

7 Decommissioning





Figure 7.1 The DP2 drilling and production facility removed from the Frigg field in 2008
(Source: Total E&P Norge AS)

Petroleum activities only borrow the sea, and all phases of the oil and gas activities must respect the environment and other marine users. The main rule is that, when petroleum activity ceases, everything must be cleared and removed.

To date, the Ministry of Petroleum and Energy has approved more than ten decommissioning plans. In most cases it has been decided that abandoned facilities are to be removed and taken ashore, e.g. Odin, Nordøst Frigg, Øst Frigg, Lille-Frigg, Frøy and TOGI. Following consideration of the decommissioning plans for Ekofisk I and Frigg, permission was given to leave in place the concrete substructure and protective wall on the Ekofisk Tank, as well as the concrete substructure TCP2 at the Frigg field. The work to remove the facilities on the Frigg field and parts of Ekofisk commenced in 2005. The decommissioning plan for MCP-01 is currently being considered by the Ministry. The DP2 drilling and production facility on the Frigg field was removed in July 2008 (see Figure 7.1).

The regulations

Both national and international regulations apply when the government reaches a decision regarding disposal of an installation on the Norwegian continental shelf. Disposal or decommissioning of facilities is regulated by the Petroleum Act of 1996. In addition to this Act, Norway's obligations under the OSPAR Convention (Convention for the Protection of the Marine Environment of the North-East Atlantic) also apply. OSPAR Decision 98/3 on the Disposal of Disused Offshore Installations, which came into force on 9 February 1999, lays down guidelines for the various disposal alternatives that are acceptable for various types of marine installations. This decision does not cover pipelines, parts of an installation that are under the seabed and concrete anchor foundations that do not present an obstacle to fisheries.

The decision means that it is prohibited to dump or leave in place wholly or partially disused offshore installations in the marine environment. Derogation from the prohibition may be granted for individual installations, or parts of installations, if an overall assessment of the case in question shows that there are weighty reasons for disposal at sea.

If derogation from the OSPAR decision concerning disposal on land is applied for, a consultative process must be carried out in the OSPAR system. The appropriate authorities in the individual countries make the final decision and grant permission for exemption, if applicable. There are a number of conditions that must be met if permission is to be granted. Up until today, Norway has granted two exemptions from the OSPAR decision concerning disposal on land. As mentioned, permission has been granted to leave in place the concrete substructure of the Ekofisk Tank and its protective wall, as well as the concrete substructure TCP2 at the Frigg field.

The guidelines laid down in Storting White Paper No. 47 (1999–2000) *“Decommissioning of redundant pipelines and cables”* apply to pipelines and cables. As a general rule, pipelines and cables may be left in place when they do not obstruct or present a safety risk for bottom fishing, with costs of burial, covering or removal taken into consideration.

Decommissioning plans

As a main rule, the Petroleum Act requires licensees to submit a decommissioning plan to the Ministry of Petroleum and Energy two to five years prior to expiration or relinquishment of a production licence, or the use of a facility is terminated permanently.

The decommissioning plan must consist of two main parts, a disposal plan and an impact assessment. The impact assessment provides an overview of the expected consequences of the disposal, such as

environmental consequences. The disposal plan is assessed by the Ministry of Petroleum and Energy and the Ministry of Labour and Social Inclusion (safety aspects). The Ministry of Petroleum and Energy coordinates the public hearing of the impact assessment.

The Ministry of Petroleum and Energy prepares a draft Royal Decree, which is submitted to the government, based on the impact assessment and feedback from the public hearing, as well as on the disposal plan and its assessment. Applications for derogation from the OSPAR

decision concerning disposal on land must be presented to the Storting.

Liability

If a decision entails abandonment, the legislation states that the licensees are liable for any damage or hindrance that may arise from the installation remaining in place, whether deliberate or negligent. However, the licensees and the state may agree that future maintenance and liability can be transferred to the state, in return for an agreed financial compensation.



Figure 7.2 Illustration of the Ekofisk Tank, before and after removal of the superstructure
(Source: ConocoPhillips)