



MER UK Steering Group Meeting 7th

March 2019

Welcome and Introductions:

- Andy Samuel opened the meeting, welcomed everyone and thanked them for their attendance.
- He welcomed Jean-Luc Guiziou who is replacing Greta Lydecker as the Steering Group Co-Chair and Sian Lloyd-Rees who is replacing Neil Sims as Chair of the Supply Chain and Exports Task Force.
- Greta added she appreciated that Jean-Luc and Sian had decided to join the group and that they were both eager to participate on behalf of the industry.

Technology Update – Bill Dunnett

- The technology vision has been defined.
- 20 technology priorities have been agreed with the MER UK Task Forces (10 short term, and 10 medium term) and the benefits and critical success factors have been defined.
- It is proposed that the TLB is the single point of contact for strategic communications, TLB to speak for industry on behalf of the task forces.
- Next steps:
 - Engage industry sponsors (3 to 4 industry secondees) to drive progress and adoption of each technology priority
 - Close loop with OGTC and other organisations to ensure delivery or plan how to close gaps
- Technologies can be linked to the OGA expectations as minimum standard.
- Bill Dunnett will produce paper which will outline the TLB strategy and way forward. This will be shared with the MER Steering Group who will be asked to endorse the approach.

Task Force Updates

- The task force updates were issued as a pre-read.

- The request was made that when completing the 'Contributions towards Vision 2035' that the task forces give some context and specific examples of how their task force is contributing to the objectives of Vision 2035.
- Nick Terrell advised that the Exploration Task Force would be writing to industry to seek funding for Petroleum Systems Project and requested that where possible that Steering Group members support this within their organisations.
- Work has been done on Machine Learning Northern North Sea Missed Pay project, the Exploration Task Force have requested that the OGTC release as much data as possible for the benefit of industry.
- The focus for the Supply Chain and Exports Task Force will be on Exports, there is a conference planned for June which will be the first all energy conference focused on exports.
- Opportunity North East have started to pull together a guide to exporting, this will be broadened to cover the whole of the UK, this will be launched at the conference.
- Action Point: Stuart Payne to consider next steps for the Supply Chain and Exports Task Force and share with the Steering Group.

Decommissioning Call for Evidence

- In the November budget, the Government announced its ambition for the UK to become a world leading decommissioning hub. This has resulted in a Call for Evidence which is expected to be launched in March.
- Andy Samuel as the Chair of the MER UK Forum has been commissioned to provide a response. This response should include:
 - how becoming a world leading decommissioning hub best sits beside MER UK.
 - How will this contribute to lowering decommissioning costs?
 - what is the export prize and opportunity?
 - what has already been achieved.
- The Decommissioning Task Force working in partnership with the Supply Chain and Exports Task Force have given the Call for Evidence priority. They have mapped out how they will enable a joined-up response from industry.

New Business Models

- The OGA have carried out an exercise to understand the different ways of setting up commercial structures. Specifics of 4 different models were looked at.

People involved in these models were brought together to share and identify key learnings with the aim to sharing lessons across industry. This work has now been linked with the work Steve Phimister is doing on cultural change.

- The focus in 2019 for cultural change will be:
 - Sustain the dialogue with industry and encouraging operator and supply chain 'deep dives'. At the end of March 30 MD's from operators and the supply chain will be participating in the round table started last year.
 - Input to shaping of the Vision 2035 communications campaign to ensure collaboration is visible as a key enabler to realising the roadmap.
- It is also the intention to work with the OGA, identifying 'stuck' UKCS opportunities that may be unlocked through application of collaborative behaviours, innovative commercial models & technology.
- The Steering Group was asked for their views on this and how this could be taken forward.
- It was suggested to start with the areas with the biggest volumes and to seek volunteers to participate.
- It was explained that the OGA could not release some of the data it holds without permission from the operators.
- It will be important that this is introduced to industry in an appropriate way.
- The Steering Group gave endorsement to take this forward and to test it with the O&GUK Board and the Industry Council.

Stewardship Expectation

- The Stewardship Expectations were developed with industry and deployed in 2016. They set out what 'good' looks like.
- The OGA are currently working with a number of companies to refresh the expectations. The number of expectations will remain at 10. The first draft is expected to be ready by the end of March and it is hoped that the refreshed expectations be launched later this year.
- Jon Graham, Apache is the industry sponsor, it was agreed that industry engagement was important to make sure concerns were heard and addressed.
- Each expectation has an OGA lead who will invite industry to act as informal consultees to check for unintended consequences, factual inaccuracies and/or clarity.
- It was agreed that Gunther Newcombe could lead a discussion at the O&GUK board 13 March 2019 to ensure full understanding.
- The Steering Group was also asked to contact Gunther Newcombe if they required further information or he could help with the communication of the changes.

Wells

- The OGA Wells Strategy will be published in the first quarter of 2019. 30 operators have had input to this.
- Significant remaining resources but less than 50% of planned 2018 wells were delivered – mainly deferred activity.

- OGA will be working with industry to minimise well slippage.
- Required increase in new wells activity, improved construction performance, surveillance and intervention activity, and improved P&A planning
- Steve Phimister presented the 2019 Wells Forum workplan 4 workstreams being taken forward in 2019:
 - Competitive well delivery
 - Reservoir and wells optimisation
 - Well decom network
 - Safeguarding license to operate
- It was agreed that wells should have more of a focus at the Steering Group and should be included in the agenda at the next meeting.

Diversity

- Deirdre Michie provided an update on what is happening in the industry around gender diversity. Currently looking at diversity and inclusion and gender diversity is an important element of this.
- There is evidence that shows that a better gender balance gives better results from a financial and safety point of view.
- The oil and gas industry has a bigger gap than many other industries.
- The industry is doing a great deal, but this is not being done collaboratively.
- O&GUK have started to map out what is already being done and what more could be done across industry, looking specifically at 4 areas:
 - Starting out – Focus on improving careers advice
 - Staying on – Promote best practice, identify gaps, campaigns
 - Getting on – Mentoring, Powerful Women/Axis website examples
 - Champions as change agents - Champions, especially men as agents for change
- Next steps
 - Connect with industry champions
 - Assess the Challenge
 - Promote the opportunity
 - Drive the change
- It was agreed that this should be on the next MER UK Forum meeting agenda.

AOB

- Andy Samuel thanked Greta Lydecker for her hard work and dedication over the last 2 years as the industry co-chair of the Steering Group.