



United Kingdom Onshore Pipeline Operators' Association

Notes of the Management Council Meeting held at the Eakring Training Centre on 8th June 2009

1. Attendance and Apologies

Present: Roger Ellis – Shell - Chairman
Neil Jackson – National Grid
David Dickson – BP
Ed Reeder - Ineos
Richard Halford - Esso
Phill Jones – Secretary.

Apologies: Mark Harrison – SABIC.

2. Notes of Meeting held on 25th February 2009 (UKOPA/MC/09/0012).

The notes of the meeting held on 27th February 2008 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 UKOPA – Ten Years Old in 2007 (3.1)

Roger Ellis agreed to provide a copy of the paper he presented to a joint IGEM/I. Mech. E. local meeting in Manchester in November for circulation to Members.

It was noted that Roger has forwarded the paper to Phill Jones and that a copy will be forwarded to Members for information.

Action: Phill Jones

3.2 UKOPA/HSE Liaison Meeting (3.4)

Roger Ellis to contact Moira Wilson with a view to setting a date for the 2009 Liaison meeting, probably in September

Roger Ellis advised that this action was being progressed and that the meeting would be held on either 2nd October or 28th September. **Post meeting note** - subsequently confirmed for the 2nd.

3.3 Past Chairmen of the Association

Phill Jones was actioned to provide a list of past Chairmen for the information of Members and to facilitate selection of the next Chairman.

Phill Jones confirmed the list of past Chairmen as follows:

Jane Haswell - Transco
David James – Shell
Jane Haswell - Transco
Ted Findlay - BP
Mark Harrison – Huntsman Petrochemicals
Roger Ellis – Shell UK Ltd
Phil Brown/Neil Jackson – National Grid Transco
Mark Harrison - Huntsman Petrochemicals
Roger Ellis - Shell UK Ltd

Phill Jones to confirm dates for the above and to post the information on the website.

Action: Phill Jones

4. Financial Issues.

4.1 Actions Arising.

(i) Phill Jones to further amend the procedure for signing off approved invoices in line with discussions at the meeting of 25th February 2008. (4.1(i))

Roger Ellis confirmed that the amended procedure had been issued with the papers for the meeting and now includes the statement:

“In the event of an objection, the objector shall provide full explanation and it will be the responsibility of the Chairman to achieve a consensus view prior to authorising payment”.

The amended procedure was approved.

Action closed.

(vii) Progress relating to the registration of Esso as a full member (Director) of UKOPA to be checked and advised by Richard Halford (4.1vii)

Richard Halford advised that he was awaiting a response from Esso’s Legal Department and would advise the position as soon as possible.

Action: Richard Halford.

The Secretary was also actioned to make contact with Ed Reeder regarding the registration of Ineos as a Director.

Ed Reeder confirmed that he had received a copy of the company articles and the memorandum of understanding, and will progress the matter within Ineos and advise on progress as appropriate.

Action: Ed Reeder.

4.2 Finance Report (UKOPA/MC/09/0016)

4.2.1 Membership Fees 2009

Phill Jones reported that as of end April membership fees for 2009 were outstanding from four Members. He noted that this was being progressed and it was anticipated that payment would be made shortly by all four. No bad debts are expected.

Action: Phill Jones

4.2.2 Invoices

Action Arising

(i) Phill Jones was actioned to check, make the necessary amendment(s) relating to items 12 & 19 and reissue the finance report.

Phill Jones reported that an amended finance report had been included with the papers circulated to Members in advance of the meeting.

Action closed.

(ii) Update

Phill Jones reported that all invoices received between 1st March and 31st May 2009 meeting are listed in the Finance Report, and approval for payment had been received for items 1 to 7. Copies of invoices 8 to 10 had been issued in advance of the meeting and these were now approved and cheques for payment made by the Chairman. Council Members also approved payment of an invoice recently received from GL Industrial Services relating to the 2009 licence for the UKOPA version of FFREQ.

Action: Phill Jones.

4.2.3 VAT Return for the period January to March 2009 – ref UKOPA/MC/09/0017

The VAT return for January to March was completed and submitted with a cheque in the sum of £1130.45.

4.2.4 Expenditure Applications

(i) Action Arising

Phill Jones to amend expenditure application reference UKOPA/MC/09/0010 as agreed at the meeting and issue for signature by the Chairman.

Action outstanding - Phill Jones to send a copy of the amended application to Roger Ellis for signing.

Action: Phill Jones.

(i) Applications Approved by Email

One further expenditure application had been approved by Council Members via email since the February meeting, viz UKOPA/MC/09/0013 – Provision of technical support by Advantica for 2009 - £15,000. This was signed off by the initiator (Neil Jackson) and signed as approved by the Chairman on behalf of the Council.

4.2.5 Membership Fees for 2010.

Members agreed that membership fees should be held at current levels for 2010 and actioned Phill Jones to advise Members accordingly.

Action: Phill Jones.

4.3 Accounts for 2008 - ref UKOPA/MC/09/0019 and Corporation Tax Return

Roger Ellis reported that the accounts for 2008 had been prepared as agreed and that copies had been circulated prior to the meeting. Members now confirmed acceptance and copies were signed by the Chairman and Secretary as requested by the accountant. Phill Jones was actioned to ensure that a copy was sent to Companies House.

Action: Phill Jones

It was also noted a corporation tax return had been prepared by the accountant in connection with bank interest earned and Phil Jones was actioned to sign off and make the payment as required.

Action: Phill Jones

4.4 Expenditure Forecast UKOPA/MC/09/0014**4.4.1 Actions Arising**

- (i) Check with Rod McConnell and action as necessary, and include any expenditure for the M Sc plaque and frames for 2008.

It was noted that provision has been included in the forecast but no charges have been received to date.

Action: Phill Jones to check position/progress.

- (ii) Include the approved figures for 2009 for PIE technical support and secretariat services.

Action completed and closed

- (iii) Include £1000 for a Process Safety Workshop as recommended by Tony Stonehewer.

Action completed and closed.

4.4.2 Expenditure Forecast 2009/2010 - ref UKOPA/MC/09/0014

Phill Jones referred to the updated forecast for 2009/2010 which had been circulated prior to the meeting, and noted that the forecasts of cash availability at the end of 2009 and 2010 based on current known commitments and current expected level of membership fees are listed as £90.20k and £128.91k respectively. He also noted that the actual expenditure to end of April was well below the forecast because invoices had not been received from a number of providers.

The following actions were agreed in discussions:

(i) PERO Course: Phill Jones to check and clarify the understanding regarding to the organisation and funding of future courses. It was anticipated that this will be handled entirely by the Fire Services College though clarification of the role of the UKOPA secretary needs to be confirmed. .

Action: Phill Jones.

(ii) Newcastle University - Certificate confirming that UKOPA is a Corporate supporter of the University – Phill Jones to date, scan and post on the website.

Action: Phill Jones.

4.5 Approval of companies for provision of services

The Chairman referred to discussions at the last meeting and the action on Neil Jackson to seek expert opinion relating to the need to invite competitive tenders, and also to the email received from Neil in connection with the matter – ref UKOPA/MC/09/0020.

He noted that the advice received is that the practice currently being followed for the relatively low value work that UKOPA is dealing with is acceptable, and at these levels companies are allowed to make spot purchases selecting companies they know can do the work. The only issues would be for UKOPA to ensure that the supplier is competent and that it is obtaining value for money, these are financial issues for UKOPA to manage and are not required by procurement law. It was noted that it had not been made clear if UKOPA would be covered by EU procurement legislation but either way this legislation only kicks in for values around 250k euros so current practice and procedures are acceptable.

In discussion Members accepted the interpretation and agreed that current procedures were acceptable.

5. UKOPA Directors – Change in the Law - UKOPA/MC/09/0021

Roger Ellis referred to the letter received from the accountants and circulated by the Secretary as UKOPA/MC/09/0021 relating to the change in company law which requires every company to have at least one Director who is a natural person. The relevant sections from the Companies Act 2006 are as follows:

155 Companies required to have at least one director who is a natural person

(1) A company must have at least one director who is a natural person.

(2) This requirement is met if the office of director is held by a natural person as a corporation sole or otherwise by virtue of an office.

156 Direction requiring company to make appointment

(1) If it appears to the Secretary of State that a company is in breach of - section 154 (requirements as to number of directors), or section 155 (requirement to have at least one director who is a natural person), the Secretary of State may give the company a direction under this section.

Two options readily available options were identified for addressing the change in the law as follows:

- (i) One of the Management Council Members (a representative of one of the Directors).
- (ii) Appoint the Secretary as a Director.

In discussion it was agreed that the second option would probably be the most practical solution and it was agreed that Phill Jones should seek legal advice regarding the possibility before making any decision regarding the matter. In particular the position with regard to liabilities needs to be rechecked.

Action: Phill Jones.

It was also noted that the articles and the memorandum would need to be revisited to check requirements for amendments resulting from the changes but it was agreed that this should be held until the position with the “natural person” has been resolved as this will have the main impact on such changes.

6. Technical Seminar 2009

6.1 Action Arising (8)

Roger Ellis to propose agenda to Members at the full meeting with suggested presenters to Members at the full meeting.

Action completed and closed.

6.2 Update

It was confirmed that that 53 people (including speakers) would be attending the seminar and that all arrangements were in place.

The technical seminar 2010 was raised in discussion and it was agreed that:

- (i) Emergency planning is a possible theme but that feedback from attendees at this years’ seminar should be considered before making a decision on the issue.
- (ii) Phill Jones to include on the agenda of the October meeting.

Action: Phill Jones.

7. Institute of Mechanical Engineers - Pipeline Seminar

7.1 Actions Arising (9)

Roger Ellis reported that all actions recorded in the notes of the last meeting have been completed and are closed.

7.2 Update

Roger also reported that the agenda for the seminar had been finalised and that a list with bullet point summaries and author details was issued to the Institute, and that an initial draft of the seminar flyer had been received. A copy of the flyer was circulated at the meeting and the following actions were agreed:

(i) Roger Ellis to check whether the HSE had agreed to be a joint sponsor and if so to suggest that the HSE logo is included on the flyer. **Post meeting note** - this has been confirmed

(ii) Phill Jones to suggest reword for the second paragraph to more accurately reflect the content of the proposed presentations and Roger Ellis to send to the Institute.

Action: Phill Jones and Roger Ellis.

(iii) A copy of the final version of the flyer to be circulated to all Members on receipt from the I Mech E

Action: Phill Jones.

8. Presentation by Mark Harrison to the Chemical & Downstream Oil Industry Forum (CDOIF).

Roger Ellis noted that this item refers to Mark's email of 14th May in which he requested the agreement of Council Members to present the same paper as he and Jim Stancliffe will be presenting at the technical seminar on the 9th June to the Chemical & Downstream Oil Industry Forum (CDOIF) later this year.

The request was unanimously approved.

9. UKOPA Strategy for the Future

9.1 Actions Arising (5)

(a) Neil Jackson was actioned to provide a copy of the original copies of the brochure and poster for posting on the website for possible future use.

Action outstanding.

Action: Neil Jackson.

(b) Phill Jones to review progress on a quarterly basis and, in this connection, and to prepare and circulate an update to Members before the June meeting.

Action in progress and closed.

- (c) June review to cover whether the strategy should cover organisational and political goals as well as technical goals, and whether document posted on the public section of the website should include the front section of the strategy originally circulated as part of UKOPA/07/0030.

To be covered in the update

- (d) Neil Jackson to organise a meeting room for the Management Council meeting on the afternoon of 8th June.

Action completed and closed.

9.2 Strategy Review and Update - UKOPA/MC/09/0023

- (i) Phill Jones circulated a revised copy of the strategy document which had been updated in line with comments received from the Chairmen of the FDMG, the RAWG, the PSMG and the IWG.

This copy was reviewed and the secretary was actioned to address two agreed further amendments and to seek an update from the Chairman of the EPWG and then to circulate a copy of the final updated version to Members.

Action: Phill Jones.

- (ii) Roger Ellis noted that not many safety alerts were being received and it was agreed that Members should be further encouraged to share experiences in this regard including details of A1 type infringements as defined by the IWG.

Action: Dave Dickson.

- (iii) Phill Jones to circulate the current list of website users (i.e. as amended/updated) to Members and request positive response confirming acceptability.

Action: Phill Jones.

- (iv) It was agreed that a separate meeting dedicated to the UKOPA strategy was necessary in order to fully address all the issues, including the future of UKOPA, political goals, proposals for development, etc. In this connection it was decided that a telephone conference would be held at 10:00am on the 6th October to deal with the routine administration and standard agenda items, and that the meeting on the 7th October would be dedicated to discussions on the strategy document and any exceptional items.

Action: Roger Ellis to organise the teleconference (complete)

10. Agendas for the Full Meeting in October 2009.

10.1 Action Arising

Phill Jones to contact Dr Scott McCann, Technical Services Manager, Corus Tubes Energy on to check if he would be prepared to give the presentation on SAW and HFI Pipes, Coatings and Future Developments which was cancelled at the October meeting.

Phill Jones confirmed that he had written to Scott McCann but had not received a reply to date. It was agreed that he should try to make contact again and keep Members advised.

Action: Phill Jones.

It was also noted that there was an action in the main meeting for Peter Davis to contact the representative from DECC who had not been able to come to the last meeting to give a presentation relating to the Department's role and responsibilities, to ask whether he would be able to do so at the October meeting. Phill Jones to check with Peter Davis if any progress had been made on this issue

Action: Phill Jones.

10.2 October 2009 Meeting

Roger Ellis reminded all that it was agreed at the last Council meeting that the theme for the next meeting could be "Improving understanding and procedures from incidents" and/or "Emergency Planning/Emergency Response. At the full meeting however a follow up presentation on process safety had been considered by Members to be a better option. It is not clear though whether the subject can contribute more than one presentation and that additional theme(s) may need to be included. Phill Jones was actioned to speak to Tony Stonehewer as Chairman of the PSG to determine what he intends to present and the time required.

Action: Phill Jones.

In discussion it was agreed that, in addition to the presentations mentioned under any other business, the following list of options are available for consideration if additional presentations are required:

- (i) Aerial surveillance with unmanned aircraft – BP.
- (ii) Fibre Optic Monitoring on or close to pipelines – BP.
- (iii) Rewriting Emergency response plans – BP.

It was agreed that a list of presentations should be finalised as soon as possible in order that presenters have sufficient preparation times.

Action: Phill Jones.

It was agreed that the offer of a presentation from Linegaard on leak detection should be declined on the basis that presentations require a UKOPA sponsor.

Action: Phill Jones.

11. Website Matters

11.1 Actions Arising (8)

Phill Jones to arrange for the register of users to be updated/agreed at the beginning of each year and that the password of any persons that are not currently registered would be deactivated by Visual. Phill Jones to action, and check if a current register of users can be provided by Visual.

As reported in 9.2(iii) -Phill Jones to circulate the current list of website users (i.e. as amended/updated) to Members and request positive response confirming acceptability.

Action: Phill Jones.

11.2 Update

Phill Jones reported that the amended UKOPA version of FFREQ had been received and will be posted on the website complete with instructions for use in the near future.

Action: Phill Jones.

12. Change of Chairman

Roger Ellis noted that Dave Dickson would be taking over the role of UKOPA Chairman at the end of the meeting for a period of two years until June 2011.

13. Any Other Business.

13.1 Process Safety Liaison Group

Roger Ellis referred to the email from Peter Davis to Dave Dickson dated 4th June regarding the “Principles of Process Safety Leadership” and the request from PSLG members for all members to sign the document and recommended that the Council should confirm agreement and authorise Peter to sign on behalf of UKOPA. This was supported by all Council Members.

Action: Roger Ellis.

13.2 Study on Land Use Process

Mark Harrison referred to his email of 4th June on this subject in which he confirmed that he sits on a CIA working group looking at societal risk. This group has been formed to lead CIA's response to HSE's project work on the development of societal risk thinking for LUP. At a recent meeting of the working group, a consultant attended to talk about the study work they are undertaking on behalf of the Department of Communities and Local Government. This is looking for feedback from stakeholders on the effectiveness and suitability of the LUP process, with relevant case studies.

Whilst the study work appears to focus on COMAH (i.e. fixed sites), Mark had started to pick up that it also covers pipelines and recommended that we should become involved and provide feedback through the RAWG. This was agreed and Neil Jackson was auctioned to progress the matter and to liaise with Mark as necessary.

Action: Neil Jackson.

13.3 Tidal Dee and Tidal Clwyd Flood Risk Management Strategies

Phill Jones referred to an introductory document that UKOPA had received from the Environment Agency Wales relating to the above. It is unclear why the document had been sent to UKOPA, and in discussion it was agreed that no formal response would be required from the Association.

13.4 Chairman and Secretary

Roger Ellis referred to the current system for selection of Association Chairman which is by rotation from company to company, (subject to reasonable experience of proceedings etc), and suggested that it may be timely to undertake a challenge and review of the process. Following brief discussion it was agreed that this would be considered prior to nomination/agreement of the next scheduled change of Chairman.

Roger also suggested that consideration also needs to be given to the position of secretary as he believes that a resignation period of 6 months may be too short when one takes into account the typical time period between meetings.

It was agreed that both items should be discussed further as part of the strategy review in October.

13.5 Vote of Thanks

All Members joined in a vote of thanks to Roger Ellis for the leadership, direction and commitment demonstrated throughout the period of his Chairmanship.

14. Dates of Future Meetings.

6th/7th/8th October 2009 sponsor BPA venue to be confirmed.

24th/25th February 2010 – Esso at Locko Park.