

UKOPA

United Kingdom Onshore Pipeline Operators' Association

Notes of the Meeting held at the Shell Lensbury Conference Centre on 27th February 2008

1. Attendance and Apologies

Present: Roger Ellis – Shell - Chairman
 Neil Jackson – National Grid
 Tony Taylor – Esso (Part)
 Phill Jones – Secretary.

Apologies: David Dickson – BP

The Chairman welcomed Tony Taylor to his first meeting of the Management Council as the nominated representative of Esso Petroleum Company Ltd.

2. Notes of Meeting held on 10th October 2007 (UKOPA/MC/007/0030).

The notes of the meeting held on 10th October 2007 were accepted as a fair record of the discussions.

3. Actions Arising not covered on the agenda (note of previous meeting in brackets).

3.1 Proposed Pipeline Seminar in the North East (3.1)

(i) Mark Harrison to send Conoco and Philips contacts a copy of the UKOPA strategy document and continue to lobby.

No progress to report – action to be left open.

Action – Mark Harrison

3.2 EGIG Database (3.2)

(i) There was one outstanding agreement relating to FDMG members.

(ii) Signed originals are to be returned to member companies and when complete Roger will send the UKOPA copies to the secretary for archiving.

Roger Ellis reported that all confidentiality agreements had been signed and that he would send the originals to Phill Jones who will scan each one and file the scanned copy on the website. It was agreed that the originals could then be destroyed.

Action: Roger Ellis and Phill Jones

3.3 Association of Petrochemical Producers in Europe (APPE) (3.3)

Roger Ellis to send a copy of the summary notes of the meeting to Jaques Autin for information.

Roger Ellis reported that he had issued the note as actioned but had not received any further contact from APPE.

Action closed.

3.4 UKOPA – Ten Years Old in 2007 (3.4)

(i) Neil Jackson would arrange for Danielle Willett to send a copy of the approved final article to Phill Jones.

Action completed and closed.

(ii) Phill Jones to contact John Tiratsoo with a view to having the article published in Pipes and Pipelines International.

Phill Jones reported that the article had been published by John Tiratsoo in Pipewire and in Global Pipeline Monthly in November.

Action completed and closed.

(iii) Neil Jackson to make contact with IGEM and the Institute of Mechanical Engineers.

Neil Jackson reported that he had been in contact with IGEM and had received a favourable response but the article had not been published to date and that the matter is being followed up.

Action: Neil Jackson

He also advised that he had emailed the editor of the Institute of Mechanical Engineer's magazine but had not received a response.

(iv) Roger Ellis to make contact with the Institute of Civil Engineers.

Roger reported that he had emailed the editor of the Institute of Civil Engineer's magazine but he had also received no response.

Action closed.

In discussion it was agreed that Phill Jones would send a copy of the article to Mark Harrison who will make enquiries with the Institute of Chemical Engineers regarding possible publication.

Action: Phill Jones and Mark Harrison

3.5 UKOPA Website (3.5)

Phill Jones to issue a purchase order and to raise an expenditure approval including contingency of 2 days of effort for dealing with unforeseen issues.

Phill Jones reported that the expenditure approval had been raised and that the purchase order had been issued as actioned. He went on to confirm that the modifications have been implemented and are on line, and that the total cost had ended up £400 higher than originally approved due to a misunderstanding relating to the scope of the search facility. The additional expenditure had been agreed by Members via email and the invoice has been paid.

Action closed.

3.6 Feedback from the Process Safety Leadership Group (PSLG) (5.4)

(i) Peter Davis agreed to circulate the draft minutes of the PSLG meeting held on the 21st September 2007.

Draft list issued as UKPA/MC/07/0032.

Action completed and closed.

(ii) Peter Davis to circulate Kevin Allar's paper on process safety and general lessons from recent major incidents.

Action completed and closed

(iii) Peter Davis to circulate a draft list of principles on leadership in process safety which he had rewritten as a UKOPA statement.

Draft list issued as UKPA/MC/07/0034.

Action completed and closed.

(iv) Management Council to consider whether the UKOPA Strategy needs to be amended in 2008 to take on board additional items in order to address the aspirations of outside organisations such as the PSLG.

It was agreed that this item should be discussed under item 5 of the agenda.

Action closed.

3.7 Potential Additional Full Members (10.1)

(i) Roger Ellis agreed to keep members advised of progress relating to Esso becoming a full Member, and also the Secretary who would need to issue an invoice for 2008 membership fees in the correct amount in January.

Action completed and closed.

(ii) The possibilities of Ineos, Wales and the West, Northern Gas Networks and Scotia Gas Networks will be followed up in 2008 with a view to the companies taking up full Membership at some time in the future.

Roger Ellis and members to follow up through informal contact.

Action: Roger Ellis and members

3.8 BSI Proposal to develop a standard for Pipeline Safety and Integrity Management (10.3)

Phill Jones should to make contact with Dave Willis to enquire how the proposed support from UKOPA would be implemented and the extent of UKOPA's involvement.

Action completed and closed.

3.9 Payment of £100 to PIE (10.4)

Phill Jones to action the underpayment of £100 to PIE against invoice number PIE.UK/06/085.

Action completed and closed.

All other items covered by the agenda.

4. Financial Issues.

Roger to ask Phill Jones to report:

4.1 Finance Report to the 31st January 2008 – ref UKOPA/MC/08/0002.

4.1.1 Actions Arising.

There were no actions arising.

4.1.2 Bank Balance and Outstanding Commitments.

Phill Jones referred to the Finance Report which had been circulated in advance of the meeting, and reported that the Association's combined bank balance on 31st January 2008 was £79,829.93. This figure does not however include for payment of a number of outstanding invoices, and after taking these into account and also a VAT reclaim the actual monies available at January 31st 2008 was £66,122.98.

4.1.3 Membership Fees

Phill Jones reported that payment had been received for all membership fees for 2007, and that invoices for membership fees for 2008 had been issued.

4.2 Approval of Invoices.

4.2.1 Actions Arising.

Approval was given at the meeting for Phill Jones to make payment for a further two invoices.

Action completed and closed

4.2.2 Approval of Invoices.

The following listed invoices had been approved for payment by email prior to the meeting but were unavailable for signing by the Chairman because they had been sent to the accountants as part of the documentation required for preparation of the accounts for 2007:

- a) Visual for Management of the website October to December 2007.
- b) @pr – Small safety cards.
- c) Rod McConnell - Technical support – August to December 2008 inclusive.
- d) PIE Technical Support – Jane Haswell – August to December 2008 inclusive.
- e) PIE Secretariat Service – Phill Jones – August to December 2008 inclusive.
- f) Advantica – Fault Database Management – Last Payment for 2007.
- g) Visual for Management of the website January to March 2007 and for webhosting for 2007.
- h) Visual for provision of search facility on Members section of the website.

The procedure for signing off approved invoices was discussed and it was agreed that the procedure should be amended as follows:

- i. There will be no requirement for invoices to be signed by the Chairman following email approval.
- ii. The Secretary is authorised to make payment for any invoice which is within the approved budget subject to receipt of approval by email from a minimum of two Management Council members.
- iii. The Secretary is authorised to make payment for any invoice which is above the approved budget subject to receipt of approval by email from a minimum of three Management Council members.
- iv. No response within 5 days to a request for approval to make payment of an invoice to be taken a “no objection”.

Action: Phill Jones

4.3 VAT Returns.

4.3.1 Actions Arising.

There were no actions arising.

4.3.2 VAT Return for October to December 2008 – ref UKOPA/MC/08/0003.

Phill Jones reported that the VAT return for the October to December period had been submitted on time and that a reclaim of £717.05 had been submitted. Payment has been received and had been banked.

4.4 Expenditure Approvals.

4.4.1 Actions Arising.

(i) Supply of safety cards – There are 500 are for distribution to Members as examples and Mark Harrison is to advise IWG and UKOPA members and arrange for distribution.

Action to be carried forward.

Action: Mark Harrison

(ii) Emergency Response DVD - Roger Ellis to arrange for Donal to show the DVD at a future meeting.

Roger Ellis reported that this action had been addressed and that the DVD is to be shown at the main meeting.

Action closed.

4.4.2 Expenditure Applications.

The following applications were considered and approved by Council Members:

- a) UKOPA/MC/08/0006 – Provision of secretariat services for 2008.
- b) UKOPA/MC/08/0007 – Provision of technical services by Jane Haswell for 2008.
- c) UKOPA/MC/08/0009 – Provision of technical services by Rod McConnell for 2008.

4.4.3 Advantica Support to the RAWG

It was noted that the cost of Advantica support to the RAWG has been funded in the past by National Grid, but it was recommended by Neil Jackson that it would be more appropriate for this to be funded by the Association in the future. This was agreed and Neil Jackson was actioned to prepare and submit an expenditure application for consideration by Council Members.

Action: Neil Jackson

4.5 Expenditure Forecast 2007/2008

4.5.1 Actions Arising.

There were no actions arising.

4.5.2 Updated Expenditure Forecast 2007/2008 – UKOPA/MC/08/0004.

Phill Jones referred to the final issue of the 2007/2008 forecast which had been circulated in advance of the meeting. He noted that the forecasts of cash availability at the end of 2007 and 2008 based on current known commitments and current expected level of membership fees are listed as £67.31k and £103.71k respectively:

(i) 2007 Outturn

He noted that the current forecast is higher than in the previously issued forecast and advised that this was due to the fact that actual expenditure was £27.19k less than previously forecast and £46.23k less than the forecast for the year. This was mainly due to underspend by Jane Haswell and Rod McConnell and the fault database management, no expenditure on the mechanical damage model and the FFREQ licence and carry over of expenditure for the excavation safety DVD, Andrew Cosham and Harry Hopkins.

(ii) 2008 Outturn

The 2008 outturn is only £7.6k higher than previously forecast and this is mainly due to the fact that the expenditure that was carried over will be spent in 2008, an increased forecasted spend for Jane Haswell and by slight changes to the forecast for the secretariat, the excavation safety DVD and the costs of support work done by Andrew Cosham and Harry Hopkins.

4.6 Expenditure Forecast 2008/2009 –UKOPA/MC/08/0005

Phill Jones referred to the first issue of the 2008/2009 forecast which had been circulated in advance of the meeting, and noted that the forecasts of cash availability at the end of 2008 and 2009 based on current known commitments and current expected level of membership fees are listed as £93.43k and £158.09k respectively. Although the actual monies at 1st January 2008 are greater than forecast (£67.31k vs. £72.78k) due to interest earned during the year, the actual outturn at the end of the year is lower because of the forecasted £12.43k spend on the pipeline emergency information DVD which has not yet been approved.

4.7 Association Accounts for 2007

Phill Jones reported that following receipt of approval from Members, relevant documents had been sent to G W Robinson for preparation of the Associations' accounts for 2007. Phill Jones to circulate a copy of the draft accounts to Members when received. It was noted that the G W Robinson quote included for completion of the Association's tax return.

Action: Phill Jones.**5. UKOPA Strategy for the Future****5.1 Actions Arising**

(i) Phill Jones to circulate a copy of the notes with the HSE to all Members following acceptance by the HSE

(ii) Phill Jones to update (i) UKOPA/07/0031 to remove his name wherever it occurs under the responsibility column and replace it with the word "Secretary", and (ii) Prepare a progress report by the end of the year using UKOPA/07/0031 as the format for the report but with an additional column titled "Progress Report".

Actions completed and closed.**5.2 UKOPA Strategy Update and Matters Arising**

Roger Ellis referred to the strategy progress report which had been circulated to all Members following acceptance by the Management Council, reference number UKOPA/08/0004, and noted that there were a number of actions which were listed for discussion at the February 2008 meeting of the Association.

5.2.1 Sharing of operational best practice and experience including competency and training - Pipeline damage assessment and repair methods

a) *Consider preparation of guidance or information paper based on results of initial dent study.*

This is to be considered at the March 2008 meeting of the RAWG and in particular whether and how the recommendations can be captured for practical use by Members. The intention is for the outcome to be referred back to the Management Council with a view to issuing recommendations to Members before the next meeting.

Action: Neil Jackson

b) *Consider need for more detailed study of dents.*

This will be covered under item a) above.

Action: Neil Jackson

c) *Identify other areas for joint funding by UKOPA.*

The Chairman advised that no proposals or suggestions had been received from Members and it was agreed that he would raise the matter at the main meeting.

Action: Roger Ellis

5.2.2 Develop environmental risk assessment methodology

Establish Members' current approach at meetings.

It was accepted that this was an action which needs to be progressed and it was agreed that the Chairman would inform Members that it would feature on the agenda of the next meeting and that Members will be asked to outline their company approach on the issue.

Action: Roger Ellis

In addition, Phill Jones was actioned to ask Rod McConnell if he would be able to make a presentation on environmental assessment at the October meeting based on work that he had done for operators.

Action: Phill Jones

5.2.3 Review content of brochure and poster

Review long term needs

It was agreed that this would be further reviewed at the next meeting depending based on the need for the items.

Action: Phill Jones

5.4 Management Council to consider whether the UKOPA Strategy needs to be amended in 2008 to take on board additional items in order to address the aspirations of outside organisations such as the PSLG.

To be considered at the Management Council meeting to be held in June at Eakring.

Action: Phill Jones

6. Agenda of Main Meeting and Future Meetings including Presentations.

6.1 Format/Theme of Main Meeting.

The Chairman noted that it had been agreed that the theme for the full meeting would remain with process safety and focus on operating procedures/operating approach rather than control of operations. In this connection the following presentations had been organised for the main meeting:

- (i) Process Safety Indicators – Tony Stonehewer, National Grid.
- (ii) Process Safety Performance Indicators for the Pipelines Industry - Jon Carter, HSE.

He said that it had also been the intention for Harry Robertson of BP to give a presentation on Process Safety from a System Integrity Standpoint, but this had been cancelled at short notice due to other business commitments. He however noted that Neil Jackson had offered to step in and to give a presentation on Reducing Third Party Damage to High Pressure Pipelines which included reference to Process Safety Indicators. He thanked Neil for his commitment and his support.

6.2 Format of Future Meetings and Future Presentations.

The Chairman advised members that a theme had not been agreed for the next meeting although environmental risk assessment approach and methodology was a possibility based on earlier discussions under item 5.2.2 above. In discussion it was agreed that this would be further discussed with all members at the full meeting.

Action: Roger Ellis

7. 2008 Technical Seminar

7.1 Actions Arising

- a) Chairman to advise members at the full meeting that the theme of the Seminar for 2008 will be Risk Assessments and Land Use Planning.

Action completed and closed

- b) Neil Jackson to investigate the availability of Eakring for hosting the seminar and to report back at the October meeting.

The venue has been reserved for the 11th June 2008.

Action completed and closed

- c) Neil Jackson and David Dickson confirmed they would be able to supply live examples but all Members are required to investigate and confirm.

Being progressed by the RAWG.

Action closed

- d) Working Group to prepare a draft agenda for consideration/agreement

Reported in the update below.

7.2 Update

Neil Jackson reported that he had circulated a draft agenda and that it was his intention to review this at the main meeting and that all Members will be invited to submit any comments which will be considered at the RAWG meeting to be held in March. He will then issue a final agenda via the secretary by the end of March.

Action: Neil Jackson

It was agreed that Members would be asked to nominate up to 3 attendees and that formal invitations to attend would also be issued to the HSE and PIG for up to three attendees each.

Action: Roger Ellis and Phill Jones

8. UKOPA Terms of Reference

8.1 Actions Arising

- (i) Current terms of reference to be circulated to all members with request for comments by the end of November with a view to having the document reissued before the February 2008 meeting.
- (ii) Consideration be given to including something on the Association's strategy such as the organisation of annual seminars.

Actions completed and closed.

Action: Roger Ellis and Phill Jones

8.2 Update

Outstanding comments from one of the Members were reviewed and changes agreed where considered necessary. Phill Jones to update the Terms of Reference accordingly and re-issue to members and to update the version on the website.

Action: Phill Jones

9. Website Matters

(i) Phill Jones noted that the new Members' section including the search facility is now operational. He added that the search facility had only been given a limited test to date and that any feedback from Members' would be most welcome. He further noted that any search by MC members will include MC documents as well.

(ii) Phill Jones was actioned to speak to Visual regarding security of the Members' section of the website and how the system is backed up.

Action: Phill Jones

10. Pipeline Industries Guild

The Chairman stated that this item had been included on the agenda following the recent invitation for UKOPA to host a table at the London dinner and to record agreement, (based on correspondence received from Members) that the Association cannot support spending Member's money in this way. The position was supported by Members.

11. Leading from the Top – Avoiding Major Incidents Conference

This relates to the conference being organised by the HSE for senior executives of top companies, and Roger advised that he had been invited to attend and would be attending in his capacity as Chairman of UKOPA. He also advised that he had asked for an additional place and that UKOPA had been included on the reserve list for this purpose.

Action: Roger Ellis to keep members advised

12. Any Other Business.

There was no additional business.

13. Dates of Future Meetings.

11th June – Technical Seminar at Eakring.

8th/9th October 2008 – sponsor National Grid, venue to be confirmed.

25th/26th February 2009 – sponsor Sabic, venue to be confirmed.