Scottish Wildlife Trust

Consultation Response

Dunlin Alpha Decommissioning Programme

Scottish Wildlife Trust Response

14 September 2018

The Trust considers the proposal to leave polluting materials in situ as unacceptable and presents a long-term environmental risk to the marine environment. MCX Dunlin (UK) Ltd should be held responsible for removing all pollutants from the Dunlin Alpha platform.

1. The Scottish Wildlife Trust welcomes the opportunity to comment on the draft Dunlin Alpha decommissioning programme (DP). The Trust recognises that the decommissioning of the oil and gas industry in the North Sea is still in its infancy and considers this consultation as an opportunity to set a precedent for all future oil and gas decommissioning programmes in UK waters, especially for those structures that meet the requirements for derogation under OSPAR 98/3.

Key Points

- The Scottish Wildlife Trust has concerns over the proposed option of leaving the contents of the storage cells in situ, which includes oil, heavy metals, and other chemicals, and believes MCX Dunlin (UK) Ltd should be held responsible for removing them.
- The Trust considers that MCX Dunlin (UK) Ltd's proposed management of the storage cell contents is effectively applying for free waste disposal.
- The Trust believes that a fee should be introduced for oil companies that propose to leave polluting material(s) on the seafloor and that the money from this fee should go into an Environmental Stewardship Fund.
- The Trust cannot support the proposed Dunlin Alpha decommissioning programme.

Overview

2. The Scottish Wildlife Trust's policy on decommissioning[1] promotes a case-by-case approach to the removal of structures from the sea and supports pragmatic solutions that present the best possible outcome for the marine environment. The Trust is willing to support leaving oil and gas structures in situ (the 'rigs-to-reefs' approach), where there is likely to be a net benefit to the environment and provided the remaining structure is cleaned of all pollutants.
3. While the Trust accepts MCX Dunlin (UK) Ltd's right to apply for derogation to leave the Dunlin Alpha platform in situ, we consider that the current proposal to leave the storage cell contents and the drill cuttings pile in situ could pose an unacceptable long-term environmental risk. By leaving pollutants in the storage cells (including oil, heavy metals and a suite of other chemicals), MCX Dunlin (UK) Ltd are effectively applying for free waste disposal, which appears to demonstrate a disregard for the health of the marine environment. Therefore, the Trust cannot support this proposal.

Legacy impact

4. It is the Trust's firm view that all marine activities must consider and maintain (or improve) the quality, health and biodiversity of the waters they occupy, avoiding significant, cumulative, long-term or irreversible damage to the environment. The Trust has a particular interest in oil and gas activity because the decommissioning process has the potential to impact the environment in many ways. For example, removing a structure that has been in place for decades can have an immediate ecological impact on the surrounding marine environment through the loss of an artificial reef. This kind of immediate impact should be weighed against the long-term risks of leaving the structure in situ which, in some cases, could persist for hundreds of years (e.g. if pollutants in drill cuttings or within the rig structure itself are left behind).

[1] https://scottishwildlifetrust.org.uk/wp-content/uploads/2016/09/002_293__decommissioningoffshoreinfrastructure_policy_1386585277.pdf

5. The Dunlin Alpha DP proposes to leave the entire platform (excluding the topside) in place. The Trust considers it paramount that all actions necessary are taken during these initial stages of the decommissioning process to eliminate any long-term environmental risks that this structure and associated materials present. With this in mind, the Trust finds the proposal to leave polluting materials in the storage cells of the platform concerning. Over time, the concrete structure will begin to physically break down, resulting in the release of the abandoned pollutants into the marine environment. The release of these pollutants could occur slowly, resulting in a long-term, cumulative impact, but it should also be acknowledged that there is potential for a rapid release in a sudden event where, for example, the legs of the platform collapse and fall onto the storage cells below. Either way, by leaving the pollutants behind, it is virtually guaranteed that they will be released into the marine environment.
6. The Trust considers it the responsibility of the platform owner to ensure all materials left on the seafloor are inert and pose no further environmental risks. The Trust's view is in line with the Polluter Pays Principle, which requires that 'preventive action should be taken, that environmental damage should as a priority be rectified at source and that the polluter should pay."[2] The Polluter Pays Principle is also a guiding principle of the OSPAR Convention, which requires that 'the costs of pollution prevention, control and reduction measures must be borne by the polluter.'[3]
7. The Trust understands that current technology may restrict the ability to remove these materials but considering the oil and gas industry has built up decades of expertise in drilling and extracting oil and gas from deep beneath the seafloor, we would like to see the same initiative and innovation applied to developing new technologies in the decommissioning process. We therefore believe there should be a commitment from MCX Dunlin (UK) Ltd to develop the appropriate technologies to remove the pollutants from the storage cells.
8. The Trust was pleased to see cost estimates for the different decommissioning options included in the Dunlin Alpha DP and welcomes the transparency shown. It is important to highlight the range in cost estimates for the different management options for the storage cell contents – the most expensive option at £62.5m for high case oil and sediment removal down to £0 for leaving all contents in place. MCX Dunlin (UK) Ltd's preferred option, unsurprisingly, is to leave all contents in place. Assuming the UK Government is expected to cover approximately 50% of decommissioning costs through tax relief, the preferred option proposed by MCX Dunlin (UK) Ltd represents a saving to them of £31.25m – a considerable sum of money. Also important to highlight is that MCX Dunlin (UK) Ltd do not appear to have made any attempt to take account of the environmental damage virtually guaranteed to occur from their preferred option.
9. The Trust believes that MCX Dunlin (UK) Ltd should be held responsible for removing all polluting material from the platform and ensuring that the remaining material left on the seafloor (i.e. the concrete and steel structure) is inert and poses no further environmental risks.
10. It is the Trust's view that all platform owners who propose to leave polluting material on the sea floor should incur a fee (possibly a percentage of the estimated cost of complete removal or the equivalent cost of disposing of the waste material if it was on land), and that the money from this fee should go into an 'Environmental Stewardship Fund' (see section below).

[2] Treaty on the Functioning of the European Union (Article 191(2) TFEU)
[3] https://www.ospar.org/about/principles/polluter-pays-principle

Long-term ecological monitoring

11. If MCX Dunlin (UK) Ltd's application for derogation under OSPAR 98/3 is successful and the oil platform is left in situ, the Trust believes there should be a concerted effort to establish a long-term environmental monitoring programme to further assess the impact these large offshore structures have on the marine environment and marine ecology. It is broadly acknowledged that offshore oil rigs may have the potential to act as artificial reefs and create hotspots for marine life. The Trust believes that the oil and gas industry, research institutes and the UK Government should seize upon this opportunity to improve our understanding of artificial reefs and provide insights into the potential ecological value of a 'rigs-to-reefs' programme in the North Sea.

Environmental Stewardship Fund

12. There is no denying that the installation, operation and decommissioning of oil and gas platforms has had, and will have, a significant environmental impact and that returning the environment to pre-development condition is unlikely. It is, therefore, important that the degradation of the marine environment is acknowledged and accounted for by the oil and gas industry.
13. However, the Trust recognises that in some circumstances there may be significant environmental benefits to leaving structures in place and therefore advocates for further research into the potential for a 'rigs-to-reefs' programme in the North Sea.
14. If research were to identify circumstances in which the best environmental outcome is to leave a structure in place, the Trust proposes that a portion of the savings to the oil and gas industry should be placed in an 'Environmental Stewardship Fund' that supports marine conservation, research projects, innovative technologies, and advancements in marine management. These projects could include: establishing demonstration and research Marine Protected Areas; trialling sustainable fishing gear and practices; and increasing research into the carbon sequestration value of 'blue carbon' habitats.
15. The decommissioning oil and gas infrastructure can provide opportunities across multiple sectors, involving multiple stakeholders, and include a range of potential environmental and social, as well as economic, benefits. The Trust believes that the proposed Dunlin Alpha DP inadequately explores these possibilities and considers that it would represent an opportunity lost for developing innovative and world-leading approaches, not just for decommissioning but for marine management as a whole.

Conclusion

16. The Trust is willing to support leaving oil and gas structures in situ, but only if there is likely to be a net benefit to the environment and the remaining structure is cleaned of all pollutants. MCX Dunlin (UK) Ltd's proposal to leave polluting materials in situ is unacceptable and appears to demonstrate a disregard for the long-term health of the marine environment. The Trust believes that MCX Dunlin (UK) Ltd should be held responsible for removing all pollutants from the Dunlin Alpha platform.

Please can you keep the Trust informed of how this consultation progresses.