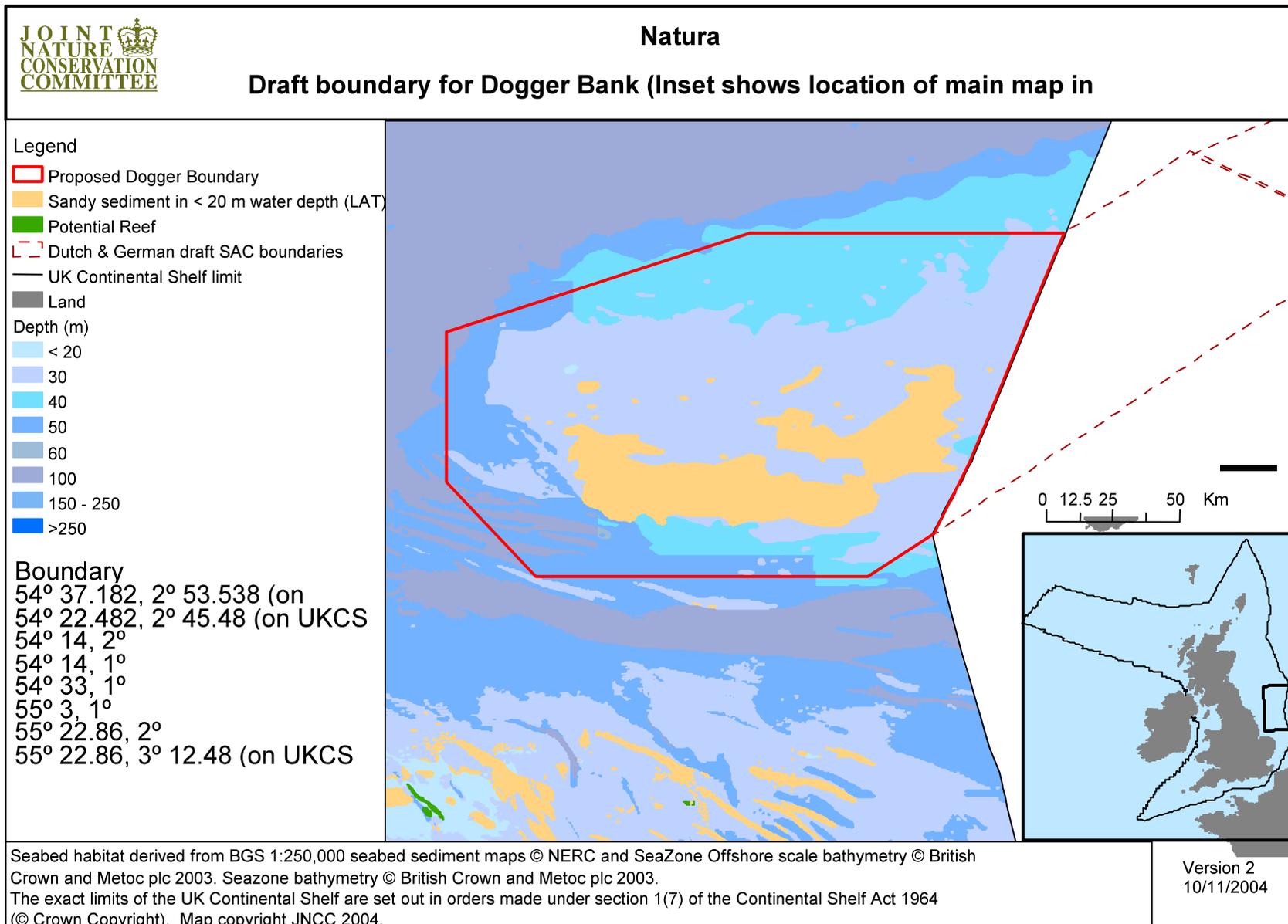
Starting point for preparing submissions should be that all areas are environmentally sensitive but in different ways, and the objective should be to identify the sensitivities that are relevant

**Goal should be to “engineer out”
the significant environmental
impacts**

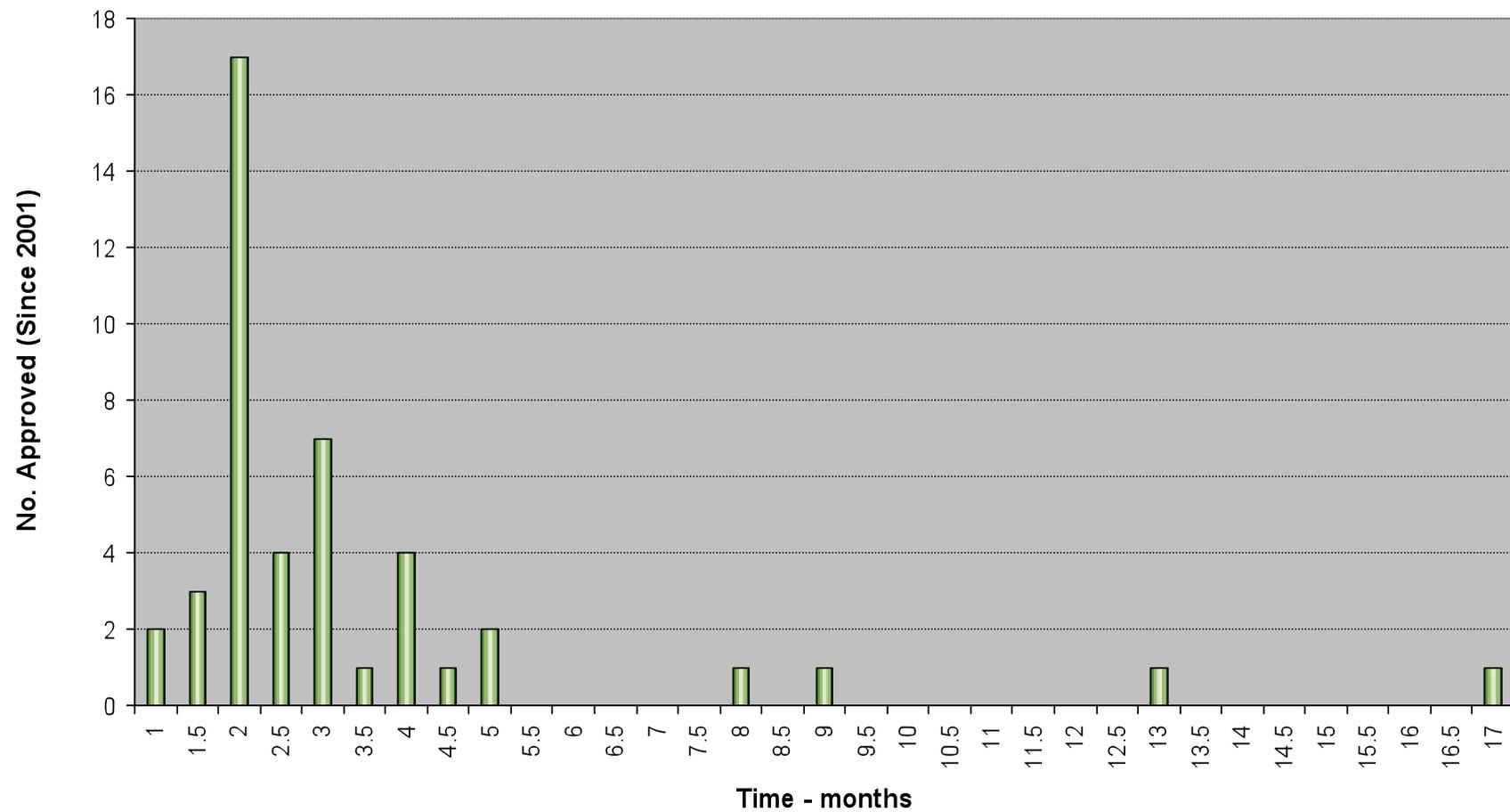
Habitats Assessments

- **Offshore SACs and SPAs**
- **Enhanced data requirements**
- **Risk of project delays**
- **Risk of legal challenge**
- **Pipeline projects have been approved in areas where the Habitats Directive may apply, but this has, at times, been a long and tortuous process**

Dogger Bank, Proposed cSAC



Environmental Statement Approval Time



Activity Specific Controls

Use and Discharge of Chemicals

The Offshore Chemicals Regulations 2002

- All chemical use and discharge must be the subject of a chemical permit application (part of the PON15C form)
- Chemical use and discharge must be justified by a Risk Assessment
- Review by DTI and Statutory Consultees (CEFAS/FRS and JNCC)
- Production and term permits issued by DTI (permit fee)

Pipeline permitting requirements include hydrotest, dewatering, maintenance and decommissioning discharges

Guidance Notes can be found on the DTI Oil & Gas website
-<http://www.og.dti.gov.uk/environment/index.htm>

Activity Specific Controls

Discharges of Oil

Current Legislation - The Prevention of Oil Pollution Act (POPA) 1971

- Most discharges of oil require an exemption
- Requests for exemption submitted to, and reviewed by, DTI
- Exemptions issued by DTI (no charge)

Proposed Legislation - The Offshore Petroleum Activities (Oil Pollution

Prevention and Control) Regulations (OPPC) 2005

- All discharges of oil will require a permit
- Permit applications submitted to DTI (forms will be placed on the DTI website very shortly), and reviewed by DTI
- “Life” and term permits issued by DTI (permit fee)

Pipeline permitting requirements probably restricted to pipeline cleaning discharges

Activity Specific Controls

Deposits in the Sea

Food and Environment Protection Act Part II Deposits in the Sea

- **UK legislation to control all deposits in the sea**
- **Most pipeline related deposits are covered by the works authorisation**
- **Licence applications required for all deposits that are not covered by a works authorisation or specifically exempted under the Deposits in the Sea (Exemptions) Order 1985**
- **Different licensing authorities for different areas of UK waters**
- **Review by licensing authorities and Statutory Consultees (CEFAS/FRS and JNCC)**
- **Licences issued by licensing authorities (licence fee)**

Some pipeline works may require a licence, or it may be beneficial to seek a licence

Pipeline Environmental Statements

- **Generally good quality**
- **Inadequacies:**
 - **poor scoping (no consultation or poor understanding of requirements)**
 - **underestimated lead-in time**
 - **little or no survey information**
 - **poor use of survey information**
 - **failure to adequately address habitats issues**
 - **failure to adequately address fisheries interaction issues**
 - **slow response to requests for additional information**
- **Outcomes:**
 - **requests for additional survey work**
 - **additional work to provide additional information**
 - **separate Public Notice for significant additional data**
 - **review can take a number of months**
 - **project delayed**

Pipeline Requests For Directions (PON15Cs)

- **Very variable quality**
- **Inadequacies:**
 - short lead-in time
 - little or no environmental justification
 - no input from environmental specialists
 - poor use of available environmental information
 - excessive use of irrelevant environmental information
 - poor communication between operator and contractor
 - presumption of approval
 - slow response to requests for additional information
- **Outcomes:**
 - requests for amendment or re-write
 - additional work to collate additional information
 - review delayed
 - project delayed

Pipeline Chemical Permit Applications (PON15Cs)

- **Generally good quality**
- **Inadequacies:**
 - short lead-in time
 - poor understanding of need to submit one application for each pipeline system
 - poor understanding of event-based nature of the form, with separate entries required for each discrete discharge
 - poor justifications for “problem” chemicals, e.g. candidates for substitution
 - failure to identify environmental issues that are relevant to the discharge
- **Outcomes:**
 - occasional requests for better justifications
 - very rarely, can result in project delay

Pipeline Oil Discharge Applications

- **Very variable quality – operators and DTI will be forced to address this under new permit application procedure**
- **Inadequacies:**
 - **inadequate lead-in time - will require 28 days**
 - **little or no environmental justification - will be required**
 - **no input from environmental specialists - will be required**
 - **presumption of approval - new formal approval process**
- **Outcomes:**
 - **current system is very informal, and varies considerably from one operator to another operator, and from one DTI Environmental Inspector to another. This can result in very different outcomes, but rarely results in delays**

Pipeline FEPA Part II Applications

- **Very variable quality**
- **Inadequacies:**
 - **poor understanding of when a licence may be appropriate**
 - pipelines not covered by a PWA**
 - deposits not covered by a PWA**
 - **poor understanding of who is the licensing authority**
 - Defra (MCEU) for English and Welsh waters**
 - SEERAD (FRS) for Scottish controlled waters (3 miles)**
 - DTI (FRS) for offshore water adjacent to Scotland)**
 - **short lead-in time (6 – 8 weeks is recommended!)**
 - **no input from environmental specialists**
 - **presumption of approval**
- **Outcomes:**
 - **frequent requests for additional information**
 - **very rarely, can result in project delay**