

Break-out Session

Decommissioning Optimization



Breakout session

Agenda Breakout session

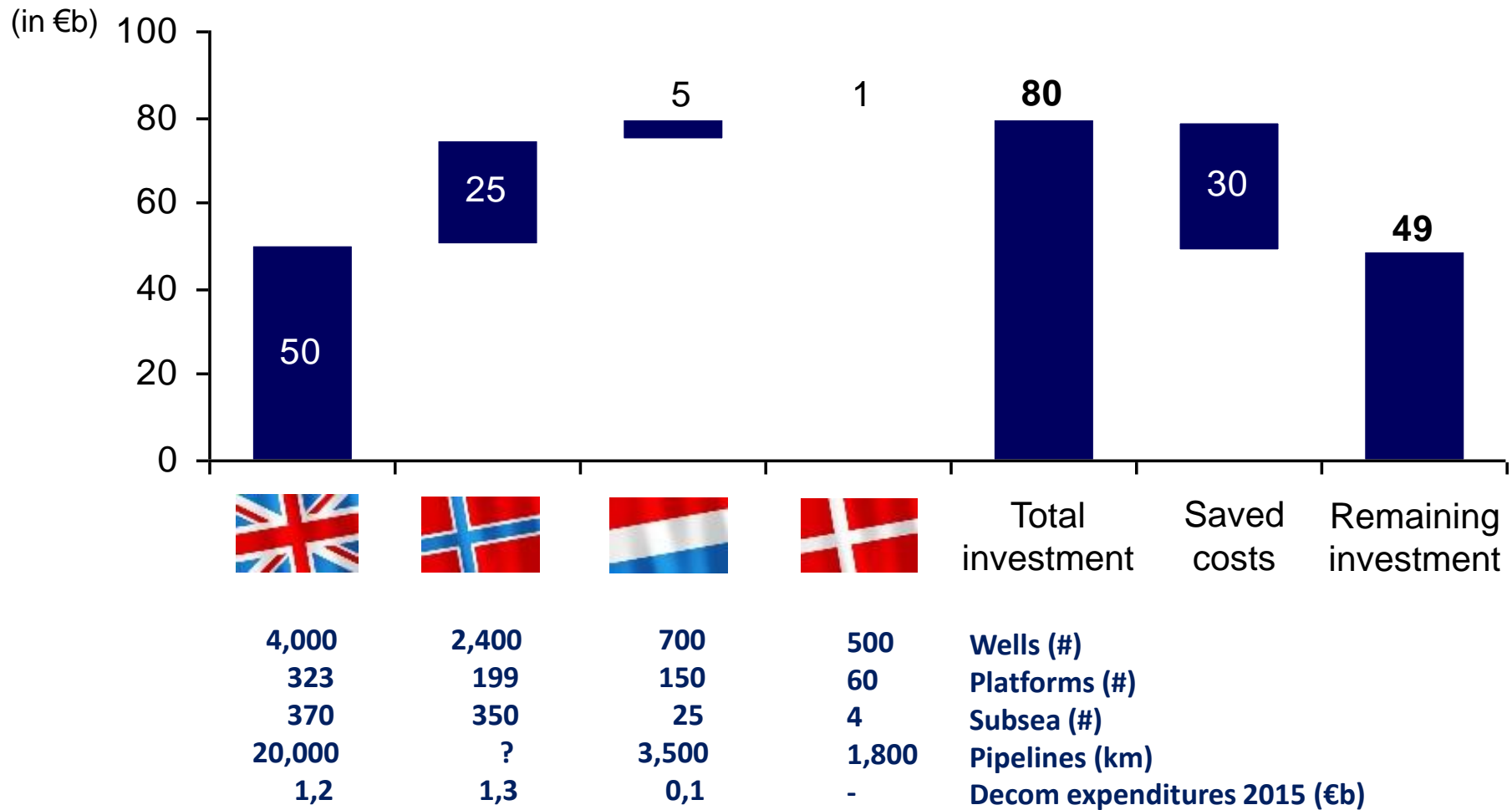
10 minutes	<p>Introduction Explanation of the value pool Description of assignment</p> <p>Q&A: Did we miss anything?</p>
15 minutes	<p>Assignment 1 What is the biggest hurdle?</p>
15 minutes	<p>Assignment 2 Who needs to do what tomorrow?</p> <p>Q&A: Did we miss anything?</p>

During the breakout sessions the participants are allocated into small groups. Each group is assigned to fill in a poster.

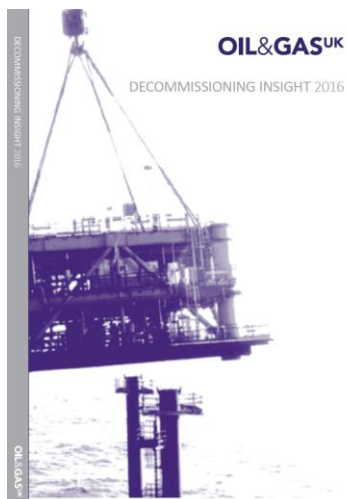
How do you assess the value pool Decommissioning Optimization?

What are the options?	What is the biggest hurdle?	Who needs to do what tomorrow?												
<p>Identified sub-value pools</p> <ul style="list-style-type: none"> Foster effective industry collaboration Support quality, cost-effective standardisation Stimulate innovative decommissioning Build on international best practices 	<table border="1"> <tr> <td>Financial</td> <td>Feasibility</td> <td></td> </tr> <tr> <td>€</td> <td>Low Medium High</td> <td></td> </tr> </table>	Financial	Feasibility		€	Low Medium High		<table border="1"> <tr><td>Who:</td><td></td></tr> <tr><td>What:</td><td></td></tr> <tr><td>Explanation:</td><td></td></tr> </table>	Who:		What:		Explanation:	
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<p>Additional sub-value pools</p>														

Decommission costs per country and value potential



Ongoing initiatives



DECOM North Sea **L2P2** [Late Life Planning Portal] [Leading Meaningful Collaboration]

HOME TOOLS LESSONS SUBMIT FEEDBACK HELP INDUSTRY INFORMATION SEARCH

	PRE LATE LIFE	MORE THAN 10 YEARS BEFORE COP	10 TO 5 YEARS BEFORE COP	5 TO 3 YEARS BEFORE COP	3 YEARS BEFORE COP	POST COP
BUSINESS STRATEGY	ASSET RETENTION OR DISPOSITION	MONITOR IMPACT AND OPTIONALITY	MONITOR IMPACT AND VALUE			
COMMERCIAL	NEW COMMERCIAL AGREEMENTS	VALIDATE COMMERCIAL AGREEMENTS	DRAFT AGREEMENT AMENDMENTS	AGREE COMMERCIAL AGREEMENTS	EXECUTE COMMERCIAL AGREEMENTS	MANAGE COMMERCIAL AGREEMENTS
LIABILITY ECONOMICS	ARO ESTIMATE STRATEGY	VALIDATE STRATEGY ESTIMATE TO ASSET	METRIC BASED ARO ESTIMATE	QUANTITY BASED ARO ESTIMATE	ALIGN ESTIM WITH MET	
REGULATORY COMPLIANCE	MONITOR REGULATIONS		PRELIMINARY DISCUSSIONS	DRAFT DECOM PROGRAMME	SUBMIT DE PROGRAM	
PROJECT MANAGEMENT	DEFINE DECOM PM PROCESS	ROLES AND RESPONSIBILITIES	DEPLOY STRATEGY TEAM	DEPLOY PLANNING TEAM	DEP	
PRODUCTION OPERATIONS	CHANGE AND RECORDS MANAGEMENT		EARLY LATE LIFE OPERATIONS	FULL LATE LIFE OPERATIONS	TRANSITIC OPERATH	
WELL PLUGS AND ABANDONMENT	MANAGE WELL STOCK	ROLES AND RESPONSIBILITIES	DEFINE WELL P&A STRATEGY	IMPLEMENT WELL P&A STRATEGY	PRE-COP WE	
CONTRACTING STRATEGY	SUPPLY CHAIN ANALYSIS		DEFINE CONTRACTING STRATEGY	IMPLEMENT CONTRACTING STRATEGY	EXECUTE CONTRAI	
TECHNOLOGY	MONITOR TECHNOLOGY DEVELOPMENT		TECHNOLOGY ASSESSMENT	TECHNOLOGY SELECTION	TECHNOL CONFIRMA	






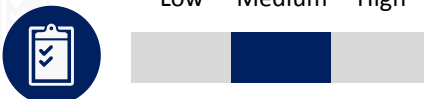
The 17th North Sea Decommissioning Conference



OSLO, Scandic Holmenkollen Park, 13.02.2017 - 15.02.2017

Feasibility assessment of cost reduction for decommissioning optimisation

Assessment feasibility score

Area	Comments / explanation	First practical next step
<p>Financial Feasibility</p> <p>Low Medium High</p> 	<ul style="list-style-type: none"> • Cost savings sharing • Cash constraints 	<ul style="list-style-type: none"> • Pilot project on the optimal phasing and sharing of cost savings. • Study on alternative funding options for decom projects.
<p>Technical Feasibility</p> <p>Low Medium High</p> 	<ul style="list-style-type: none"> • Insight in type(s) of decommissioning 	<ul style="list-style-type: none"> • Estimate and communicate the type of removals and equipment needed.
<p>Supply chain & market Feasibility</p> <p>Low Medium High</p> 	<ul style="list-style-type: none"> • Timing of decommissioning 	<ul style="list-style-type: none"> • Estimate the total market potential and timing for decommissioning (cross country).
<p>Regulation Feasibility</p> <p>Low Medium High</p> 	<ul style="list-style-type: none"> • Harmonisation 	<ul style="list-style-type: none"> • Evaluate rules and regulations for abandonment per country. Assess how those can be better synchronised.

How do you assess the value pool Decommissioning Optimization?

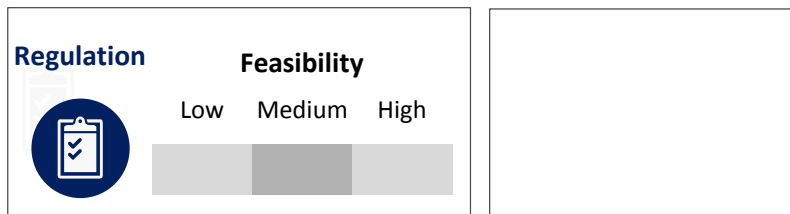
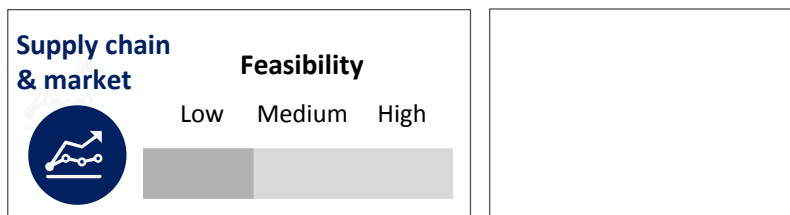
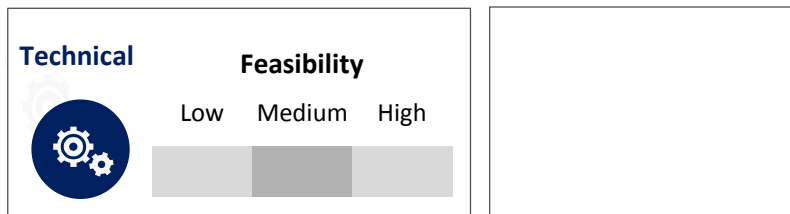
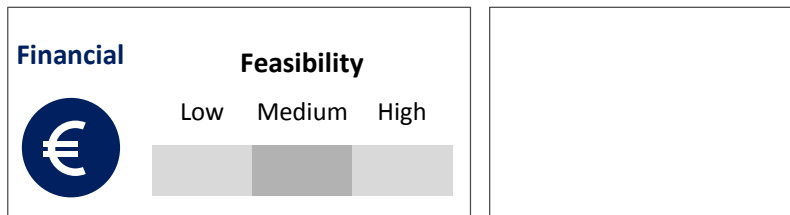
What are the options?

Identified sub-value pools

- Foster effective industry collaboration
- Support quality, cost-effective standardisation
- Stimulate innovative decommissioning
- Build on international best practices

Additional sub-value pools

What is the biggest hurdle?



Who needs to do what tomorrow?

Who:	
What:	
Explanation:	

Who:	
What:	
Explanation:	

Who:	
What:	
Explanation:	

Assessment – how to score the low, medium, or high category?

Feasibility assessment



- **Financial angle** includes the business case of a value pool in euro terms. Also possible barriers with regards to financing should be addressed in this section.
- **Score** – *Low*: no positive business case, not financeable, *Medium*: no positive business case yet, but close, limited financing issues, *High*: positive business case, no financing issues



- **Technical angle** refers to the technologic requirements for the value pool, assessed by using the technology maturity level.
- **Score** - , *Low*: idea/lab phase, *Medium*: prototyping/pilot phase, *High*: commercial phase,



- **Market angle** indicates if a market is ready to deliver a certain value pool in terms of availability of a good functioning supply chain
- **Score** - *Low*: no effective supply chain present, *Medium*: limited changes needed to improve performance of supply chain, *High*: effective supply chain present



- **Regulatory angle** includes barriers for the development of a value pool is driven by current or missing regulation, legislation and tax regime.
- **Score** - *Low*: hindering or missing regulation, *Medium*: hindering or missing regulation in the process of being changed/developed, *High*: no regulatory barriers