

WIRELINE

ISSUE 29 - AUTUMN 2014

IN FOCUS

How the UK upstream oil and gas supply chain's capabilities are in demand at home and overseas
p20



BREATHING NEW LIFE INTO OFFSHORE ASSETS

p15

Managing the ageing and life extension of offshore installations is itself maturing into a sophisticated area of activity – find out more

TECHNOLOGY TALKS

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Launch of the new Oil and Gas Technology Leadership Board to maximise economic recovery from the UK Continental Shelf

FOOD FOR THOUGHT

p31 to p38

How continuing professional development is crucial to the industry's success, and why chef manager Dominic Symonds loves offshore life

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Oil & Gas UK
the voice of the offshore industry 

REGULARS

5 News round-up from Oil & Gas UK

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"Working offshore makes me feel rewarded and fulfilled, it has given me the life experience I don't think I could have had from any other career. I'd recommend it to anybody looking for a challenge." p31



35 Crafting a career

Ensuring employees are inspired, motivated and engaged throughout their careers is critical in helping to tackle the industry's skills demand. *Wireline* speaks to some of Oil & Gas UK's many member companies that are putting continuing professional development at the heart of their business.

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31 Savouring offshore life

Dominic Symonds, chef manager on the Buchan platform in the central North Sea, relishes his role at the very centre of installation life. *Wireline* caught up with him to find out more.



“You cannot de-couple the Wood Review and the issue of ageing. If we don’t create the industrial landscape that the review is looking for us to create, we are not going to get the fresh commercial thinking and solutions.”
p15

It has been heartening to see the importance of our sector for local, regional and national economies being widely acknowledged in all quarters in the Scottish independence debate. But while we have welcomed the focus given to our industry by both the British and Scottish Governments, Oil & Gas UK has remained steadfastly neutral throughout the Referendum campaign.

In light of the ‘No’ vote in the Scottish Referendum, it is crucial that the UK and Scottish Governments maintain, and in fact deepen, their collaboration to ensure there are no barriers impeding our shared ambition to maximise the safe and economic recovery of our indigenous oil and gas resource. This vote does not, and will not, diminish the important role played by the Scottish Government in supporting the offshore oil and gas industry and Oil & Gas UK looks for this to continue.

As our 2014 *Economic Report* illustrates (p24), capital investment remains high but the full potential of the UK Continental Shelf (UKCS) will not be realised without significant improvement in productivity, greatly improved exploration success and urgent implementation of a new and more dynamic approach to regulation and taxation.

Maximising recovery is the collective responsibility of all those who finance, regulate, tax and operate within the industry and requires all parties to collaborate with tremendous resolve. It is encouraging to see the wheels in motion for creating a new arms-length regulator, the Oil and Gas Authority (p7), and for the review of the UK oil and gas fiscal regime (p13 and p27).

Collaboration will ultimately be the key to our sector’s long-term future. And nowhere is this more apparent than in the roll-

out this summer of the new emergency breathing system (EBS) on offshore flights as part of a series of measures to improve helicopter safety (p5).

At the time of writing, nearly 60,000 offshore workers have now received training on the EBS so far.



The Oil and Gas Technology Leadership Board is also up and running (p29). Its task

is to ensure technology development is collaborative and relevant to multi-field application, keeping industry focus on innovations that will help sustain production over the coming decades.

What’s at stake is not just the future of indigenous offshore oil and gas production, but the wide economic and commercial benefits it brings north and south of the border.

Malcolm Webb,
Chief Executive,
Oil & Gas UK

QUICK LINKS

Look out for this symbol in the magazine and scan the accompanying QR code with your handheld device for easy direct links to online material. Download the QR code reader from your app store.



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Cover image
EV operates downhole video technology for global oil and gas operations. Pictured is the Neptus RD-53 camera

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1. HELICOPTER EMERGENCY BREATHING SYSTEM TRAINING STEAMS AHEAD

Nearly 60,000 offshore workers have now received training on the new emergency breathing system (EBS) to be used on all offshore helicopter flights, developed with the support of the UK Civil Aviation Authority (CAA), Step Change in Safety and manufacturer Survitec.

The CAA certified the new EBS in July as part of a series of measures to improve safety for offshore helicopter passengers announced following the accident off Sumburgh Head on 23 August 2013. From 1 September, unless an improved EBS is provided, only passengers seated next to a push-out window exit can fly offshore. The EBS has now been rolled-out on flights from all offshore helicopter bases.

Malcolm Webb, Oil & Gas UK's chief executive, says: "We warmly welcome the progress made here; it's a significant step forward for the safety of helicopter operations in the North Sea. The development of this breakthrough lifesaving equipment is the result of intense, close collaboration between the CAA, the UK offshore oil and gas industry led by Step Change in Safety, and the manufacturers, Survitec."

Oil & Gas UK will continue to collaborate with the CAA on the implementation of other recommendations and actions outlined in its safety review released earlier this year.

For more information, please contact Robert Paterson on rpateron@oilandgasuk.co.uk.



Nearly 60,000 offshore workers have received training on the new emergency breathing system



2. INDUSTRY RESPONDS TO EU OFFSHORE SAFETY DIRECTIVE CONSULTATION

Oil & Gas UK's Health and Safety and Environmental Directorates have consolidated industry views in a response to regulators as part of the formal consultation on the transposition of the EU Offshore Safety Directive into UK law. The formal consultation closed on 21 September.

Oil & Gas UK organised a series of industry/regulator meetings during the consultation period, where officials from the Health and Safety Executive and the Department of Energy & Climate Change discussed the practical implementation of the proposed regulations, which is scheduled for July 2015.

For more information, please contact Robert Paterson on rpateron@oilandgasuk.co.uk.

3. UPDATES TO WELL-RELATED GUIDELINES

Oil & Gas UK has published a new edition of its *Well Life Cycle Integrity Guidelines* and revised its *Guidelines on Blowout Preventer (BOP) Systems for Offshore Wells* to improve cross-industry understanding of well-related issues on the UK Continental Shelf (UKCS) and to help companies incorporate the latest developments in good practice.

Produced by members of Oil & Gas UK's Well Life Cycle Practices Forum (WLCPF), the publications align with the goal-setting philosophy of the UK offshore safety regime. The WLCPF has a number of work groups committed to reviewing all aspects of well practices to improve safety and performance.

Oonagh Werngren, Oil & Gas UK's operations director, says: "This is an excellent example of what can be achieved through collaborative work across the industry. These updated guidelines collate the latest expertise."

The Well Life Cycle Integrity Guidelines are available to download at <http://bit.ly/wellintegrity> and the Blowout Preventer Systems Guidelines are available at <http://bit.ly/BOPguidelines>. For more information, please contact operations@oilandgasuk.co.uk.



4. CELEBRATING 40 YEARS OF THE HEALTH AND SAFETY AT WORK ACT

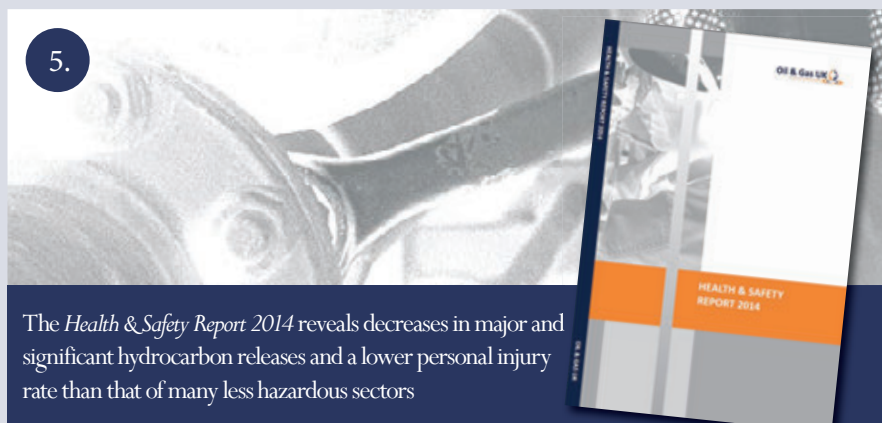
The Health and Safety Executive celebrates 40 years of the Health and Safety at Work (HSAW) Act this year. The 1974 Act paved the way for the creation of the Health and Safety Commission and the establishment of the Health and Safety Executive as we know it today – which regulates health and safety law working with industry to help them manage risks effectively.

Malcolm Webb, Oil & Gas UK's chief executive, comments: "The health and safety of the workforce is the top priority of any industry, but particularly so in the offshore oil and gas sector, where people work in an environment which, by its very nature, is inherently hazardous. The HSAW Act has provided our industry with a strong regulatory regime to make the UK's offshore environment safer. It continues to evolve in line with our industry's resolve to remain constantly vigilant in the management of hazards."

Find out more about 40 years of the HSAW Act at <http://bit.ly/HSAWact>.



4. The 1974 Health and Safety at Work Act has helped British workplaces to be among the safest in the world



5. The Health & Safety Report 2014 reveals decreases in major and significant hydrocarbon releases and a lower personal injury rate than that of many less hazardous sectors

5. REPORT HIGHLIGHTS CONTINUED FOCUS ON SAFETY

Oil & Gas UK's Health & Safety Report 2014 summarises the industry's health and safety performance across a range of indicators (see box-out below). It also comments on the issues and activities managed by the organisation, in collaboration with its members, in areas such as ageing and life extension, the EU Offshore Safety Directive and the Civil Aviation Authority's review of helicopter safety.

Robert Paterson, Oil & Gas UK's health and safety director, adds: "Our industry has long performed well in terms of non-fatal accidents, better than sectors that would generally be considered lower hazard, including retail and the public sector. Significantly, the report shows that the industry has also achieved a 49 per cent reduction in the number of hydrocarbon releases over three years."

The publication is available to download at www.oilandgasuk.co.uk/Health_Safety_Report_2014.cfm. For more information, please contact Robert Paterson on rpaterson@oilandgasuk.co.uk. Also see p15 of this issue for an article on the management of ageing and life extension of offshore installations.

6. THE RECIPE FOR A HEALTHY WORKFORCE

Speakers from Sodexo, TOTAL E&P UK Ltd and Robert Gordon University presented at Oil & Gas UK's breakfast briefing in Aberdeen on 26 August on the topic of health and wellbeing. With 450,000 people supported by the sector, onshore and offshore, a key priority is to ensure a healthy workforce. The presenters provided insight into the current health of employees and the programmes under way to help individuals make improvements to their lifestyles.

The presentations can be downloaded at www.oilandgasuk.co.uk/events/archive.cfm.



6. Arthur Stewart of Robert Gordon University presented at a breakfast briefing on health and wellbeing on 26 August in Aberdeen

SPOTLIGHT: SAFETY

KEY FINDINGS – OIL & GAS UK'S HEALTH & SAFETY REPORT 2014

Oil & Gas UK's Health & Safety Report 2014 reveals:

- A 49 per cent reduction in the total number of reportable hydrocarbon releases over three years to the end of March 2013.
- An increase in the total number of hydrocarbon releases for the remainder of 2013, but there was a continued decrease in the number of major and significant releases from 2013 to 2014.
- A slight rise in the frequency of reportable injuries and dangerous occurrences in 2013 compared with 2012.
- A lower personal injury rate than that of many less hazardous sectors, with a 35 per cent better performance than the 'all industries average'.



7. CROSS-NORTH SEA RECOGNITION FOR SPECIALISED SAFETY AND EMERGENCY RESPONSE TRAINING

Oil and gas trade associations in the UK, Norway, the Netherlands and Denmark have signed an agreement to recognise each other's specialised safety and emergency response training, while maintaining strict safety requirements.

Guidelines for the Mutual Recognition of Specialised Safety and Emergency Response Training are available to download at <http://bit.ly/specialisedsafety>.

8. ECONOMIC REPORT 2014

Oil & Gas UK's *Economic Report 2014*, released on 30 September, provides a definitive guide to the current health and future prospects of the offshore oil and gas industry in the UK. As the report illustrates, although capital investment on the UK Continental Shelf reached a record £14.4 billion in 2013, exploration over the last three years has been at its lowest in the history of the UKCS and each pound of investment now yields only about one fifth of that a decade ago.

To safeguard the industry's future, Oil & Gas UK presses the need for swift implementation of reforms to the fiscal regime (see p27 for more on the fiscal review) as well as Sir Ian Wood's recommendations to maximise economic recovery (see story right). The industry must also not delay in a cross-sector effort to bring escalating costs under control and improve production efficiency.



Sir Ian Wood released his recommendations from an independent review of the UK Continental Shelf in February

9. WOOD REVIEW – UK GOVERNMENT RESPONSE

Edward Davey MP, secretary of state for energy, has issued a formal response to Sir Ian Wood's findings from his independent review of the UK Continental Shelf (UKCS). Mr Davey outlines a phased approach to implementing Sir Ian's recommendations for Maximising Economic Recovery from the UKCS (MER UK).

The government has already announced that the new arms-length regulator for the UKCS' stewardship will be called the Oil and Gas Authority (OGA), headquartered in Aberdeen. It has confirmed that it will contribute £3 million per year for five years, beginning in 2016/2017, to fund the OGA's running costs.

Malcolm Webb, Oil & Gas UK's chief executive, comments: "We are delighted to see government commitment towards providing a share of the OGA's future funding. This is an excellent demonstration of the tripartite approach called for by Sir Ian. Mr Davey challenges the industry to match the government's commitment to Sir Ian's recommendations. I can assure him that our industry is so committed."

The full ministerial statement is available at <http://bit.ly/governmentwoodstatement>. For more information on the Wood Review, please visit www.woodreview.co.uk. Also see p13 for comment on the Wood Review from shadow energy minister Tom Greatrex MP.



The full report is available to download at www.oilandgasuk.co.uk/economicreport. See p24 of this issue for a summary of the key facts and figures in the report.

10. PROMOTING GROWTH IN THE UPSTREAM SUPPLY CHAIN

A steering group with representatives from industry and government has met to agree the next steps following the release of two seminal reports in April on the economic contribution and breadth of the UK upstream oil and gas supply chain.

The group's members, from industry, Oil & Gas UK, the Department of Energy & Climate Change, the Department for Business, Innovation & Skills, and UK Trade & Investment, discussed actions across four themes:

- Maximising UK demand for oilfield services
- Maximising the UK's attractiveness to overseas companies
- Maximising international opportunities for UK companies
- Maximising the attractiveness of the industry to new talent

This work is a key focus area for the joint industry-government Oil and Gas Industrial Strategy launched in 2013.

For more information, please contact Stephen Marcos Jones on smarcosjones@oilandgasuk.co.uk. Also see p20 for an article on how the UK supply chain is experiencing growth at home and overseas.



The UK upstream oil and gas supply chain generated turnover of more than £35 billion in 2012



The labour market study will outline the skills that the oil and gas sector will need in the years to come

11. MAPPING THE WORKFORCE

Oil & Gas UK, in conjunction with OPITO and the Department for Business, Innovation & Skills, has commissioned EY to ‘map’ the UK upstream oil and gas workforce to provide valuable labour market intelligence.

The project will gather data on the workforce’s profile, draw a comprehensive picture of skills deficiencies and forecast what the sector’s future labour and skills needs will be. This will help government and industry to formulate strategies that address labour market challenges.

Oil & Gas UK’s business development director, Stephen Marcos Jones, notes that “industry willingness to participate in this study will be vital to its success. We are operating in a global industry and, as such, must build a world-class talent pipeline”.

For more information, please contact Stephen Marcos Jones on smarcosjones@oilandgasuk.co.uk.

12. TEACHERS HONE THEIR SKILLS AT GEOSCIENCE SUMMER SCHOOL

The Oil & Gas UK funded Earth Science Education Unit (ESEU), ran its first summer school in July to help teachers hone their earth science skills and knowledge. Changes in teacher training mean that no new geology subject specialists will be trained this year, so the ESEU, based at Keele University, decided to design its own accredited module for teachers who have a geoscience related degree, equipping them to teach A-level geology (or Higher geology in Scotland).

Additional bursary funding from industry sponsors, including the UK Onshore Geophysical Library, Science Industry Partnership and the Petroleum Exploration Society of Great Britain, allowed ten teachers to attend the new residential summer school. Feedback from participants was exceptional with one person stating that it was the “best continuing professional development training [they’d had] in 20 years of teaching”.

Alix Thom, Oil & Gas UK’s employment and skills issues manager, adds: “We are delighted that the summer school has been such a success. It is vitally important that school pupils have access to good geology teaching, which is a key discipline in exploration. Ensuring a pipeline of geoscientists in the future is crucial for other sectors as well as our oil and gas industry, where geology plays a central role in unlocking the remaining reserves on the UK Continental Shelf. The ESEU summer school is a highly effective way to invest in the future of the sector.”

For more information, please visit www.earthscienceeducation.com.



The Earth Science Education Unit held its first summer school for teachers who have a geoscience related degree, equipping them to teach A-level or Higher geology



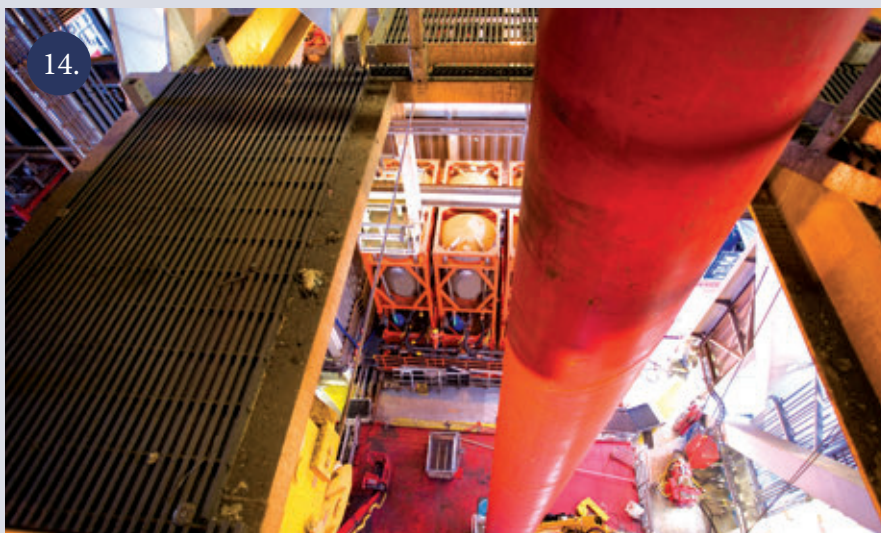
Alison McInnes MSP (left) toured Aberdeen-based Power Jacks to raise awareness of women in engineering

13. CELEBRATING NATIONAL WOMEN IN ENGINEERING DAY

To celebrate National Women in Engineering Day on 23 June and put the spotlight on female role models within the industry, Oil & Gas UK facilitated a site visit by Alison McInnes MSP to contractor company Power Jacks. Here, she saw for herself the company’s success in recruiting and developing female engineers. Bruce Bultitude, managing director at Power Jacks, gave Alison a tour of the workshop floor where she met female apprentices, a machinist and other technical members of staff.

Mrs McInnes also visited Score Group Plc, where she was shown the training it provides at its Peterhead headquarters. The company employs around 300 apprentices worldwide, with 30 per cent of this year’s intake being female.

If you are a member of Oil & Gas UK and interested in hosting a political site visit, please contact Jenny Stanning on jstanning@oilandgasuk.co.uk or Neil Michie on nmichie@oilandgasuk.co.uk.



14.

Prime Minister David Cameron announced the UK's commitment to sign up to the Extractive Industries Transparency Initiative in 2013

14. UK APPLIES TO JOIN THE EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE

A multi-stakeholder group, with representation from Oil & Gas UK, has submitted an application for the UK to participate in the Extractive Industries Transparency Initiative (EITI). This is a global scheme, supported by governments, industry and civil society organisations, to improve transparency in the extractives sector.

In countries where EITI is implemented, companies disclose details of certain payments they make to government in relation to their operations and the government discloses its receipts. These figures are then reconciled by an independent administrator and published in an annual report. The UK work group submitted its candidacy application following Prime Minister David Cameron's commitment to sign up in 2013. The application will be considered at the next EITI international board meeting on 14 and 15 October in Myanmar.

View the EITI application and work plan on the Department for Business, Innovation & Skills (BIS) EITI website at <http://bit.ly/EITIapplication>. BIS is also holding an event about the initiative on 18 November, with Jo Swinson MP attending. If you are interested in attending, or would like to know more about EITI, please contact Claire Ralph on cralph@oilandgasuk.co.uk.

MEMBERSHIP MATTERS

NEW MEMBERS JOIN OIL & GAS UK

We are pleased to welcome the following companies which have joined Oil & Gas UK since the last issue of *Wireline*:

20/20 Business Insight, Advanced Industrial Solutions (AIS) Group, Alexander Comley, Altus Intervention, Asset55, Attric Limited, Baker & McKenzie LLP, Barnshaws Metal Bending, Brevia Consulting, Bumi Armada UK Ltd, Burlingtons Legal LLP, C3 Global, Caledonia Green Innovation Ltd, D8 Ltd, Datum360, DH Marine, Dynamic Equipment Company, Exponent Int, Fibracon, FitNut Ltd, Hitachi Consulting, Hughes Subsurface Engineering, Immerse Learning, International Medical Management, Inverness Airport Business Park, Marylebone Consulting Company, McEvoy Engineering Ltd, Met Office, Newcastle Premier Health, Norway2UK (The Norwegian Collaboration Centre), Offshore Design Engineering, Oilfield Medics, OneSubsea, OTM Consulting, Oxand Ltd, ProSep Europe, Securitas Security Services, Siccar Point Energy Limited, Solutions Store, Strategic Safety Consultants, Tess Aberdeen, The Underwater Centre, Think Box Ltd and Toward Ltd.

Membership manager, Eddy Winters, is committed to ensuring that Oil & Gas UK membership is carefully tailored to members' needs so please contact him on ewinters@oilandgasuk.co.uk with any queries.

15. MPS EXPLORE TRANSFERABLE LESSONS

'Onshore and offshore oil and gas – what the industries can learn from each other' was the topic for the British Offshore Oil and Gas Industry All Party Parliamentary Group (APPG) meeting on 14 July in Westminster. Greg McKenna, Centrica Energy's director of non-operated assets and shale gas project lead for the UK and Netherlands, gave an overview of the current shale gas industry; Centrica's work in Lancashire (one of the most advanced shale projects in the UK); and how the onshore and offshore sectors can learn from each other to maximise the UK's domestic oil and gas resources.

Oil & Gas UK members who would like to suggest possible topics for the APPG to consider, should contact Jenny Stanning on jstanning@oilandgasuk.co.uk.



15.



NCIMB Oilfield Services

Naturally Occurring Radioactive Material (NORM)

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EVENTS

7 to 9 October

Offshore Decommissioning Conference

St. Andrews

Organised by Decom North Sea and Oil & Gas UK

Principal Sponsor



15 October

Open Doors at Oil & Gas UK

Aberdeen

21 October

EU Offshore Safety Directive – An Evening Briefing

London

Hosted and sponsored by



5 November

PILOT Share Fair

Aberdeen

Principal Sponsor



6 November

Oil & Gas UK Awards

Aberdeen

Principal Sponsor



11 to 12 November

Legal Conference

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20 November

KP4

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SEMINARS

7 October

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19 November

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27 November

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MEMBERS-ONLY EVENTS

16 October

Members' Speed Networking

London



TRAINING COURSES

7 October

Effective Use of Master Deed

Aberdeen



BREAKFAST BRIEFINGS

2 December

Technology – A New Way Forward for the UKCS

Aberdeen

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3 December

Risk Management

London

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NEXT GENERATION EVENTS

16 October

Economic Report 2014

London



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MEETINGS NOW OPEN

5 November 2014



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6 November 2014

AWARDS
2014

Finalists Announced

Book online at oilandgasuk.co.uk





Wick Office Now Open

Process Safety Solutions the systems and engineering specialist has opened an engineering office in Wick, Scotland.

Process Safety Solutions (PSS) provide engineering, consultancy, systems and software services to the Oil & Gas and Renewables industry. Established in 2010, an independent team of highly skilled engineers specialising in the delivery of safety, control & instrumentation and electrical projects from concept through to close out.

We pride ourselves on offering global support to our clients. Our team of adaptable, dynamic and motivated engineers provide unrivalled engineering support through all stages of projects.

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Q&A – shadow energy minister Tom Greatrex MP

Wireline asks shadow energy minister Tom Greatrex MP for his views on the *Wood Report* and the current review of the UK oil and gas fiscal regime.

Q: Does HM Opposition support the recommendations made in Sir Ian Wood's report into the future of the UK offshore oil and gas industry, and will a future Labour government commit to continue their implementation?

A: The challenges which Sir Ian Wood identified in both his interim and full reports demonstrate that the complexities of operating in the largely mature basin that is the UK Continental Shelf (UKCS) require a shift in approach from the industry, regulator and government to maximise economic recovery.

From the announcement of his appointment to undertake the review, Labour has been clear in our support for Sir Ian Wood's work. We welcomed his focus on taking a collaborative approach to maximising value in the interim report, and I have had the opportunity to discuss these issues with Sir Ian, industry leaders and others in recent months.

It is clear that there remain many challenges ahead to turn the Wood Report's vision into reality, and there will be a need to focus on the details of the implementation of the report's key recommendations. The legislative provisions will begin in this Parliament, but a future Labour government coming into office next year will continue the implementation of what will be significant changes for the offshore community.

Q: What do you envisage to be the role of the new regulator in helping to maximise economic recovery from the UK Continental Shelf?

A: The new regulator will have a clear role to play in facilitating the pooling of resources and assets between operators to achieve mutually beneficial ends. To meet these goals, it is clear that the regulator will have to be properly resourced and I welcome the move towards greater cost recovery from the industry.

However, the core responsibility for driving exploration and extraction on the UKCS must continue to lie with the operators. While the new regulator will have a role in licensing and stewardship, further exploitation of the North Sea will continue to be underpinned by the investment and expertise of operators.

The Labour Party has also made it clear that we believe there should be scope for the regulator to take on new competences as activity on the UKCS develops over time. The regulator cannot

view its role as simply overseeing a straightforward transition from oil and gas extraction to decommissioning to withdrawal.


As the UK's first carbon capture and storage projects are established, there may be a role for the regulator in facilitating the take up of CO₂ enhanced oil recovery to further maximise resources. Other basins, particularly in the USA, have demonstrated the potential value of such an approach. As the North Sea becomes a place in which CO₂ is stored, the regulator may take a role in coordinating storage ventures in much the same way as it does for extraction.

Q: How important is the UK Government's review into the oil and gas fiscal regime?

A: As the UKCS has matured, we've seen a number of innovations in the tax regime designed to incentivise extraction for resources that are smaller or more technically challenging to access. It was the last Labour government that introduced the system of marginal field allowances that helped unlock £7 billion of new investment last year.

But when this review reports, it needs to consider not just the level of the headline tax rate, but the way in which changes to that framework are made. The impact of Chancellor George Osborne's unannounced changes in the 2011 Budget is still being felt. A key lesson from the Wood Review is that the government must provide a more stable framework and a longer-term view than it does at present.

The timing of the review will also be important to its success. The interim findings are due to be published in the *Autumn Statement*, which last year happened in December. If the interim report marks the half-way point of the process, we would therefore not see the final outcome of the review until after the General Election.

What is clear is that whatever the outcome of this consultation, the fiscal regime needs to be consistent and coherent across the UKCS. The Wood Review demonstrates that in the mature basin of the UKCS there must be greater cooperation and coordination to secure maximum economic value. The fragmentation of the fiscal, regulatory, and health and safety regimes will not help that agenda. With oil resources, by definition, declining and value subject to international price volatility, then the importance of a stable environment cannot be underplayed. 



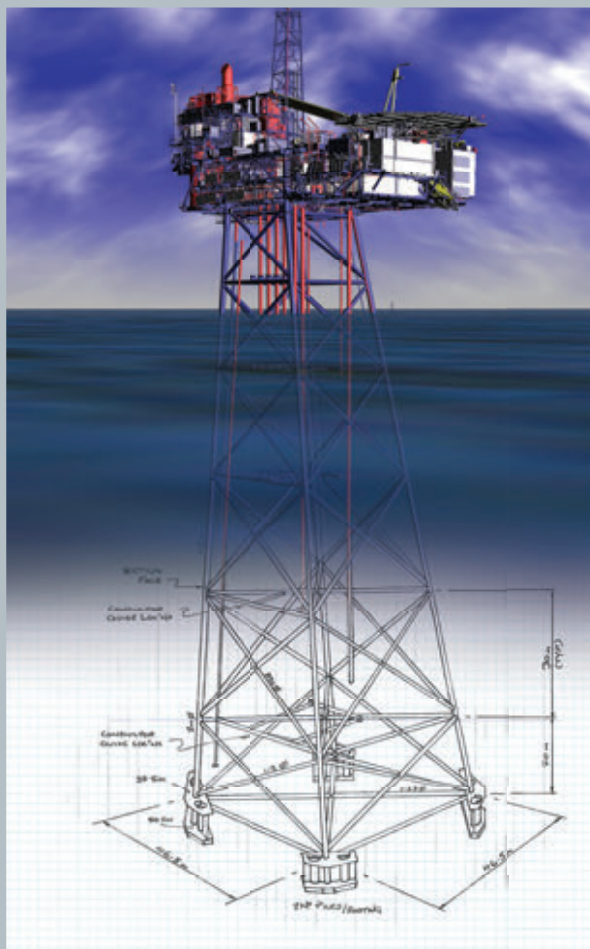
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The Dunlin cluster of fields in the east Shetland basin, which Fairfield Energy acquired in 2008, have been the focus of a several hundred million pound programme of upgrades over the past six years. The impetus behind the work is rooted in a 2010 vulnerability study, which assessed every system on the platform and prioritised repair, replacement or upgrade

Breathe new life into offshore assets

Managing the ageing and life extension of offshore installations is itself maturing into a sophisticated area of activity. *Wireline* talks to the teams at Fairfield Energy Limited and Nexen about a discipline closely attuned to the industry-wide drive for continuous improvements in safety and to prolong the UK Continental Shelf's production life.

Ageing is a natural process for us all. So why not apply a similar forward thinking approach to the life cycle of offshore platforms as we do towards the big decisions we inevitably make in our personal lives? For Ian Sharp of Fairfield Energy and Andy Robertson of Nexen, this is just plain common sense.

"The Health and Safety Executive's recently completed strategic inspection programme examining the industry's management of ageing and life extension (ALE), Key Programme 4, has re-affirmed that we have to think about ALE for our installations much earlier than we typically do," says Ian, chief operating officer at Fairfield (see box-out on p17 for more on Key Programme 4).

"Effective ALE management is fundamental to ensuring longer term asset safety and maximising economic recovery. If you don't think about it from the outset, it is possible your installation won't be around for as long as you need it to be."

And as the industry seeks to maximise recovery, many installations will remain >

in service beyond their originally planned operational life span. This presents challenges in managing the effects of ageing on assets, plant and equipment and ensuring that integrity can be maintained throughout the full life cycle. "You can't start too early" is therefore the mantra of those driving the industry's ALE agenda.

Andy Robertson, process safety/asset integrity manager at Nexen, agrees. He notes: "When it comes to ALE, people tend to think of installations that have been around for 20 or 30 years, but ageing is a whole life cycle issue for all our assets and not just something to think about when we've reached the end of the planned operational life."

"It has to be part of our DNA – intrinsic to how we do business. It applies to all installations because it's really about understanding the present condition of your equipment with a view to future service."

Whilst management of ageing is about the condition of safety-critical elements (SCEs) and how that changes over time, life extension takes those same principles a stage further and looks at business-critical as well as safety-critical aspects. Continuing assessment of SCE integrity ensures they

remain fit-for-purpose, particularly if they are required to operate for longer than anticipated.

Repair, replace and revitalise

Fairfield's Dunlin cluster of fields in the east Shetland basin, which the company acquired in 2008, have been the focus of a several hundred million pound programme of upgrades over the past six years that directly reflects the ALE agenda. This activity is founded on principles that form the basis of Fairfield's approach to managing Dunlin: safety, reliability, predictability and enhancement.

"When it comes to ageing and life extension, people tend to think of installations that have been around for 20 or 30 years, but ageing is a life cycle issue for all our assets and not just something to think about when we've reached the end of the planned operational life."

Ian explains: "Once you know your assets are safe and reliable, you can start to think in terms of accurately predicting both production levels and revenue. And when you know what that looks like, you can start to think about enhancement and life extension."

The Dunlin field first came on-stream in 1978, with production also coming from

Osprey and Merlin, both subsea tiebacks to Dunlin in the mid-1990s. Since acquiring the assets, Fairfield has sought to revitalise them through significant investment in fabric maintenance; upgrading platform equipment, such as the drilling rig, and the power generation and support equipment; fire and gas and emergency response systems; and subsea wells and subsea infrastructure.

The work has sparked several innovative solutions, including the use of helicopter operations to perform heavy lifting work when installing new, large-scale access stairs and pipe infrastructure on the flare boom.

Some of the impetus behind the work is rooted in a 2010 vulnerability study, which assessed every system on the platform and prioritised repair, replacement or upgrade.

"We've also created an integrated planning process, which incorporates five-year plans with medium-term activities and 90- and 28-day plans, all of which put the focus on delivery," outlines John Wiseman, Fairfield's general manager for its North Viking Graven business, which includes Dunlin. "That has shaped an execution programme that is revitalising an ageing asset and underpins Fairfield's plans to extend production to 2025 or beyond."



Nexen senior production technician, Michael Learmonth, is photographed on the Scott Platform in the North Sea. Scott is approximately 150 kilometres north east of Aberdeen. Nexen's ageing and life extension programme has been a significant contributing factor to the ongoing success of this platform

“Once you know your assets are safe and reliable, you can start to think in terms of accurately predicting both production levels and revenue. And when you know what that looks like, you can start to think about enhancement and life extension.”

A fresh resource

An important investment milestone was providing the Dunlin platform with the capacity to import its own fuel gas and generate its own power for water injection.

Reliant on consistent water injection to maximise recovery, Dunlin saw a marked reduction in production from 2001 as it no longer had sufficient gas from the reservoir to fuel water injection. Since 2012, Fairfield has had the ability to use its own independent power generation system to achieve higher and sustained water injection performance.

“It’s a mature industry issue,” explains Ian. “The northern North Sea faces fuel gas deficiencies and operators will have to access new sources.”

Fairfield has also developed and implemented a system to rejuvenate a very low-pressure reservoir at Dunlin using electrical submersible pumps complimented with low pressure water injection, rather than using the fixed high-pressure water injection resources required for other reservoir units. This is a cost-effective combination that the company believes may be unique in the North Sea.

Ultimately, such enhancements mean that the Dunlin cluster is now capable of producing in excess of 10,000 barrels of oil equivalent per day (boepd). It was producing only 4,000 boepd in 2008.

Mind the gap

Similar lifespan ambitions are held by Nexen for its Scott platform, which has been producing for more than 20 years and forms part of a wider asset portfolio that includes Buzzard and the new £2 billion Golden Eagle development, which is expected to produce first oil later this year.

KEY PROGRAMME 4

UNDER THE MICROSCOPE

The Health and Safety Executive’s (HSE) Key Programme 4 (KP4) inspection programme into the industry’s management of ageing and life extension (ALE) ran over three years, concluding in December 2013. A total of 33 inspections of offshore installations were carried out across nine specialist topics, namely: structures; marine; mechanical; corrosion; electrical, control and instrumentation; human factors; pipelines; fire and blast; and process integrity. Additionally, HSE inspection teams reviewed safety management systems from an ALE perspective.

The final KP4 report, released in June this year, highlights areas of good practice as well as issues that require extra focus, outlining recommendations for both the industry and the HSE. The report coincided with the publication of three new ALE guidance documents from Oil & Gas UK, focusing individually on offshore structures, floating production installations, and electrical, control and instrumentation.

“KP4 was very important to the industry and brought an element of discipline and systemic approach to ALE, which we all welcome,” notes Ian Sharp, chief operating officer at Fairfield Energy.

The KP4 report is available to download at www.hse.gov.uk/offshore/ageing.htm.

Oil & Gas UK’s technical guidelines on ALE are available to download at www.oilandgasuk.co.uk/ageing_and_life_extension.cfm.

For more information on Oil & Gas UK’s work on ALE, please contact Tom Milne on tmilne@oilandgasuk.co.uk.

“We tend to think of ageing and life extension as primarily technical in nature, but it goes beyond that into areas such as succession planning. It’s not just about the hardware, but about the people as well.”

“We’ve got assets of different ages, but the biggest focus for us was Scott,” notes Andy. “It was reaching the end of its planned operational life so it was key for us to review how we were managing ALE.”

Nexen initiated a gap analysis exercise around two years ago, focused largely on integrity management. This provided the foundations to develop a company-wide strategy. “It’s a stand-alone document but the key strategy is to make sure all our day-to-day processes include reference to ALE,” describes Andy.

Strategic development at Nexen featured external consultancy support to assess the gap analysis results; formulate recommendations on how best to address the issues raised; and to allocate internal resources to deliver the required change.

Now embedded into Nexen’s short-to-medium term planning,

Andy says, ALE is also crucially now part-and-parcel of its longer-term approach.

He adds: “We tend to think of ALE as primarily technical in nature, but it goes beyond that into areas such as succession planning. It’s not just about the hardware, but about the people as well.” And management buy-in to the ALE process is central to its success. “We were very fortunate in that we’ve had that support from the outset,” he says.

Integrity plans were established for all the main asset integrity areas on the Scott platform: pressure systems, structures and pipelines. They apply risk-based tools to prioritise infrastructure investment. For example, there has been investment in fabric maintenance of the helideck support structure to extend its life; replacement of the diesel piping – over one kilometre to date; upgrade of power generation controls; replacement of seven kilometres >



As part of Fairfield Energy's upgrade of the Dunlin platform, an innovative solution was to use helicopter operations to perform heavy lifting work when installing new, large-scale access stairs and pipe infrastructure on the flare boom



Aerial view of Nexen's Scott platform. As the Scott platform reached the end of its planned operational life, Nexen initiated gap analysis into its approach to ALE management. The resulting recommendations have formed the basis of a company-wide strategy that is being applied to all assets, from Scott to the new Golden Eagle development

of oil export pipeline; and plans to replace the fire and gas, emergency shutdown and distributed control systems to address capacity constraints.

Part of the focus has also been to apply new technologies for non-intrusive inspection work to optimise efficiency. Andy's team is working with Nexen's technology group and other organisations to identify alternative tools, such as 'phased array' ultrasonic scanning techniques to detect

“You cannot de-couple the Wood Review and the issue of ageing. If we don't create the industrial landscape that the review is looking for us to create, we are not going to get the fresh commercial thinking and solutions.”

flange face corrosion. This technology eliminates the need to physically split the flange faces apart to inspect them.

Mature outlook

While most of the company's ALE work has focused on Scott and, to a lesser extent, its Buzzard asset, Nexen is keen to ensure ALE management is integrated into its new Golden Eagle development from the outset.

“For the Golden Eagle, one of the first things we did was a lessons learnt exercise from Buzzard and Scott,” says Andy. “In terms of, for example, hydrocarbon release prevention – a key element of ALE – we integrated a lot of learnings into the design of Golden Eagle.”

He believes that ALE management for new developments should start by conducting baseline studies on equipment to provide a reference point for future inspections and support decision-making in the long term.

Scott, meanwhile, remains a high performing element of Nexen's UK assets. “It's a real success story – one that's not just down to ALE, but it has certainly played its part,” asserts Andy.

For Ian, the benefits of effective ALE management tie the discipline closely to the ongoing issues surrounding North Sea rejuvenation and Sir Ian Wood's review on maximising economic recovery from the UK Continental Shelf.

He asserts: “Ageing issues impact the platform and it is important to manage your facilities accordingly, but it is also important to consider what resources you will need to maximise economic recovery and make sure your installations are operating efficiently; then you can bring life extension on board.

“You cannot de-couple the Wood Review and the issue of ageing. If we don't create the industrial landscape that the review is looking for us to create, we are not going to get the fresh commercial thinking and solutions.” ^(W)

For more information, please visit www.fairfield-energy.com/pages/view/dunlin and www.nexencnooltd.com/en/Operations/Conventional/UKNorthSea.aspx.

A man with glasses is looking at a computer screen. The screen displays a 'LAUNCH' button with a glowing sphere and a mouse cursor. The background is a dark grid with various technical symbols and text. The word 'Atlas' is written in large, bold, yellow letters, with 'MT' above it. The text 'Knowledge to perform' is written in white, inverted letters below the 'Atlas' logo.

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BEL Valves anticipates exports will grow to over 80 per cent of its output over the next five years. Pictured are expanding gate valves supplied for operations in Trinidad and Tobago

Making waves

The UK upstream oil and gas supply chain continues to make waves at home and abroad underpinning a £35 billion sector that supports hundreds of thousands of jobs domestically. *Wireline* talks to EV and BEL Valves, whose journeys illustrate the great demand for British expertise globally, shining a spotlight on the supply chain's capabilities and making an immense contribution to our economy.

When the team at EV was supplying and installing in-car cameras in the early 2000s for television coverage of races such as Formula 1, its members didn't think that a decade later they would be operating their products at a depth of over 8,500 metres in the Gulf of Mexico. But then no-one could have foreseen that a small in-car camera

specialist from Norwich would realise its future in oil and gas, and, in doing so, would grow into a £20 million global enterprise.

The story began in 2004 when a UK client worked with EV to develop its advanced camera system as a diagnostic tool for oil and gas wells. Communication links were needed to operate at the required depths,

and EV used its technical know-how to create its own communications chip.

The turning point came in 2010 when equity company Lime Rock Partners made a significant investment in EV and Francis Neill joined as CEO to take the firm from a small Norwich-based outfit to become a global provider. Francis came with a

background in oil and gas and specific experience in bringing new technology to the market. He had been CEO of Gravitec Downhole Instruments and marketing and technology director at Expro.

He notes that “there was a latent need for this product”. The key, he says, was developing it quickly enough and recruiting people in a range of geographical areas; EV doesn’t sell its technology but provides a service to operate it globally.

“There are strong growth plans in place which will see the increased need for high calibre people as we continue to develop.”

The company’s downhole video technology, which operates from over 8,000 metres below the earth’s surface, is now deployed worldwide in environments up to 175 degrees Celsius and 15,000 psi and for a range of oilfield applications, including mechanical inspection, well integrity and production enhancements.

As a result, EV has grown from a 15-person, UK-only business in 2010, with a turnover of around £1 million, to a company generating £20 million and employing more than 100 people; half of which are based in the UK, Norwich and Aberdeen, with the rest across the firm’s 17 bases globally, including Canada, the USA, South East Asia, the Middle East, India and Australia. Eighty-five per cent of its growth is international in nature and the company runs up to 130 jobs worldwide each month.

Earlier this year, EV was awarded the Queen’s Award for Enterprise in International Trade as well as the Export Achievement Award at the SPE Offshore Achievement Awards.

Strong roots

EV is now one of thousands of companies across the UK whose journeys contribute to a story of growth, innovation and dynamism that stems back half a century. Fifty years of exploration and production in

the UK offshore oil and gas industry have resulted in a domestic supply chain with an unrivalled range of products, services and expertise.

Two hundred thousand people alone are directly employed in the supply chain supporting UK Continental Shelf (UKCS) operations. And with 42 per cent of the sector’s £35 billion turnover now coming from exports, the breadth of its reach and the diversity of its capabilities are also being recognised on a global platform.

BEL Valves, based in Newcastle, is certainly seeing its specialist engineering expertise in demand overseas.

Last October, business secretary Vince Cable visited the company’s manufacturing facility to highlight its success. In the last

three years, the company has doubled its turnover, now at £87 million, with extensive home and export growth.

It started life in 1964, as part of the British Engines Group. British Engines was founded in 1922 by the current chairman’s grandfather and great uncle, Harold T Lamb and Charles J Lamb, on the same site in Newcastle on which BEL still operates.

The firm’s oil and gas journey began in the mid-1970s, delivering valves to Chevron for the northern North Sea. Prior to that, BEL was designing and making high pressure valves under licence for ICI for their petrochemical applications.

Michael Ridley, sales director, notes: “BEL is now one of only a handful of international providers approved to supply high integrity valves for subsea applications to some of the largest international oil companies.”

Outside the UKCS, for example, BEL is currently working on a \$28 billion project in Azerbaijan in the Caspian Sea. BEL is supplying its largest ever subsea high integrity pressure protection system (HIPPS) valves, in terms of pressure, size and depth, for the pipeline protection systems, with a ten inch bore size, 13,000 psi pressure rating and tested to 900 metres water depth.

“Whilst we are already a significant exporter, we anticipate this will grow to over 80 per cent of our output over the next five years,” says Michael, “and this will be based on sustainable organic growth with >



EV has grown from a £1 million, small, in-car camera specialist based in Norwich to a £20 million enterprise that operates downhole video technology for global oil and gas operations. Pictured is the Neptus RD-53 real time camera



BEL Valves' apprenticeship programme, accredited by the Institution of Mechanical Engineers, has been honing home-grown talent since 1966, supporting the company's expansion



EV has announced a £2 million investment over the next year in a new technology centre in Norwich to house its R&D activities. Skilled individuals are required in software engineering, mechanical engineering, high speed electronics, optics and communications

existing and new products focused on our target markets". He believes this strategy will create an additional 100 jobs in the UK and bring wider benefits for BEL's own UK suppliers.

Human resources manager, Jen MacEwan, adds: "The number of employees has doubled in the last ten years, with the current headcount at nearly 550 and growth up to 600 predicted. We are currently recruiting in all disciplines across the business, including operations, supply chain, quality and continuous improvement, design engineering and commercial. There are strong growth plans in place which will see the increased need for high calibre people as we continue to develop."

The company's apprenticeship programme, accredited by the Institution of Mechanical Engineers, has been honing home-grown talent since 1966, supporting the company's expansion.

Exploring new territories

BEL is now investing further in research and development (R&D) and increased capacity to drive the company to even greater heights.

"Demand for oil and gas will remain strong for the next 50 years plus," asserts Michael. "Most of the easy oil has been found and now developments push further and further into the harsh environments of deep water, arctic, and high pressure, high temperature (HPHT) reservoirs."

BEL's energies are focused on these evolving markets, which demand innovative design, robustness of approach and proven

reliability. The company also plans to double the production capacity of its integrated manufacturing facility in Newcastle with completion due in 2016.

"Our evolution of design, developed over 50 years, enables us to deliver incremental improvements and to respond quickly to these new challenges," says Michael. "Our product R&D programme is focused to ensure that we develop a valve range that allows oil and gas to be recovered from some of the harshest and most difficult environments. It covers technology development, improvements in efficiency, as well as developing people and core products/services."

"I am proud that a UK technology company is competing in the global market. All our equipment is manufactured here – we design and build in the UK."

This includes £2 million worth of committed spend on valve qualification to meet Brazilian energy company Petrobras' standards, ultra HPHT valve development, and creating an electric actuator for valve operation at longer distances (tie backs) and in ultra-deep waters.

Digging deep

For EV, one of the most challenging jobs the company carried out was last summer at a depth of over 8,500 metres in the Gulf of Mexico. Francis explains: "Our technology is deployed in oil and gas wells to diagnose any problems in the well bore. The challenge is not just about getting the

camera to operate at such depths, but also retrieving the data via communication links."

Earlier this year, EV announced a £2 million investment in a new technology centre in Norwich to house its R&D activities. This is said to be the world's first centre dedicated to downhole video. "We are carrying out R&D into camera chip, LED lighting and communications technologies," outlines Francis. "Much of the advanced technology we need does not exist commercially."

The number of employees involved in this aspect of the business is therefore set to increase from about 30 to 45 staff over the next two years. "EV needs a range of skills from software engineering, mechanical engineering, high speed electronics, optics and communications, and our proximity to Cambridge is important for recruiting researchers in all these disciplines," adds Francis.

The overarching strategy is to double the company's size over the next three years and £4 million has already been earmarked this year to design and build tools and equipment to meet market demand. In June, private equity company, Dunedin, acquired EV at a cost of £69 million to take it to the next level.

"EV represents a strong UK success story," says Francis. "I am proud that a UK technology company is competing in the global market. All our equipment is manufactured here – we design and build in the UK." 

For more information, please visit www.belvalves.co.uk and www.evcam.com. Also see p7 for details on ongoing work to support growth in the UK upstream oil and gas supply chain.



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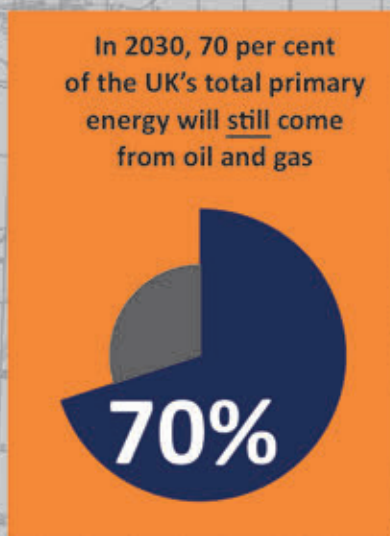
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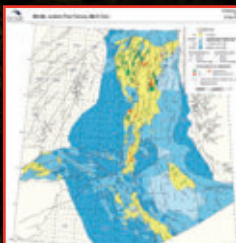


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Q&A – Helen Dickinson, HM Treasury

Wireline asks Helen Dickinson, deputy director of environment and transport tax at HM Treasury, for her views on the UK offshore oil and gas industry and for an update on the UK Continental Shelf fiscal review.

Q: HM Treasury is a big government department – what drew you to oil and gas?

A: Although I started my career as a scientist, I've since retrained in economics, and I've always found energy and infrastructure policy issues particularly interesting as they allow me to make use of both those areas of expertise. Having worked on downstream energy and climate policy issues for a few years, both in HM Treasury and in the Department for Business, I was keen to continue working on energy issues but to learn something new as well. My current role covers both upstream and downstream energy taxation, so it gave me the chance to get to know the oil and gas sector as well as building on my previous experience.

I quickly learnt that oil and gas tax is one of the most challenging but also most rewarding areas of the brief. In many areas of tax the impact of changes is spread out across the whole economy and may take effect gradually over a number of years; in oil and gas tax the impact of changes tends to be much more visible and immediate. I also really enjoy the chance to get out and meet companies in the sector from across the country – it's a nice change from some previous roles where I've mainly been working with other bits of government.

Q: Why is now the time for a fiscal review of the UK Continental Shelf and what do you hope to achieve?

A: The review comes at an important time for the UK Continental Shelf (UKCS). It is 50 years since the first exploration licences were awarded in the North Sea and the UKCS is now one of the most mature offshore basins in the world. Sir Ian Wood's review into increasing oil and gas production clearly set out the significant potential that still remains in the North Sea – there are still up to around 21 billion barrels of oil equivalent left to recover, worth hundreds of billions of pounds to the UK economy.

The Wood Review, and the government's acceptance of its recommendations this year, provides a good opportunity to take stock of the fiscal regime and ensure that it is continuing to encourage investment in the UKCS and

provides the right incentives for economic recovery as the basin matures. The government is committed to maximising the value of the country's oil and gas resources for the UK, whilst ensuring the nation continues to receive a fair share of profits.

The review is not about making wholesale or immediate changes. The government wants to consider what principles should underpin the fiscal regime over the basin's remaining life and set out a plan which gives investors certainty, while articulating the government's objectives for the regime and identifying key priorities for fiscal support.

Ministers want the review to culminate in a long-term direction of travel in tax policy that government and industry can both buy into and – as the government set out at Budget – we intend to publish our interim results in a 'roadmap' document at *Autumn Statement* this December.

Q: How do you plan to take forward the fiscal review with input from industry?

A: The government sees input from industry as essential to the success of the review and intends to work closely with industry throughout the consultation period and beyond. We published a call for evidence in July and, working with Oil & Gas UK, have established four working groups which have been exploring priority issues around: fiscal structures and principles, Petroleum Revenue Tax, exploration and appraisal, and asset stewardship. The evidence from these working groups, as well as from individual responses to the consultation, will inform the initial report and roadmap document which will be published at *Autumn Statement*.

As part of the roadmap document, the government intends to highlight key priorities and identify areas for further consultation, which we will continue to engage with industry on over the longer term. The government will also be working closely with the chief executive of the new Oil and Gas Authority once they are appointed, as part of the tripartite approach between HM Treasury, industry and the new regulator, to ensure the future of the tax system is aligned with the new regulatory strategy. [W](#)



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Technology talks

The drive to put technological innovation at the forefront of the strategy to maximise economic recovery has shifted up a gear. *Wireline* finds out more from the chairman of the new Oil and Gas Technology Leadership Board, Paul Warwick of Talisman Sinopec Energy UK.



Q: Why is technology so high on today's agenda for the UK Continental Shelf?

A: The easiest-to-recover UK oil and gas reserves have been extracted and advances in technology have already helped companies recover hydrocarbons from more technically-challenging fields, including those with heavy oil and very deep reservoirs, difficult shallow-water gas fields, or those with high pressure, high temperature characteristics.

In the future, however, activities on the UK Continental Shelf (UKCS) are likely to be characterised by an even greater number of smaller upstream companies, less prolific fields, the need to achieve higher levels of oil and gas recovery, an increased focus on asset integrity and tougher economics. It is crucial therefore that we continue to develop new technologies to meet these challenges so that we can sustain production over the coming decades.

Sir Ian Wood outlined technology's central role in maximising economic recovery of the UK's oil and gas in his recommendations following an independent review of the UKCS, which was commissioned by energy secretary Edward Davey MP and published earlier this year. Sir Ian emphasised that industry and government must work together to identify the key technology requirements and make sure the resources are put in place to deliver them. The Scottish Government's recent report on "maximising the total value added" also prioritises technology.

"The rate of technology development and deployment to improve exploration success, increase recovery and safely extend the operating lives of oil and gas fields is, after all, one of the key factors that will determine the UK Continental Shelf's future."

Q: What is the Oil and Gas Technology Leadership Board?

A: The Oil and Gas Technology Leadership Board (TLB) has evolved from the Technology Work Group, which was created in 2012 as part of PILOT, the government-industry forum. That group's objective was to develop a strategy that ensures technology development is collaborative, focused on priority areas and suitable for multi-field application. Both PILOT and the Department for Business, Innovation & Skills (BIS) acknowledged the need for a body, such as the TLB, to drive this strategy forward. The rate of

technology development and deployment to improve exploration success, increase recovery and safely extend the operating lives of oil and gas fields is, after all, one of the key factors that will determine the UKCS' future.

The TLB is made up of senior leaders from industry, academia, and representatives from the Natural Environment Research Council (NERC), Innovate UK (the Technology Strategy Board), BIS, the Department of Energy & Climate Change (DECC) and the Industry Technology Facilitator (ITF). The NERC representative

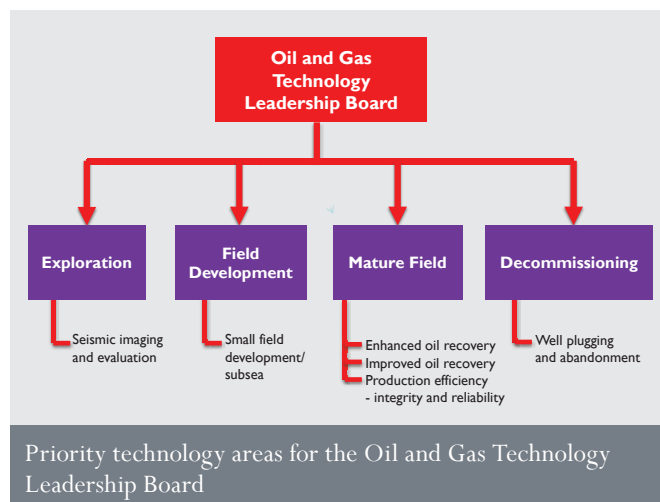
will also connect the TLB with the other relevant research councils (especially the Engineering and Physical Sciences Research Council).

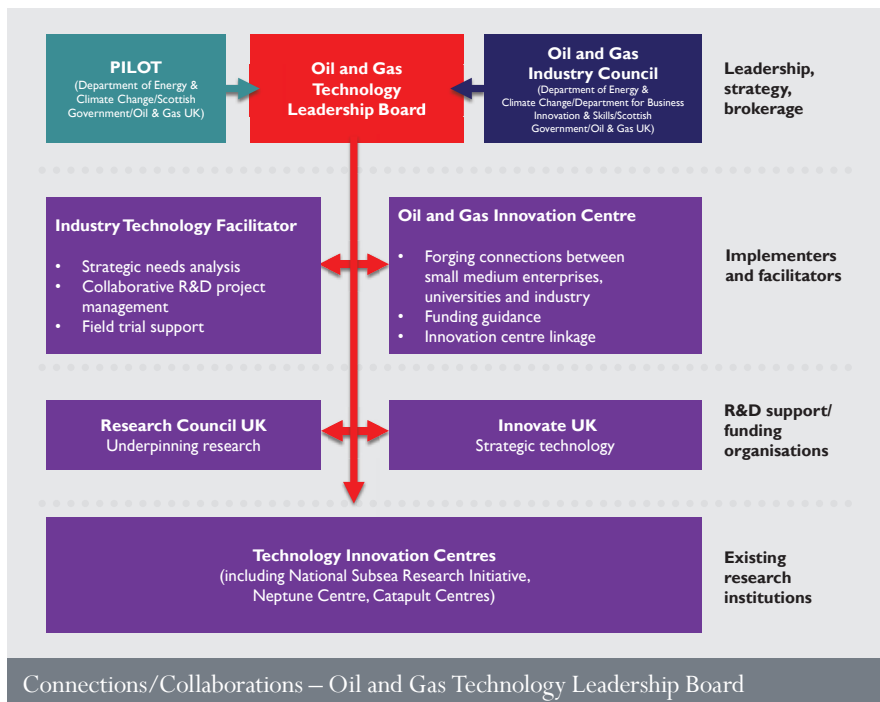
Q: What is the TLB's remit?

A: The TLB will drive focused UK-wide activity by establishing technology delivery groups in priority areas, as identified by the PILOT Technology Work Group and the Wood Review (see organogram left for the key technology themes). These groups will develop technology road maps for research and development (R&D) by the end of this year.

The TLB will also clarify the business processes needed to support research through to deployment and undertake an R&D oil and gas funding study, recommending a model for the UK. It will liaise with the UK Government's R&D funding and support mechanisms through the auspices of PILOT and the Oil and Gas Industry Council. The Council is implementing the joint government-industry Oil and Gas Industrial Strategy launched last year.

The TLB will strengthen connections between industry and organisations such as the ITF and the Oil and Gas Innovation Centre (OGIC), which was established by the Scottish >





The TLB's chairman would like to thank the members of the PILOT Technology Work Group for their contribution in establishing the TLB. The TLB's Board members are:

Charles Tavner	Magma Global
Colette Cohen	Centrica Energy Upstream
Crawford Anderson	Baker Hughes
Glen Cayley	Shell Upstream International
Iain Gillespie	Natural Environment Research Council
John Pearson	AMEC Group
John Underhill	Heriot-Watt University
Liz Fellman	Natural Environment Research Council
Neil McCulloch	EnQuest Plc
Oonagh Werngren	Oil & Gas UK
Patrick O'Brien	Industry Technology Facilitator
Paul Warwick	Talisman Sinopec Energy UK
Paul White	GE Oil & Gas
Philippe Guys	TOTAL E&P UK Limited
Rob Saunders	Innovate UK (Technology Strategy Board)
Simon Toole	Department of Energy & Climate Change – Exploration & Development Unit
Stuart Edwards	Department for Business, Innovation & Skills

Government earlier this year to support collaboration between industry and Scotland's universities and research institutes. Working more closely with the ITF and OGIC will connect the sector more effectively to the complex and extensive community of technology innovators in the UK. This includes small to medium-sized enterprises, world-leading universities and their centres for doctoral training (see organogram above for an insight into the connections/collaborations).

The TLB will also make sure existing technologies are deployed to their full effect as well as promote the efficiency and effectiveness of the technology supply chain. It will act as a catalyst to encourage greater industry R&D spend, accelerate technology implementation and ensure its development is collaborative and relevant to multi-field application. Finally, the TLB will develop business cases for focused investment to enable field trials and new technology application.

Q: How does this fit in with the Oil and Gas Industrial Strategy?

A: One of the key actions in the joint industry-government industrial strategy, launched in March 2013, was to develop and deliver a coherent technology strategy that centres on specific geographical and technological target areas as defined by PILOT. The TLB aims to do just that and will be represented at PILOT and Oil and Gas Industry Council meetings.

Q: What work has already been done in the priority technology areas?

A: PILOT work groups are already addressing means to improve exploration success, increase production efficiency and raise recovery levels using enhanced oil recovery techniques. These groups will now feed information into the TLB's related technology delivery groups. The TLB plans to establish new work groups over the coming months, one of which is likely to focus on shale oil and gas.

“The Oil and Gas Technology Leadership Board...will connect the sector more effectively to the complex and extensive community of technology innovators in the UK.”

Q: How will other existing PILOT work groups fit into the TLB agenda?

A: We will need to work closely with these groups. For example, the industry has three PILOT 'rejuvenation' groups examining how to optimise mature offshore infrastructure in the southern, central and northern North Sea areas. The TLB will use information from these groups to align its technology programme with the rejuvenation objectives.

Q: How is the TLB connected to Innovate UK (the Technology Strategy Board)?

A: Innovate UK is an executive, non-departmental public body of BIS whose role is to stimulate innovation, working with stakeholders to accelerate economic growth. The oil and gas industry is one of the key energy sectors it supports and a senior Innovate UK representative will therefore sit on the TLB Board.

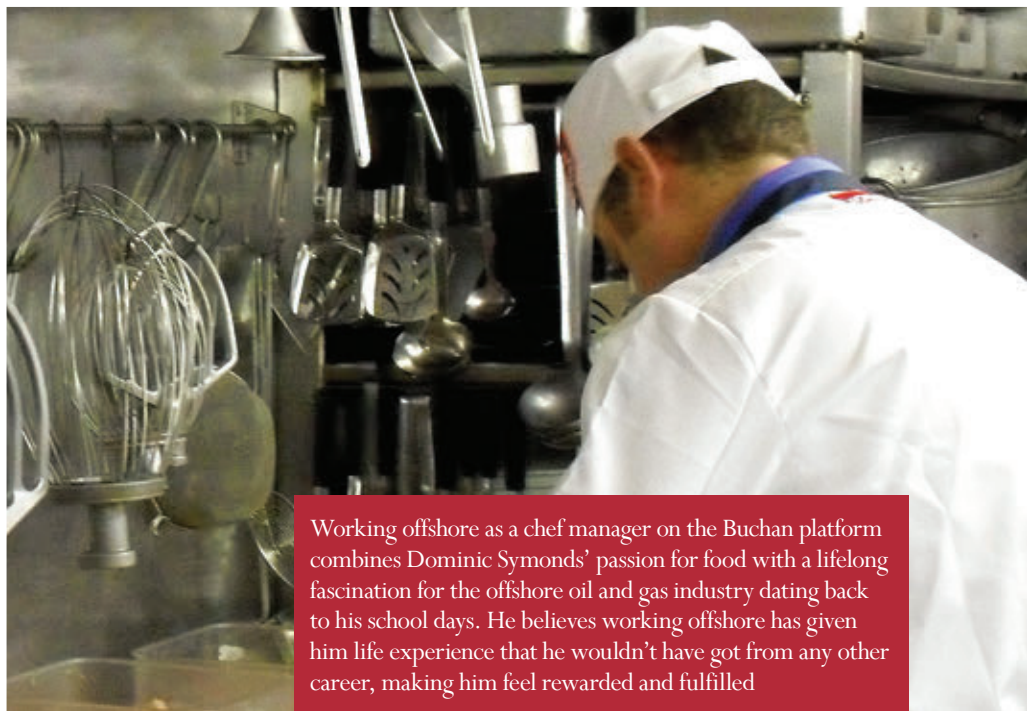
Q: What is the TLB's long-term objective?

A: The TLB's aim is for the industry to develop technology that will maximise economic recovery of the UKCS' hydrocarbon resources.

We also need to make sure that technical knowledge and expertise in the UK continues to be able to compete in export markets and serve the global oil and gas industry long after production from the UKCS has ceased.

For more information on the TLB, please contact Taiwo Olaoya on tolaoya@oilandgasuk.co.uk.

Oil & Gas UK is holding a breakfast briefing on 2 December in Aberdeen to provide an update on the TLB's progress. You can book online at www.oilandgasuk.co.uk/events/index.cfm.



Working offshore as a chef manager on the Buchan platform combines Dominic Symonds' passion for food with a lifelong fascination for the offshore oil and gas industry dating back to his school days. He believes working offshore has given him life experience that he wouldn't have got from any other career, making him feel rewarded and fulfilled

Savouring offshore life

A school project first whetted Dominic Symonds' appetite for working in the oil and gas industry. Today, he's a chef manager on the Buchan platform in the central North Sea and he relishes his role at the very centre of installation life. *Wireline* caught up with him to find out more.

“24 -hours a day, seven days a week” – co-ordinating a service of this magnitude can be challenging. Good thing chef manager Dominic Symonds thrives on offshore life.

As chef manager on Talisman Sinopec Energy UK's Buchan platform in the central North Sea, Dominic heads up a

six-strong team employed by contractor Sodexo Remote Sites. They run a 24-hour operation, taking care of all catering, laundry, cleaning and handyman duties for a platform crew that typically numbers just over 80. There are always team members on duty and the kitchen is never closed.

For Dominic it's an enjoyable way of life because it is not about a client-customer

relationship. He says: “Working offshore is like a family – that's the only way I can describe it.

“When you go onto an installation or rig, you become part of that family. We all look after each other; from the offshore installation manager through to the catering team, there's no difference.” >

He adds: “On any installation, the kitchen is the nerve centre. It’s like in your home – a communal area where you see everybody every day; where you can sit down, relax a little and have a chat.

“If people are fed well and have a clean room then that takes away some of their stresses. It is our job to make sure they’re comfortable and well catered for. I get a real buzz from looking after people.”

The entrée

The role offers the perfect professional recipe for Dominic, combining his passion

and how oil was produced, and was just fascinated by it,” he enthuses. “I decided then that I wanted to work offshore one day.”

After leaving school, he first pursued his vocational interest, cooking. He spent two years at college then 18 months in the hotel trade, before the opportunity arose in 1991 to join Sodexo as an assistant chef at the Flotta oil terminal in Orkney.

Completing further training in-house with the company took him beyond cooking into wider areas, including food hygiene

“Working offshore is like a family – that’s the only way I can describe it...The kitchen is the nerve centre. It’s like in your home – a communal area where you see everybody every day; where you can sit down, relax a little and have a chat. If people are fed well and have a clean room then that takes away some of their stresses.”

for food with a lifelong fascination for the offshore industry dating back to his school days in Colchester, Essex.

“I did a school project on the oil and gas industry as a teenager. I studied a diagram of a rig and the huge infrastructure, read about what was happening in the North Sea

and people management, preparing him to take on the role of head chef at the terminal, where he was at times catering for up to 500 personnel. He remained there until 2008 when, sensing it was time to broaden his horizons, he accepted the chance to become a night chef on the Tartan platform.

“I did a couple of trips to other platforms beforehand, just to make sure that I was suited to offshore work,” he says. “If anything, it just gave me even more of the bug and really confirmed that it was what I wanted to do.

“I enjoyed great support from colleagues during those early times and have fond memories of my time on Tartan.”

After 18 months working on the platform, he embarked on a development programme at Sodexo to prepare for promotion to chef manager offshore. Over a period of six months, he completed stints on platforms of various sizes – from the Fulmar, with a workforce of 250, to the Saltire, which usually has around 15 personnel – to gain experience in supporting different workforce numbers.

This period culminated in Dominic being appointed chef manager on Buchan in August 2010. Although he occasionally works on other Talisman-Sinopec installations – Sodexo has the contract to support all of its North Sea operations – Buchan is his primary workplace.

Stocking up

A typical day for Dominic and his colleagues starts at around 6.45 am when the team meets to plan their activities for the day. These can be shaped by crew changes and VIP visits, or the start of



Dominic Symonds, a chef manager offshore with Sodexo, notes that the food he serves can have a direct impact on the morale of the entire crew, improving safety, productivity and enhancing quality of life

HEALTHY LIFESTYLE PROGRAMME

ON TRACK WITH WELL TRACK

In an effort to promote a healthy lifestyle among offshore personnel, Sodexo has devised and launched an innovative programme.

Well Track, an interactive online tool, incentivises offshore employees to make educated health choices. By logging gym sessions and healthy eating habits, participants earn points when personal goals and objectives are reached, which can be redeemed from an online sports catalogue. The programme also offers regular contact with a coach to provide advice on a healthy lifestyle.

Well Track was first given a one-year trial on a UK North Sea installation, which produced some impressive results. The number of male workers with high blood pressure reduced by over a half, job satisfaction improved by ten per cent and participants lost a combined total of 150 kilogrammes in weight.

Sodexo now anticipates that Well Track – winner of the health category at the 2014 UK Oil and Gas Industry Safety Awards – will go on to be an integral part of its business.



As part of the Well Track programme, a coach works with offshore employees to help them lead healthier lifestyles

“I did a school project on the oil and gas industry as a teenager. I studied a diagram of a rig and the huge infrastructure, read about what was happening in the North Sea and how oil was produced, and was just fascinated by it. I decided then that I wanted to work offshore one day.”

major platform work. The team operates to a tightly-defined brief across its various responsibilities and it is Dominic’s job to manage this on a day-to-day basis.

He notes: “You need to be a people-person and be able to adapt quickly. It’s important to know your team members as individuals and how best to work/interact with them within such a tightly-knit group.”

Catering services revolve around a schedule of breakfast, lunch, evening meals and midnight sittings for night-shift personnel. Beyond those times food is provided as and when required.

The quantities delivered to the platform illustrate the scale of the team’s workload. In a typical week the kitchen will prepare around 90 kilos of chicken breast, 30 kilos of mince, 50 kilos of beef, 40 kilos of pork, 27 kilos of sausages and 20 dozen eggs.

And Dominic has noticed a clear trend towards healthier food choices.

“Eating habits are certainly changing. People are increasingly looking for healthier options, and we have to make sure we cater for all requirements.

“We spend a lot of time planning and preparing balanced menus and there’s always a full salad bar available (see box-out above on Sodexo’s healthy lifestyle scheme).”

He adds: “I don’t think I’m exaggerating when I say that the food we serve can have a direct impact on the morale of the entire crew. This, in turn, improves safety, productivity and of course enhances quality of life.”

Following in his footsteps


He says the challenges of the job lie not only in running a 24-hour operation but, like everyone working offshore, in striking a work-life balance.

“When you’ve been at home for three weeks, leaving your family to return to

work can be difficult,” he says. “You have to be suited to the lifestyle. Thankfully, I love my job and don’t find it a chore!”

He has no hesitation in encouraging his family to follow him offshore. One of his daughters and his son-in-law already work for Sodexo at Flotta, while another daughter has just left school and wants to join a training programme with the industry’s skills organisation OPITO. His son wants to become an offshore engineer.

“I would be delighted for my children to work in this industry,” enthuses Dominic. “There are really good career prospects and companies are striving to train people. It’s the people they bring into this industry that make it what it is.”

For Dominic, working in oil and gas is a way of life like no other. “Working offshore makes me feel rewarded and fulfilled, it has given me the life experience I don’t think I could have had from any other career. I’d recommend it to anybody looking for a challenge. There’s a great team spirit – you make friends for life.” 

For more information, please visit uk.sodexo.com/uk/en/services/on-site/remote-sites/offshore-marine/default.aspx.

Also see p6 for details on Oil & Gas UK’s breakfast briefing on health and wellbeing, featuring Sodexo.



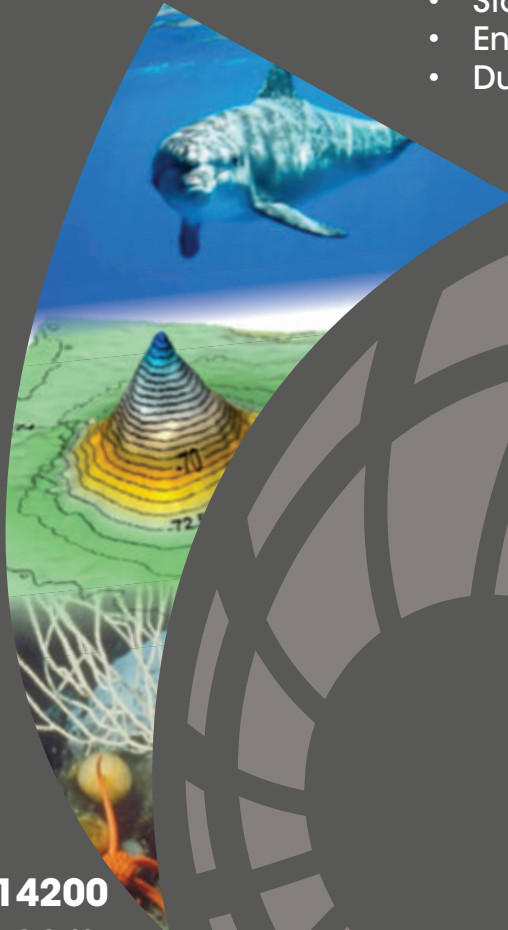
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Seventy-seven per cent of AMEC's employees report that "opportunity" is the primary reason for choosing to work at the company. The company's focus on continuing professional development was recognised when it scooped the 2013 Oil & Gas UK Award for People Development

Crafting a career

Tackling the industry's skills demand is not just about maintaining a steady flow of new recruits. Ensuring employees are inspired, motivated and engaged throughout their careers is also critical. *Wireline* speaks to some of Oil & Gas UK's many member companies that are putting continuing professional development at the heart of their business.

“Everyone at Sparrows has their own individual plan,” notes Dave Cockburn, engineering development and compliance director at Sparrows Group – the engineered oilfield products and services provider. “This plan goes hand-in-glove with a formal and

accredited framework of continuing professional development (CPD).”

Dave is part of a team that provides CPD support to over 2,100 employees, the majority of whom are based in Aberdeen. This work has been crucial to ensuring Sparrows maintains a skilled workforce that can meet the demand for the

business' services and, in turn, enable sustainable growth; Sparrows reports a 12 per cent increase in sales last year creating 100 new jobs.

Each staff member has access to a range of employee development schemes including an engineering development programme, support to gain chartered >



JOHN SNAPE
VOCATIONAL COMPETENCE SPECIALIST, SPARROWS

John participated in Sparrows' pilot management development programme having joined the company in 2012 to support the growth of talent internally. As part of the scheme, employees are selected from all areas of the business and regions to develop core skills in business management and to ensure that there is a talent pipeline to support the company's growth plans.

John and his colleagues received formal training in managing projects and change, and were also set a real business challenge concerning one of Sparrows' product lines. "It was a great opportunity. It made me aware of the global business, how you fit into that and the knock-on effects of what you do in the company," notes John. It also gave him the opportunity to work in a team to present ideas and opinions about the direction the business should take.

Having completed two pilots involving two dozen employees in July 2014, Sparrows is now evaluating the programme with the aim of rolling it out across the company. "It is not training for training's sake but must create some real added value for the company," adds John.

status, plus a new academy for future leaders. CPD is delivered through internal and external training, tutored and self-learning, as well as through the opportunity for job rotation.

Dave, who was a finalist for Oil & Gas UK's Award for Mentoring in 2012, continues to be a tireless advocate for the need to develop technical personnel. Twenty-five years ago, he spearheaded Sparrows' Monitored Professional Development Scheme, which is accredited by both the Institution of Engineering and Technology and the Institution of Mechanical Engineers. Since then he has mentored four or five graduates a year and directed the scheme to meet the changing business needs and qualification standards.

"Globally, we have 330 engineers and an engineering development team that creates training modules for them," he explains. "We've identified over 300 individual topics and today have 200 modules running, with lunch and learn sessions two or three times a week throughout the year." Each engineer has a mentor and further support is available through various forums.

Opportunity knocks

This focus on CPD is also echoed by TOTAL E&P UK (TEP UK) and AMEC, with all three companies offering formal apprentice and graduate training routes, as well as schemes that support skills and knowledge development throughout an employee's career. Training equips individuals to take on more senior roles. Productivity and motivation are also enhanced, supporting staff retention and

making companies more attractive to potential new recruits.

AMEC's efforts were recognised when it scooped the 2013 Oil & Gas UK Award for People Development. The company, which provides engineering and project management services, reports high levels of retention, with the staff turnover rate at just under ten per cent. Seventy-seven per cent of its employees state that "opportunity" is the primary reason for choosing to work at the company.

"We don't produce gadgets. It's all about the people. We have to make sure we can meet the challenges facing the industry and bridge any gaps in skills sets."

"We don't produce gadgets. It's all about the people," says Emma Wedderburn, AMEC's learning and development manager. "We have to make sure we can meet the challenges facing the industry and bridge any gaps in skills sets."

The company, therefore, has formal chartership and trainee programmes covering a broad range of areas from finance to commercial engineering design. At the heart of its CPD portfolio is the AMEC Academy, a global resource that provides opportunities in

management, leadership, technical and engineering development. It also offers access to training material of a general and technical nature. For example, there are e-learning modules that cover the oil and gas installation process and electrical regulations through to taught coaching and mentoring courses.

"We offer accelerated development programmes depending on where the individual fits in the company," adds Emma. "We have 120 people going through leadership courses this year, for example, and we aim to double that by the end of the year."

Training is essentially based on need. AMEC takes a flexible approach which is driven by the individual and business needs. Its online assessment programme, Career Paths, helps individuals to perform their own skills gap analysis.

Step up

TEP UK has also developed a digital tool, the Online Management Academy, for use by all employees within the organisation. This platform provides open access to 100 courses, each lasting from 30 to 45 minutes, on the topics of management, change management and personal development. "You can also choose to follow courses created by experts, such as a finance course from a teacher at the Harvard Business School, or the leadership course created by a consultant to Apple, IBM and the Harvard Business School," describes Ashley Alexander, HR adviser – training and development.

“We make employees aware that we are committed to developing their skills and knowledge for future roles within the organisation. We focus on both mandatory safety training requirements as well as individual role-specific training in order for our employees to develop and build on their existing skill set.”



Further education, in the form of a University degree or attaining a professional qualification, is actively encouraged at TOTAL E&P UK when it relates to an employee's current position, or for a future role identified

“Ultimately, employees have overall responsibility for their own personal training and development, however, TEP UK actively encourages development and this is fully supported by managers and human resources (HR). Individuals' training and development needs are identified through regular discussions with a supervisor, line manager, HR and metier (professional discipline) representative,” notes Ashley.

“We make employees aware that we are committed to developing their skills and knowledge for future roles within the organisation. We focus on both mandatory safety training requirements

as well as individual role-specific training in order for our employees to develop and build on their existing skill set.”

Further education, in the form of a University degree or attaining a professional qualification, is actively encouraged at TEP UK when it relates to an employee's current position, or for a future role identified. Ashley explains: “We have a number of people currently working towards Chartered status with various professional bodies and also have others working towards MSc degrees. They are provided with various types of support during the completion of these.” For example, those working towards Chartership

have an assigned mentor; the company was a finalist for the Oil & Gas UK Award for Mentoring in 2011.

Succession planning

Succession from within is a key priority for all three businesses and, as a result, they all have dedicated CPD training for future leaders.

“At TEP UK, we focus on management development and have various courses available for employees who are currently, or will be in the future, managing a team,” outlines Ashley.

“Our Management Development Programme has proven to be a successful >

TESTIMONIAL



KEITH NEISH
LEAD MECHANICAL ENGINEER, AMEC

Mechanical engineering graduate, Keith, joined AMEC in September 2008 and, on completing the four-year graduate programme, is now half way through the four-year engineering leadership scheme. “This gives the option of developing technical experience or moving towards a management path,” explains Keith.

Winner of the Oil & Gas UK Award for Overall Excellence in 2012, he has been identified as a future high flyer in the company and has been enrolled on the company's Future Leaders programme.

“I firmly believe that most development happens on the job,” asserts Keith. “Effective CPD can be built into normal working practices, but I also believe employees have to push their own development. You have to put yourself forward and make the most of your career.”

Keith is clear about his path; within five to ten years, he hopes to lead multidiscipline teams. More immediately, the next step is to manage a mechanical engineering team of 40 – a role he hopes to take on before the end of this year and for which he is preparing by working with colleagues that are already managing large teams. He will also undertake further technical management training through AMEC Academy to build his skills base.




Sparrows' new Management Academy helps employees develop core skills in business management for succession to senior roles, in turn, ensuring that there is a talent pipeline to support the company's growth plans

“Globally, we have 330 engineers and an engineering development team that creates training modules for them. We've identified over 300 individual topics and today have 200 modules running, with lunch and learn sessions two or three times a week throughout the year.”

training course, which enables our employees to transition into a management role, developing the necessary competencies required to undertake a role as a manager and to lead, as well as build, a successful team. We have received excellent feedback from our employees who have previously attended this course.”

Sparrows, meanwhile, has recently established a Management Academy, which will help identify an individual's potential and training needs; prepare people for promotion; and plan career paths and succession to senior roles.

AMEC is also creating a new executive development scheme to complement its existing junior and senior management programmes offered through AMEC Academy. “Our succession planning is continuously reviewed to ensure it develops and retains people,” describes Emma.

With these opportunities available to forge long and successful careers in the industry, Dave is certain that “people who want to get on, will get on”. 

For more information, please visit www.sparrowsgroup.com/careers/our_people_values/, www.amec.com/careers and www.totalwinners.co.uk.

Also see the training and development section of Oil & Gas UK's website at www.oilandgasuk.co.uk/events/Training_and_Development.cfm.

To find out who wins this year's Oil & Gas UK Awards for Investment in People and Mentor of the Year, book online to attend the ceremony on 6 November at www.oilandgasuk.co.uk/events.

TESTIMONIAL



JEREMY ROBERTSON
LEAD CONTRACTS ENGINEER, TOTAL E&P UK

Jeremy has worked in oil and gas for ten years and originally joined TOTAL E&P UK (TEP UK) in 2007 as a contracts engineer. He says: “CPD is mutually beneficial to individuals and organisations alike. It has allowed me to continually improve my skills, develop as an individual and prepare me for my current role of lead contracts engineer, managing a team at a time when the industry is facing a number of challenges. For me, the aspiration is to become contracts and procurement manager, and whilst I believe you have to take some responsibility for your own development, the ongoing use of CPD along with identified training shall support this.”

Jeremy and his manager have created a personal development plan, which is regularly reviewed and updated each year. This has included external training in presentation skills, a company nominated management development programme, negotiation skills, as well as gaining professional status in contracts and procurement through the Chartered Institute of Purchasing and Supply (CIPS).

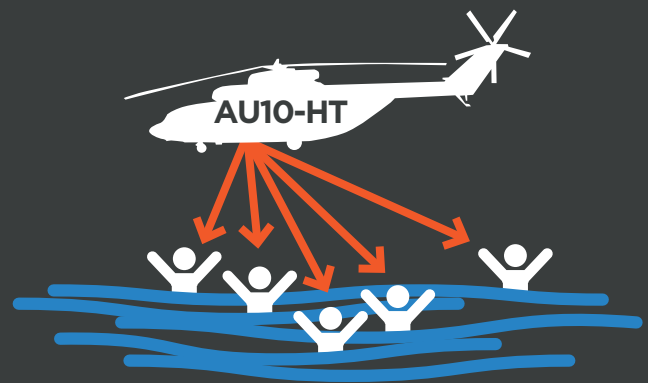
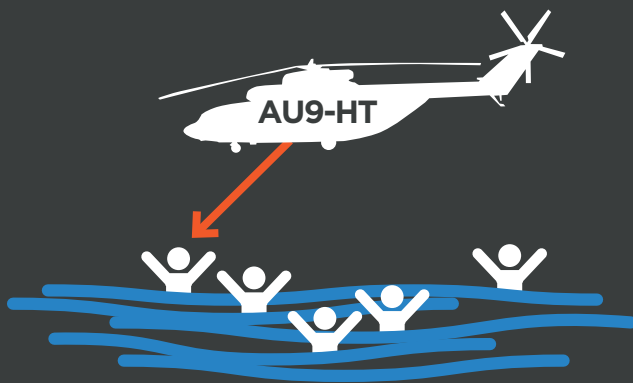
TEP UK worked with the CIPS to develop a corporate award scheme tailored to the needs of the oil and gas industry, which encompassed case studies, reports, a thesis based on a project important to TEP UK, and then delivering a presentation to an interview board. Jeremy was one of the first to undertake the course in 2012 and participation in this Chartership has been actively encouraged in the Contracts and Procurement team at TOTAL since. “CPD has to be appropriate and fit for purpose,” insists Jeremy.

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