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1 INTRODUCTION

1.1 Guidance Note

1.1.1 These Guidance Notes are intended to assist Operators\(^1\), the environmental authorities and the public in understanding the process of The Offshore Petroleum Production and Pipe-lines (Assessment of Environmental Effects) Regulations 1999 and to provide some detailed explanation of these Regulations. However it is essential that anyone preparing an Environmental Statement or seeking a Direction or being in any way responsible for their submission must read and seek to understand the Regulations. These Guidance Notes are not comprehensive and readers must consult the Regulations themselves for a full statement of the detailed requirements that may be relevant to them.

1.1.2 To aid this understanding, a list of definitions and abbreviations is given at Annex A and flowcharts illustrating the main elements of the process are attached at Annex B.

1.2 The Directives


1.2.2 In 1999 the DTI instituted the practice of carrying out Strategic Environmental Assessments (SEA), as part of the offshore licensing process, as an aid to determining which areas should be offered for licensing for oil & gas development. In doing this, the DTI was anticipating the implementation of the EU directive, the Environmental Assessment of Plans and Programmes Directive, 2001/42/EC, which will become mandatory for a very wide range of activities, mostly onshore, in 2004. This now means that environmental assessments carried out for individual projects can take advantage of additional data and information on the regional context of their proposals specific to the E&P industry. Details of the past and current offshore Strategic Environmental Assessments may be found at [www.offshore-sea.org.uk/sea/index.php](http://www.offshore-sea.org.uk/sea/index.php)

1.2.3 For the purpose of the Regulations the relevant activities are, the granting and renewal of production consents for field developments, the drilling of wells (deep boring) and the construction and installation of production facilities and pipelines in the United Kingdom Territorial Sea and on the United Kingdom Continental Shelf (UKCS).

1.3 Scope of the Regulations

1.3.1 The purpose of the Regulations is to require the Secretary of State for Trade and Industry ("SoS") to take into consideration environmental information before making decisions on whether or not to consent to various offshore activities. The Regulations require that any Operator who wishes to carry out certain activities must first make an assessment of the

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\(^1\) "Operator" in the context of these Guidance Notes means any person who carries out or may reasonably be taken to propose the carrying out of a relevant activity (a well, pipeline or development) as defined in these guidance notes. The term is intended to include “Undertaker” (as used in the Regulations) and "Licensee".
impact that the activity would have on the environment (i.e. an Environmental Assessment (EA) and then summarise and present the conclusions of this in an Environmental Statement (ES). The Operator must then submit the Environmental Statement to the DTI in support of the application for consent under the Petroleum Act 1998 for the offshore activity. This consent will not be given until the SoS is satisfied with the information provided and that there will be no significant impact on the environment.

1.3.2 There are two exceptions to the requirement for an ES; first, in a situation where it is considered that the activity proposed will not have a significant effect on the environment; and second where further consents are being sought in relation to an activity which has already been the subject of an ES under the Regulations. For the former case a judgement will be made on the likely level of environmental impact of the activity on the basis of the details summarised in the submission of a Petroleum Operation Notice (a PON 15) and if it is agreed that the impact will not be significant then a Direction will be issued that an ES need not be prepared and approval given on the basis of the information in the PON 15. In essence a PON15 is a “mini ES “ which is used for the environmental assessment of less significant activities, for example, the drilling or side-tracking of wells, construction of small pipelines and modifications to existing developments.

1.3.3 If the SoS considers that the activity would cause a significant impact on the environment then consent might be refused or conditions to mitigate or remedy any adverse effects might be imposed in the consent. If, after all aspects of the activity have been considered and the SoS is content that no adverse environmental effects will result, then consent, subject to other DTI requirements, is likely to be granted without environmental conditions.
2 THE ES AND PON 15 PROCESS

2.1 Application for Consent

2.1.1 Regulation 5(1) states that a formal application for the granting of consent by the SoS in respect of an activity for a field development, the construction of a pipeline, or the drilling of a well, must be accompanied by an ES unless a PON 15 application has been submitted seeking a Direction that an ES is not required and that Direction has been granted (see 2.3 below). In practice and for practical reasons, the submission of the Application for Consent and the ES do not need to take place at precisely the same time. The two review processes run in parallel with the review of the ES informing the decision of the Application for Consent. No consent in respect of an activity will be granted until the SoS is satisfied with the environmental information provided and that there will be no significant effect on the environment.

2.1.2 The Licensing and Consents Unit (LCU) of the DTI administers the Regulations and the Petroleum Act 1998 under which consents are given. The Environmental Management Team (EMT) of the Environment and Decommissioning Branch (ED) process applications under the Regulations and liaise with the Licensing, Exploration and Development (LED) Branch who deal with the Applications for Consent. Operators will need to ensure that both EMT and LED have been contacted and are fully aware of their proposals.

2.1.3 When the ES is submitted a PON 16, for Submission of an Environmental Statement in support of an Application for Consent of a project, must accompany it. A PON16 form is attached at Annex C. This will identify the details of the proposed activity included in the Application for Consent and for which the ES has been submitted.

2.2 Review and Consent

2.2.1 The ES will be subject to formal consultation with relevant Environmental Authorities. Details of the Application for Consent and that an ES accompanies it must be advertised in the press indicating that copies will be made available at a nominal cost.

2.2.2 Operators can ask the DTI, as competent authority for this statutory function, for a formal opinion on the scope of the information to be provided in the ES. They (or their agents preparing the ES) may also seek the advice of the Environmental Authorities and consult relevant interest groups in order to be able to consider their concerns during its preparation. DTI strongly recommends that prior to submission of an ES such consultation be undertaken.

2.2.3 The ES along with any comments received from the Environmental Authorities and the public will be considered before reaching a decision on consent. As a result of this process consent may be given or refused, or the consent may be subject to conditions that require modification to the activity. The decision will be published including the review of the ES and any environmental conditions attached to the consent.

2.2.4 Any person aggrieved by the issue of a consent, on the grounds that the requirements of the Regulations have not been met, may apply to the Courts for the decision to be quashed, but must do so within six weeks of the decision being published. Section 7 of these Guidance Notes offers more detail on this aspect of the Regulation. (See 2.2.1.above)
2.3 **Criteria for Activities Requiring an ES or PON 15**

2.3.1. Under the Regulations an application for consent for certain activities **must** be accompanied by an ES and are not subject to an application for a Direction. (Reg 6(5)). These are:

- Developments which will produce 500 tonnes (approximately 3,750 barrels) or more per day of oil or 500,000 cubic metres or more per day of gas. (This does not include well testing.)
- Pipelines of 800mm diameter and 40 kilometres or more in length.
- Where another EU Member State (or signatory to the Espoo convention) has requested to participate in the procedure (trans boundary interests).

2.3.2. Attention is drawn to Regulation 4(4)(a). Specific consent under the Regulations is required to use a floating installation, since consent for them is not required under the Model Clauses of the Petroleum Act 1998. It will be sufficient to say in an application where it is proposed to use a floating installation that application for consent for that installation is being sought under Regulation 4(4)(a).

2.3.3. Other activities are subject to a discretionary process where either an ES or a PON 15 (seeking a Direction that an ES is not required) needs to be submitted. Typically this discretionary approval covers:

- The drilling of all wells.
- Developments, either stand-alone or incremental, producing less than 500 tonnes of oil per day or 500,000 cubic metres of gas per day.
- Construction of pipelines of less than 800mm diameter and 40 kilometres in length.
- The renewal and revision of a Field Production consent.

2.3.4. In addition the PON 15 process may be used for consents for activities that have already been covered in an existing ES submission (and subject to an environmental assessment) but for which specific individual additional consents are still required. For example, this could apply to the drilling of wells or construction of a pipeline within a project for which Field Development Consent has been granted. The Field Development would have been the subject of an ES in support of the application for Development Consent. Nevertheless the Operator is still required to submit a PON 15C in support of the pipeline works authorisation (PWA) and individual PON 15Bs for each of the well consents.

2.3.5. An example of where the discretionary process would be likely to result in the submission of an ES is where it is planned to drill several wells in the same geographic area. Providing consent for these wells on an individual basis, simply by the PON 15 process, would not give a sufficiently comprehensive picture of the likely overall environmental impact. The data provided in the ES however will be comprehensive and based on a likely worst case scenario taking into account, in particular, the periods of the year over which drilling will take place. Information would include the start date of the activity, which would be taken as the spud date of the first well, full details of the maximum amounts of cuttings to be produced, details of all muds and other...
drilling/completion chemicals to be used/ discharged for all the planned wells, and details of any contingent side tracks. As each of the wells is to be drilled the Operator will be required to submit a PON 15B in order to obtain the consent to drill (PON 4) and as an application for a chemical permit. The submission of the PON 15B will also allow for any changes to the data submitted in the ES to be notified.

2.3.6. It should be made clear that the decision on whether an ES is required or a PON 15 application seeking a Direction is appropriate, depends on the nature, timing and location of the activity and each application for a Direction will be considered in the light of its circumstances. Any activities not appearing to fall into those categories outlined above should be brought to the attention of the DTI for decision.

To aid the Operators’ assessment of the environmental impact of exploration and appraisal wells, the DTI together with the statutory environmental authorities, have produced guidelines on the criteria that need to be assessed which are provided at Annex D. These guidelines also apply to template and satellite development wells.

2.4. Preparation of the ES (and PON 15)

2.4.1. It is recognised that Operators may employ independent specialist contractors to aid in the environmental assessment and preparation of the ES (and PON 15). As with all oil and gas activity, however, the DTI regards it as essential for Operators to retain sufficient in-house expertise to be able to direct, understand and assure the quality of the work being done on their behalf and to ensure that the subsequent activity for which consent is being sought is conducted in accordance with the ES (or PON 15).

2.4.2. The following questions may assist applicants in the preparation of an ES or PON 15.

2.4.3. **What is this Document For?**

The submission of an ES (or PON15) is not in itself a means of obtaining consent to carry out any activity offshore. It is the means whereby the SoS is assured that the environmental implications of the proposed activity have been properly considered and, all other requirements being satisfied, consent for the activity can be granted.

2.4.4. **Who is the Audience?**

One fundamental concept of environmental legislation is to involve, as far as is possible, the general public and its specialist representative organisations in the decision making process. It is intended therefore that the ES should be understandable by the public as represented by the informed layperson. Therefore a non-technical summary must be included. Having said this, however, the main body of the document should still contain sufficient technical detail, both in regard to the natural and commercial environments and to engineering design and construction, to permit a thorough assessment of the proposal by the DTI and its statutory consultees. This will also permit the more informed individuals and non-government bodies to make their own assessments and thus comment more fully on the proposal.

2.4.5. **What should be the content and structure of the ES?**

It should be clear that the ES is a document drawing together and presenting the findings of a study or studies examining all the potential environmental impacts of the proposed development or activity and the solutions arrived at to eliminate or mitigate them.
The ES (or PON 15) should be clear and logical in its layout and presentation. It should seek to demonstrate that environmental considerations have formed an essential and continuous part in the evolution and design of the development concept for the proposed activity. To achieve this, information must be presented which shows that:

- the Operator is informed in detail about the natural environment and commercial issues arising from other users of the sea, seabed and coastline where it is proposed to carry out the activity, and that the data are current and relevant.
- the Operator is aware that many environmental sensitivities are subject to an annual cycle and activities, which are fully acceptable in one season, may not be in others. The Operator must therefore be able to demonstrate that this has been taken into account in planning the operations.
- the likely consequences of the activities, whether from emissions and discharges, the physical presence of equipment and structures or the potential disturbance to the natural environment (atmospheric, marine or terrestrial) have been identified, assessed and the optimum engineering and operational solutions selected to achieve the desired environmental objectives.
- where alternative solutions were available, how the option selected was decided upon and why, with due consideration of practicality, safety and cost-benefit, to achieve the desired environmental outcome.
- consultations have been undertaken with both statutory and non-statutory organisations and the public and if and how their representations have been addressed in the design and operation of the activity.
- where potential environmental effects remain how these effects are to be mitigated and managed during the operations and how their consequences are to be monitored in the longer term, particularly taking into account any cumulative effects from other operations in the area, not necessarily controlled by the Operator, on a local, regional or global basis.
- Where and what information was lacking or insufficient and what the Operator did to remedy this.

2.5. Balance and Emphasis

2.5.1. The ES or PON 15 should be a balanced document, providing an objective, unbiased account of the environmental effects with reasoned and justifiable arguments, giving appropriate prominence to both positive and negative effects relative to their significance.

2.5.2. In many cases more data will be available on some aspects of the proposed activity than others, particularly those factors under the direct control of the Operator. It is essential however, that sufficient information is obtained on all relevant matters to permit a full assessment and that excessive detail is avoided. For example engineering and equipment specifications or commercial statistics may be readily available but may not add materially to the environmental information and need not be included beyond the level required to describe the processes or justify the selection of a particular piece of equipment or of mode of operation.
2.6 UK Oil Portal - on-line applications

2.6.1 The DTI is implementing an E-business strategy. The first step of this strategy, by the LCU, is the introduction of PON 15 electronic application forms. This will allow the on-line completion and submission of applications and the issue of directions and chemical permits electronically. The system will be similar to the Well Operation Notification System (WONS) that is currently in place. The new PON 15 system may be accessed through the LCU website (UK Portal) and access to the applications is via password control and verification.

2.6.2 It is recognised that in the short to medium term ES documents will be too large to be submitted in full electronically and will continue to be accepted in paper or CD-ROM format. Paper copies must also continue to be available should they be requested through the statutory public consultation process. However, it is necessary for the efficient administration and management of the process for receiving, reviewing and reporting back on Environmental Statements under the e-business regime, that a formal electronic process for the notification of submission is established.

2.6.3 The PON 16 has been revised to serve this purpose and in the first instance, before the UK Oil Portal is fully operational, will continue to be a paper-based form with submission either by post or e-mail. The form includes the main headings below:

- Contact details
- Project Information
- Project location
- Incremental Projects
- Host Installation
- Project dates and significant impacts.

When the Portal is fully operational the PON 16 will become an e-business form using a menu-based system. It will essentially request the same information as the current revised form.

2.7 Reporting requirements -The Environmental Emissions Monitoring System

The requirements and procedures for reporting data on emissions and discharges to EEMS are being amended. The data reporting forms for chemical use and discharge will also be linked to the chemical permits and forms will be available for the rollout referred to in 2.6.1 above.
3. CONSULTATION

3.1. Informal Consultation

3.1.1. The Operator should notify the DTI at the earliest opportunity of any project where it is at all possible that an ES may be required. In order to ensure that the environmental assessment underlying the ES (or PON 15) is adequate, the Operators are strongly recommended to consult informally with interested parties such as local authorities, conservation groups, naturalists, special interest groups, users of the sea and where appropriate, the interested public, during the environmental assessment. The relevant environmental authorities should also be involved in this process. Experience of the Regulations has clearly demonstrated that such informal consultation can identify potential difficulties before the ES is prepared and hence reduce or eliminate delay at the formal consultation stage of the process.

3.2. Scoping

3.2.1 Where there is information held by DTI or another environmental authority which would assist in the preparation of an ES but, for some reason, this is not reasonably obtainable via the normal published sources or commercial channels, then Regulation 8 allows the Operators to gain access to this information provided it is not confidential.

3.2.2 The preparation of a Scoping Document, summarising the proposed activity, highlighting the sensitivities and proposed mitigating measures has been found to be a very valuable aid in the early, informal consultations with stakeholders including statutory consultees, local government, conservation groups and the general public. This is not a statutory requirement under the Regulations, but has proved extremely useful and can be considered best practice, particularly for large projects or those in potentially sensitive locations.

3.3. Formal consultation with The Environmental Authorities

3.3.1. All submitted ES's will be required to be sent by the Operators to the JNCC and to SEERAD/FRS and DEFRA/CEFAS as appropriate. If the activity which is the subject of the ES is within 40 kilometres of the coast, the ES will be required to be sent to the:

- Countryside Council for Wales for Welsh waters;
- English Nature for English waters;
- Scottish Natural Heritage for Scottish waters;
- Environment Agency for English and Welsh waters;
- Relevant Sea Fisheries Committee for English or Welsh waters;
- Scottish Environment Protection Agency for Scottish waters
- Department of Agriculture for Northern Ireland (if close to Northern Ireland)
- Water Quality Unit for Northern Irish waters (if close to Northern Ireland)
- Relevant local authorities

See Section 4.3 for submission procedures and Annex E for the contact details for these organisations.

3.4. Formal consultation with The Public

3.4.1. The public should be made aware of the submission and details of the ES by public notices in *The Guardian* newspaper and those local newspapers circulating in the vicinity of the coast nearest the development. The notice must contain details of the location and brief general description of the activity covered by the Application for Consent, indicate that an ES is available and state where copies may be obtained or viewed. (Example notices - one for developments and the other for wells - are provided at Annex F and guidance as to which local newspaper should be used is provided by the map shown in Annex G)

3.4.2. Operators must check the newspapers to ensure that the notices have been published in the correct place and provide DTI with copies of the relevant newspapers. There is no requirement to publish notices in the Gazettes. Any person may make representations to the DTI as described in Regulation 9 and the DTI is required to be satisfied that the requirements as to consultation and publicity have been met.

3.4.3. Operators are permitted to levy a fee not exceeding £2 per copy of the Statement. Where such a fee is imposed, details must be included in the public notice. A copy of the PON 16 together with the ES must be available for public inspection for a period of at least four weeks after the date of the last publication of the notice referred to above. The location for public inspection of the documents must take account of the general whereabouts of those people likely to be interested in or affected by the activity.

3.4.4. PON 15s seeking a direction are not subject to the public notice requirements of Regulation 9. However, it is intended that a list of PON15 applications and ESs received will normally be available on the LCU website at [http://www.og.dti.gov.uk/environment/permits/index.htm](http://www.og.dti.gov.uk/environment/permits/index.htm) together with details of the decisions on such applications.

3.5. **Further Guidance**

3.5.1. Guidance documents issued by the Department of the Environment, Transport and the Regions, now the Department of Environment, Food and Rural Affairs (DEFRA) for use in the preparation of ES's for land-based activities *may be relevant to certain aspects of offshore ES's and it is recommended that they are consulted to complement the guidance given here.*

4. THE ENVIRONMENTAL STATEMENT

4.1. Introduction

4.1.1. The ES is a means of submitting to the regulatory authority, statutory consultees, non-government organisations and the wider public the findings of an assessment of the likely affects on the environment of the proposed activity. It is explicit in the European Directives (85/337/EEC and 97/11/EC), which are implemented by the Regulations that an Environmental (Impact) Assessment must be carried out. The preparation of the ES is not therefore, the whole process or an end in itself. It is the summarising and presentation of the findings of a process that has been carried out throughout the whole evolution of the activity from its first conceptual discussions through to the final agreed engineering design and the construction and installation programme. The size and scope of the environmental assessment will be related to the size and nature of the activity but it should always examine thoroughly all the proposed activities and their consequences.

4.1.2. The required contents of an ES are specified in Schedule 2 to the Regulations, which is reproduced at Annex H. However, it is considered to be essential that the Regulations must be read in full and understood by all persons responsible for commissioning, preparing and submitting ES’s.

4.1.3. As was made clear in Sections 1.3.1 and 2.4.3 of the guidelines above, the submission of an ES in itself does not constitute an application for consent to carry out activities to explore for and get petroleum under the Petroleum Act 1998 but must be submitted in support of that application. Separate applications for consent for the specific activity i.e. a Field Development Consent, Consent to Drill or a Pipeline Works Authorisation must be made to the DTI but will not be granted until the ES has been submitted and accepted or a Direction that an ES is not required has been issued.

4.2. Administration

4.2.1. The DTI will aim to approve an ES in eight weeks. This, of course, is dependent on a number of factors including, but not limited to, the environmental sensitivities of the project. Where consideration has to be taken of particularly sensitive areas such as designated sites (for example Special Protection Areas (SPA) or Special Areas of Conservation (SAC)) or transboundary sensitivities, then this may involve a longer period of review.

4.2.2. In reaching a decision, account will be taken of the ES itself as well as any representations received. Where appropriate, representations received by the DTI will have been copied to the Operators for their consideration and comment.

4.2.3. Any changes to the proposed activity arising from the consultation process will be formally recorded and may be included as conditions to be attached to the consent. If the changes are considered to be significant the Operators may be required to redraft the ES and resubmit the document to the DTI. It is also the case that any changes to the activity proposed by the Operator as a consequence of continuing design and development following submission may require a re-drafting of the ES and resubmission. In either event this will necessitate a repeat of the full consultation process, for example re-advertising in the publications previously notified and making copies of the revised ES available to the public on request.
4.2.4 It is recognised that the design and specification process, particularly with regard to
details, continues after consent is given. Any significant changes proposed before first oil
or gas must be reported to the DTI Licensing, Exploration and Development (LED)
branch who will consult the Environmental Management Team. EMT will review the
proposed changes and contact the Operator if further action is necessary.

4.3. Submission

4.3.1. Once the Operator has completed their assessment then four copies of the ES must be
submitted to the address below.
EIA Co-ordinator
Environmental Management Team
Licensing and Consents Unit
Atholl House
86-88 Guild Street
Aberdeen
AB11 6AR
Tel: 01224 254102
E-mail: EnvironmentalManagementTeam@dti.gsi.gov.uk

4.3.2. The ES must be accompanied by the PON 16, which will state which consent is being
applied for and briefly describe the activities for which consent is being sought. An
example of the PON 16 form is provided at Annex C. Following submission the process
proceeds as follows:

- All ES's will be acknowledged and given a unique identity number. The
  acknowledgement will also advise the Operator on the Public Notice requirements. A
  separate notice will provide details of the Environmental Authorities that should be
  sent the ES for the specific project.

- The Operator must then send copies of the notice, the PON 16 and the ES to the
  Environmental Authorities identified and advise DTI when the copies have been sent.

- The Operator must make clear to the Environmental Authorities that any
  representations must be made directly to the DTI within four weeks of the date of
  receipt of the ES.

- The Operator must forward copies of the Public Notice to the DTI.

- Shortly after the close of Public Notice the DTI will advise the Operator of any
  comments arising from its own technical assessment and comments received from the
  Environmental Authorities and the public. All comments, where appropriate, will be

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2 In due course it is expected that the ES procedures will transfer to an e-commerce system to process and track all
applications received.

collated into one communication.

- It should be noted that there might be instances where no further progress can be made in the ES approval process until the applicant’s response to these comments has been received and judged to be acceptable. Experience of the process to date would suggest that the majority of comments received are of a minor nature and progress with the ES approval process is not delayed.

- Assuming no adverse comment or objection is received then a letter advising the Operator that the DTI is content with the information received and that, from an environmental viewpoint, there is no objection for consent to be given to the activity.

- The DTI notifies internally the findings of the ES review process to allow their inclusion in the consideration of the activity to determine if it will receive consent by the SoS.

- Where consent has been given by the SoS, the decision will be published in the gazettes with details of the ES review on the LCU website at the address given in 3.4.4.

Further information on the SoS’s decision is presented in Section 6.

4.4. Contents of the ES

4.4.1. The intention of this section is to provide specific guidance on key elements of an ES amplifying, where necessary, the details set out in the Regulations, particularly Schedule 2. (Annex E)

4.4.2. The ES should identify the regulations under which the EIA is required, and indicate whether it also is to be used to address other regulatory requirements (e.g. Appropriate Assessment under the requirements of the Habitats Regulations).

4.4.3. Non-Technical Summary (NTS)

The NTS should provide sufficient information to allow the non-specialist reader to understand the main environmental impacts of the proposal without reference to the main ES. The NTS should include a summary of the description of the activity and the receiving environment, the main alternatives considered, the aspects of the environment likely to be significantly affected by the development, the likely significant impacts and the mitigation measures to be implemented. It should make appropriate reference to maps and diagrams. The NTS can be provided as a separate, stand alone document to facilitate a wider readership.

4.4.4. Characteristics of the Activity

- The ES should describe the purpose and objectives of the activity and these should be placed in the context of local/regional/national plans/objectives/strategies.

- The anticipated timescales within the proposal should be given.

- The description of the activity should be sufficiently detailed to enable the reader to understand its essentials and should include:
  - the physical characteristics of the proposed activity,
the design and size of the activity and
- the area of seabed taken during construction and operation,
- the sources of any discharges to the environment,
- any other environmental impacts.

- The description of the project should be illustrated by the use of maps and/or diagrams.

- Where the activity is a field development, the description should cover all its elements, including drilling operations, the installation and presence of platforms, production vessels, sub-sea structures and pipelines and the means of hydrocarbon export.

- The ES should provide reasoned estimates for the quantities of emissions and discharges

- The ES should describe the main characteristics of any activity’s processes; for example, for a development the produced fluids process system should be detailed with reference to the proposed production rates over the life of the activity; the nature and quantity of chemicals to be used should be covered and the expected consequent scale of emissions and discharges.

- In instances where the specific techniques or technologies to be applied during the activity are unknown at the time the ES is prepared, the ES should indicate the possible methods and adopt the most likely worst-case scenario approach in prediction of related impacts. For example where it is possible that an Extended Well Test (EWT) may be undertaken the operator shall describe the likely volumes of hydrocarbon to be produced, duration of the EWT, emissions resulting from the EWT and assessment of their significance.

- If the development is to be carried out in stages, even if over a prolonged period, the expected full extent of the operations should be indicated and their effects assessed as far as the present information will permit. This must include the likely cumulative impacts in combination with third party operations. The quantities and types of residues and emissions generated at each of the above phases should be estimated.

- Where materials are considered to be an important resource, the ES should describe and quantify the materials to be used.

- The number and type of marine support vessels that will be utilised during construction and operation should be described.

- A brief outline of the experience of the operator and the operational process that will be employed should be included within the ES.

4.4.5. Consideration of Alternatives

The ES should describe the main alternatives to the proposed activity that have been considered. The advantages and disadvantages of each option should be clearly stated
with the specific environmental implications indicated for each. The main reasons for the selection of the preferred option should be described in outline, taking into account the environmental effects. Other factors influencing the choice of alternatives should be noted, e.g. feasibility, cost effectiveness and reasonableness of each option. If a formal option appraisal has been carried out it should be described and the relevant decision factors noted. For example, alternative sites, timing, construction practices, plant and equipment, operating processes and pipeline routes should be considered where appropriate.

4.4.6. Environmental Description

4.4.6.1. The environment of the proposed activity should be clearly described and indicated on an appropriate map or diagram. The ES should describe any policies, plans or designations that are relevant to the site and its surroundings. The environmental description should be that of the actual area to be developed and not a generic description of the local environment. It must identify and take into account all the existing activities and contamination.

4.4.6.2. The area considered by the Environmental Description should be consistent with the area potentially affected by the activity. The ES should describe the current condition of the environment with particular emphasis on the aspects that are likely to be affected by the activity (baseline conditions) and account taken of all existing activities and contamination. For example, the benthic description should be relevant to the area likely to be impacted by a cuttings discharge from a well. The other users of the sea (and where appropriate, the coastline) should be described and illustrated. The discharges, emissions and impacts of the other users should be considered and discussed.

4.4.6.3. Where existing data has been used to establish the baseline, the source of the data should be identified. The ES should provide a clear description of the methods used to supplement existing information, where necessary, such as site-specific surveys. Where possible, the data gathered should be expressed quantitatively. The baseline data should be evaluated, for example in relation to the sensitivity and importance of the environmental features likely to be impacted, including seasonal variations. This could be achieved by comparison to:

- relevant threshold limits, for example WHO Limits;
- EU Quality Standards or other published background levels;
- Information presented in the DTI’s Strategic Environmental Assessments;
- North Sea Quality Status Reports;
- Atlantic Frontier Environmental Network (AFEN) publications and other publicly available surveys;

Or by reference to appropriate environmental designations.

The description should place the impacted feature in the context of its surroundings. The ES should also describe how the feature would be expected to develop if the proposed activity were not to take place. Any gaps or limitations in environmental information should be acknowledged with, where appropriate, strategies to address these gaps or limitations. Simply quoting familiar references will not be acceptable unless supported
and justified by more recent data either from in-house studies or published work.

4.5. The Environmental Assessment Process

4.5.1. The Environmental Statement should summarise the Environmental Assessment process, which has been carried out throughout the development of the final design of the proposed activity and report the conclusions of this assessment.

4.5.2. Methodology

The ES should describe the assessment methodology and process that has been undertaken to identify and rank the key impacts. The description should include the results of the pre-submission consultation with appropriate statutory and non-statutory consultees, including the public. Concerns raised by consultees, and in particular the public and non-statutory organisations, should be addressed even when the concerns are based on perception or misconceptions. Where issues raised by the consultees are not to be addressed in detail in the ES, a reasoned justification for their exclusion should be given.

4.5.3. Impact identification

The assessment process should identify those aspects of the environment that are likely to be significantly affected by the activity (including in particular, population, fauna, flora, geology and soil, water, air, climatic factors, material assets, including the architectural and archaeological heritage, landscape and the inter-relationship between the above factors). The description of the likely significant effects should encompass at least the aspects listed in paragraph (c) of Schedule 2 to the Regulations to the extent that they are relevant. Not all the aspects listed will be applicable to all activities: e.g. "landscape" is more likely to be relevant to activities near to land while "architectural and archaeological heritage" is likely to apply to activities near to land or in close proximity to archaeological sites (wrecks). The description of the impact on "climate" and "air" should include consideration of the impact on global warming and the ozone layer in addition to local and regional air quality and include the quantities of emissions to the atmosphere over the life of the activity. Emissions should be characterised into chemical species important in global warming, ozone layer depletion and local and regional air quality.

4.5.4. Cumulative Effects

The assessment should also evaluate any direct or indirect effects (including secondary, short, medium and long-term, permanent and temporary, positive and negative) resulting from the existence of the activity, the use of natural resources and the emission of pollutants, the creation of nuisances and the elimination of waste. The assessment should seek to set the activities and potential impacts in the context of all other activities taking place in the area of the development and determine the additive, that is cumulative, effects of the new activities. In doing so it should be clear which effects have and have not been addressed, how this decision was reached and the spatial and temporal scope of the assessment.

4.5.5. For some activities, a number of the processes may take place on facilities owned or operated by third parties. It is the responsibility of the Operators proposing the activity to ensure that their environmental assessment and the resultant ES address the incremental impact due to the activity on the existing emissions and discharges and the environmental
risks and impacts arising from these host facilities. The assessment must cover the totality of the development and must clearly establish the sources of impacts and those responsible for their control and mitigation.

4.5.6. **Prediction of Impact Magnitude and Significance**

Predictions of the magnitude of the likely significant effects of the development should be identified in the ES. The discussion of likely significant effects should be accompanied by an indication of the criteria by which "likely" and "significant" are categorised. Systems that weight together the qualitative scoring or rankings of various effects are unlikely to improve the analysis where there is no general consensus as to relative values. The magnitude of the impact should be predicted as a deviation from the established baseline conditions, for each phase of the proposal. The information and data used to predict the magnitude of impact should be clearly described. Where there are any gaps or uncertainty, these should be identified. The methods used to establish magnitude should be clearly described and are appropriate and reasonable in relation to the importance of the impact. Where assumptions or unsupported data have been used in the predictions then these should be highlighted and an indication given of the reliability/confidence of those assumptions or data. The data given should be quantified and levels of confidence in the estimates given. The ES should identify quantitatively the impacts that remain following mitigation. The ES should evaluate any direct effects and any indirect, secondary, cumulative, short, medium and long-term, permanent and temporary, positive and negative effects, resulting from the existence of the development, the use of natural resources and the emission of pollutants, the creation of nuisances and the elimination of waste.

4.5.7. The significance of all impacts should be assessed using the appropriate national and international quality standards limits (WHO Limits, EU Quality Standards etc). Where no such standards exist, the ES should describe the judgments (assumptions and value systems) that underpin the attribution of significance. The assessment of significance should consider the impact’s deviation from the established baseline condition, the sensitivity of the environment and the extent to which the impact will be mitigated or is reversible. The range of factors which are likely to influence the assessment of significance should be clearly identified and consideration given to how these variables will affect the significance of the impacts over the life of the development and of any that remain following mitigation.

4.5.8. Where an activity is liable to give rise to effects which of themselves are not significant but which, when compounded with existing or expected effects from other sources will have a significant adverse effect, then these should be assessed. Any cumulative effects of the proposed development, spatial and temporal, should be addressed both quantitatively and qualitatively.

4.5.9. The assessment should also address the risk and potential impact of failure, accident or malfunction of the equipment or control systems (including those related to the reservoir), the precautions to be taken and how these will be incorporated into the activity's operational procedures.

4.6. **Mitigation and Follow Up**

4.6.1. The ES should describe the measures proposed to eliminate reduce or mitigate potential significant adverse impacts. It should provide an indication of the predicted effectiveness
of the stated measures, demonstrating a clear commitment to implementing the mitigation measures and indicating how and when these measures will be implemented. Where there is uncertainty over their effectiveness, or it is dependent on assumptions, justification should be provided for the acceptance of these assumptions. Under these circumstances, it is suggested that a programme of work should be established and carried out to monitor the effectiveness of the measures, in terms of the all the relevant outputs (emissions, discharges, noise, light etc.), quantitatively and qualitatively, and their resultant effects on the receiving environment.

4.6.2. The ES should provide details of any management plans that are to be implemented to deliver the mitigation measures and to monitor the environmental impact of the activity. These should also provide details of the time scales of the management plans, in relation to the lifetime of the activities, and their geographical extent.

4.6.3. Where a management plan is to be integrated into an *Environmental Management System* (EMS) then the ES should describe how this would be implemented and how the results of such a programme will affect the proposal’s operation. An EMS should be established for the lifetime of the activity and a mechanism put in place for its periodic review in the light of experience and technological advances. Its essentials should be described in the ES including the applicant’s stated environmental policy and include provision for monitoring the actual impact of the activity on the environment and for auditing of the System's effectiveness. Responsibilities for the control, management, mitigation or review of these impacts should be provided for and an indication of how this will be achieved should be outlined. The OSPAR Recommendation (2003/05) which seeks to ‘Promote the Use and Implementation of Environmental Management Systems by the Offshore Industry’ and which the UK has accepted, will formalise this requirement.

4.7. **Other Information**

4.7.1. The use of technical terms should be kept to a minimum particularly within the Non-Technical Summary. A list of abbreviations, a glossary and a full list of references should be provided. The inclusion of information not directly relevant to the nature of the proposal and its associated impacts should be avoided. Figures should be provided to assist in understanding the locations of all the activities, installations and any potential impacts and ensure that all features mentioned in the text are clearly identified. Consistent technical terminology should be used throughout with metric units used except where the conversion of well established oilfield units to metric units would cause confusion. Ambiguous terms such as "billion" and "billionth" should be avoided, as should abbreviations such as "M" and "MM". If non-scientific notation is used it should be explained.
5. THE PON 15 PROCESS

5.1. Introduction

5.1.1. An Application for a Direction - Petroleum Operations Notice 15 (PON 15) - that an ES need not be submitted, may be sought for activities which are not included within the criteria requiring a mandatory ES (indicated above Section 2.3.1). Nevertheless the environmental implications ("appropriate particulars" as described in Regulation 3) are the legal minimum requirements for the activities and must be assessed with details of this assessment included in the appropriate PON 15.

5.1.2. The PON 15s are dual-purpose (and will become multi-purpose) application forms and currently cover applications for a Direction under the Regulations and a chemical permit under the Offshore Chemical Regulations 2002. All PON15 forms have been revised to require the provision of additional chemical information and will necessitate a full risk assessment to be carried out for the use and discharge of all chemicals as required under the new regulations. Word versions of the forms can be found at the LCU website at http://www.og.dti.gov.uk/regulation/pons/index.htm. It is intended the further applications may be accessed via the PON 15 over time when the Portal is available, minimising the duplication of information to be provided and the number of forms required.

- PON 15 B covers applications to drill a well (or wells) i.e. for a PON 4 for the granting of consent to drill a well, and/or seeking a term permit for the use and discharge of chemicals during the drilling and completion of wells. This includes well testing but not Extended Well Tests (EWT). Longer well tests, following drilling or workover operations, which lead to the production and flaring of oil and/or gas in excess of 2000 tonnes and/or for a period of more than 96 hours may be consented on submission of a PON15D and a Direction issued. However a full EWT seeking production data will require an ES. (See section 5.9 below)

- PON 15 C covers applications to construct a pipeline i.e. for a PWA, and/or seeking a term permit for the use and discharge of chemicals during the construction, hydro testing, commissioning, maintenance, repair, operation or decommissioning of a pipeline.

- PON 15 D covers applications for field development including production consent variation or renewal (Field Development Consent) including Extended Well Tests (EWT), and/or seeking a permit for the use and discharge of chemicals during production operations.

There are two additional PON 15 forms concerned with the use and discharge of chemicals but which, currently, have no function in the environmental assessment process for permitting these specific operations.

- PON 15 E is for seeking a permit for the use and discharge of chemicals during decommissioning operations.

- PON 15 F is for seeking a term permit for the use and discharge of chemicals for workover and well intervention operations for remote wells. (Remote wells in this context are those outwith the 500 metre safety zone, tied back to the host installation but where the discharge takes place at the well location not the host installation).
5.1.3 The Operator may choose to submit the PON 15 at the same time as their Application for Consent under the Petroleum Act 1998 for those activities listed in paragraph 2.3.2, if they consider the likelihood of a significant environmental impact arising as very low. However, should it be decided that an (ES) is required then no consent could be granted until fuller assessment of the environmental impact is undertaken and reported in an ES subject to the full statutory consultation and assessment process as described in these notes. For this reason, where there is likely to be doubt as to whether a PON 15 will be appropriate, the Operator should consult the DTI for advice.

5.2. Updates and Post Direction Amendments (PDAs)

5.2.1. It is recognised that, for a variety of reasons, changes may be necessary to a proposed activity. These changes may be required before operations have commenced or during and/or as a consequence of the activity. Any change in the activity either following submission of an application but before issue, or after issue of the direction, will require the Operator to notify the DTI before the activity is undertaken. These changes may include but not be limited to:

- Timing
- Chemicals
- Well Design
- Side-track
- Rig Used

5.2.2. The proposed changes must be notified to the DTI as soon as possible with additional data permitting the assessment of the likely effects on the environment. The DTI will re-assess these changes and if the data if satisfactory and there are no significant environmental effects the update will be accepted or, a Post Direction Amendment (PDA) will be issued. On occasion however, the changes will be judged to be so significant that the original direction will be withdrawn and a resubmission will be required.

5.3. Administration

5.3.1. All PON15s are subject to a period of consultation with JNCC and either FRS or CEFAS depending on location in Scottish or English/Welsh waters respectively.

5.3.2. The DTI will aim to give decisions on PON 15s seeking a direction within 28 days of their receipt. Operators should note that if the information presented is deficient then the DTI will revert to the Operator for additional information and the process may take longer. In reaching a decision on whether or not to give a direction, any comments received from the above consultees will be taken into consideration along with the DTI’s own consideration of the application.

5.4. Submission to DTI

5.4.1. Applications can be submitted either in Word format by email or in some instances on-line via the UK Portal. The form available on-line at October 2003 is the PON 15D with the revised and updated version of the PON 15B programmed to be trailed with a number of operators before release.

Completed Word format PON 15s should be sent, preferably by e-mail, to the EnvironmentalManagementTeam@dti.gsi.gov.uk or to the following address:

Following submission the process proceeds as follows:

- All PON15s will be acknowledged by e-mail and given a unique identity number.

- For PON15Bs the DTI well numbering system must be used in all cases. (See Petroleum Operations Notice 12 (PON 12)) e.g. 56/21a - 12Z. Before drilling the well must be referenced by Quadrant (56), Block (21) and Part-block (a) designation with a specific well reference identifier (12Z). In this case Z indicates a sidetrack.

- All PON 15's are subjected to a period of consultation with Environmental Authorities, the JNCC and either FRS or CEFAS depending on the location in Scottish or English/Welsh waters respectively. It is DTI's responsibility to advise and circulate the PON 15's to these authorities.

- The DTI will advise the Operator of any comments arising from its own technical assessment and those received from the Environmental Authorities. All comments, where appropriate, will be collated into one communication.

- Assuming the information provided is satisfactory and the consultees have raised no objections then a direction will be issued.

- When a Direction has been given by the SoS the decision will be published in the gazettes with a review of the PON15 application on the LCU website at the address given in 3.4.4.


### 5.5. Reporting requirements – The Environmental Emissions Monitoring System (EEMS)

5.5.1. The current requirements and procedures for reporting data on emissions and discharges to EEMS remain unchanged. However, the data reporting forms for chemical use and discharge are being amended to allow them to be linked to the chemical permits. These forms will be available for the rollout referred to in 5.4 above.

### 5.6. PON15B

5.6.1. The PON 15 form sets out clearly what information is required. However operating experience has show that some points need to be emphasised and/or clarified with additional guidance.

5.6.2. A PON 15B is required to inform the DTI on the environmental implications of the proposed operations. Therefore the application for consent to drill an exploration, appraisal
or development well (the PON 4) is *always* required, the PON 15B is not sufficient in itself but supports these applications. The PON 4 should be sent to LCU’s Well Consents Team through WONS.

- When completing the PON 15B form, Operators should consider if there would be a requirement to sidetrack the well for geological or mechanical reasons. If the Operator decides that such a contingency sidetrack may be required then the additional chemical usage and discharge should be reported in the PON 15B.

- If the well is to be sidetracked to another geological target and is effectively a well redrill then a new PON 4 application and separate PON 15B will be required.

- All PON 15Bs must state as firmly as possible the spud date for the well. However in order to allow for slippage in drilling schedules the Operator should use the narrative section to discuss the period over which drilling activity will take place. For example if the anticipated spud date is mid March and the drilling period is 60 days then the PON 15B should discuss the period February to June. If the schedule is likely to deviate from this period by more than one month then the Operator should notify the DTI in order that any significant seasonal sensitivities may be re-assessed.

- Data on the muds and chemicals to be used and discharged must be included and as accurate an assessment as possible made of their likely impact on the marine environment. If the information provided is satisfactory and the likely impacts not significant a Direction will be issued. The data on the types and quantities of muds and chemicals to be used forms the basis for the Chemical Permit.

- If it is proposed to change any muds or chemicals after a direction has been issued, then the DTI must be notified and the likely impacts reassessed. Where there are environmental impacts then the operator should request a PDA and this will be issued if the changes are minor or insignificant. The notification must also include full details of the changes to the chemicals themselves and, if acceptable, a Variation to the Chemical Permit will be issued.

- Where appropriate the management systems and procedures will be described and in particular the relationship between the Operator’s management system and that of the contractor.
5.7. **PON 15C**

5.7.1. All new pipelines need a PWA or in some cases a variation to an existing PWA depending on the circumstances. An ES will be required to support an application for a PWA if the pipeline is 800mm diameter and 40 km in length or more and is likely to be required for major pipelines even if they do not to satisfy both these criteria. A PON 15C will be required to support a PWA when an Operator is seeking direction for a pipeline where the diameter or length is less than these dimensions or if the DTI has not already indicated that an ES will be required. A PON 15C **may not be** required for the installation of a new pipeline wholly within an area having a radius of 500 metres from a well or fixed installation.

5.7.2. When updates or variations are required to the PON15C as a result of changes to the timing, chemicals etc in the original applications or as a result of a variation request to the PWA then the environmental impacts should be considered and the operator request a PDA.

5.7.3. The deposit of materials for pipelines operations is regulated under FEPA 1985 or by the issue of a DEPCON depending on the circumstances.

- Where a PWA is in place such work should be covered by a DEPCON.
- Prior to the issue of a PWA or if there is no PWA in place (e.g. for crossing preparation) a request for the deposit is regulated by FEPA 1985 and the operator will need to contact FRS to request a licence, a waiver or an exemption under the Act.

PON 15C’s are not required as a result of a deposit request (ie mattress protection) arising out of the conditions for a PWA or a licence application under FEPA

5.8. **PON 15D**

5.8.1. The 1999 Regulations {Sections (5(2)(a)(ii) and 5(2)(b)} state that there are two classes of activities which no longer automatically require the submission of an ES or PON 15 seeking a direction, i.e. for the renewal of a production consent where," by reference to the rate at which production is permitted or as the case may be, was last permitted, the daily rate of production would not be increased by more than 1,500 tonnes of oil or 2.5 million cubic metres of gas or in either case by more than 20% whichever would be less." For completeness, however, it should be noted that the Regulations retain the power to require a PON 15 D in exceptional circumstances. (If Operators are in any doubt as to the need for a Direction they should consult the DTI)

5.8.2. In simple terms therefore, a PON 15D is not required if the situation at the time of consent renewal results in:

- the production decreasing from its permitted level.
- the production staying the same as its permitted level.
- the production increasing by no more than 1,500 tonnes/day of oil or 2.5 million cubic metres/day of gas.
- the production increasing by up to 20% from its permitted level but where this is less than 1,500 tonnes of oil or 2.5 million cubic metres of gas per day.

5.9. **PON 15's for Extended Well Tests**

5.9.1. Where an activity is likely to exceed the thresholds (i.e. > 2000 tonnes of oil and / or a flow period > 96 hours) indicated in the *Guidance Notes on the Procedures for Regulating Oil and Gas Field Developments* it is necessary to consider whether either a PON 15 or an ES will be required to be submitted. Extended well tests involving substantial production with or without the export of hydrocarbons will normally be subject to the full ES process. This will be particularly true where the extended well test is to be carried out in what the DTI and its consultees consider to be a sensitive location e.g. close to the coast, an SPA/SAC or a median line.

5.9.2. In circumstances where an ES is not necessary the DTI would expect an Operator to consider the following aspects in preparing the PON 15:

- a justification for the EWT including technical and financial reasons.
- a discussion of the options for hydrocarbon recovery.
- quantification of emissions.
- modelling of emissions.
- an assessment of the cumulative impacts of the EWT with respect to other ongoing operations in the vicinity of the EWT.
- an assessment of the impacts of the emissions with particular emphasis on transboundary issues, local air quality and global warming.

5.10. **PON 15's for Incremental Activities.**

5.10.1. Regulation 6(6) allows a direction to be given that an ES need not be submitted in respect of any application to vary the terms or conditions of an existing activity for which an ES has already been submitted. Such variations could include improvements to facilities, increase of hydrocarbons produced, or any terms or conditions imposed on the development. An example would be the addition of an additional compressor or improvements to the flaring or produced water treatment systems. However, a tieback from a separate field to an existing structure will be a new activity, which, if it exceeds the relevant production limits, will require a mandatory ES.

5.10.2. As in all cases the environmental information provided in the PON 15, which is derived from an environmental assessment of the activities to be undertaken, must be sufficient to permit the DTI to make an assessment of the activity and issue a direction that an ES is not required. The activity for which consent has been granted under a Direction must be carried out within the period indicated in the direction. In the case of consents to vary activities, which have already been authorised, the significance of the incremental activity on the overall and cumulative environmental impact will be considered in deciding whether or not to grant a Direction. A Direction may be granted subject to conditions that require modification to the activity. These conditions will be formally recorded and included in the development consent.

5.11. **Composite Activities**

5.11.1. Many activities will be composed of a number of elements each of which may be subject to a different regulatory control and for which consent might be sought at different times as the principal activity progresses. For example a phased development of an extensive oil field, or a combined field development and trunk pipeline are activities where the different
regulatory controls would be the granting of drilling consent by a PON 4 or the construction of a pipeline by a PWA. Wherever possible the whole activity, to its final completed stage, should be defined and a comprehensive ES prepared at the outset.

5.11.2. In such circumstances if the subsequent activities require the separate application for consent, e.g. an application for Consent to Drill (PON 4) or a PWA, and as long as these were addressed in the original comprehensive ES, then these activities can be covered by a PON15 and will not require any additional ESs. The initial ES and any representations originally made by the Environmental Authorities or the public will be taken into account and therefore the DTI will only undertake any additional consultation required by the PON 15 process. Where a direction has been granted on the grounds that an environmental assessment of the activity has already been carried out, any subsequent Application for Consent should be accompanied by a reference to the original ES. It should indicate how the ES originally submitted covers the environmental implications of the consent sought.

5.11.3. It follows that where the entire activity is not defined sufficiently at the outset to enable a comprehensive assessment of its overall long term environmental impact to be made, then separate ESs may have to be prepared to accompany each Application for Consent for the significant activities.

5.11.4. It is understood that activities evolve over a period of time, and that subsequent stages are often contingent on the outcome of the earlier activities. However, every effort should be made to predict the likely outcome and carry out an assessment on that basis so that all the elements have been assessed and presented in an ES. For example:

- a single well development, tied back to existing infrastructure requires a mandatory ES if it is likely to produce more than 500 tonnes of oil or 500,000 M3 of gas per day. It is therefore undesirable that a well with this potential is drilled under a PON 15 Direction if there is high probability that it will be the basis for such a development. Under these circumstances, the main source of potential environmental impact, i.e. the drilling operations, will not have been covered by an ES before the actual drilling has been carried out. Operators will be expected to anticipate this potential outcome, make an environmental assessment and submit an ES.

- where a new major area of an existing project is to be developed and it is intended to drill a series of wells under separate PON 15’s submitted over a period of time. A more satisfactory approach will be to carry out an assessment of the whole of the new drilling programme and submit an ES. This enables the effects of the original project to be reviewed and updated, the total effects of drilling all the new wells incorporated and cumulative effects predicted.

5.11.5. It is also important, in this context, that Operators understand that the DTI will not be able to provide any advance assurances as to the outcome of such phased applications and this may have implications for the activity timetable.

5.12. Decommissioning

5.12.1. Decommissioning is subject to control under the Petroleum Act 1998 but is not subject to the requirement to submit an ES under the Regulations. However, the Regulations do require an ES to cover all potential effects whether direct or secondary, short-, medium- or long-term, temporary or permanent. An ES for a proposed new development should, therefore, include references to the necessity for future decommissioning and how these
decommissioning requirements have influenced the design of the project. It should be noted that since 1998, international obligations have effectively meant that all installations should be designated for complete removal.

5.12.2. Applications for the decommissioning of wells and removal of wellheads are not subject to the Regulations. However, if a well is to be plugged and abandoned on completion of the drilling and testing operations any ES, or PON 15 seeking a direction, should include the impacts during and any remaining after decommissioning. For example this should include activities to remove and recover wellheads and guide-bases, and identify and recover any drilling associated debris. All other wellhead removal and subsequent clean up operations will be covered by the requirements of PON 5.

5.13. Exempt Activities

5.13.1. Regulation 13 confers powers on the SoS to exempt the whole or part of a relevant activity from the requirements of the Regulations. This power will only be exercised in exceptional circumstances, such as those relating to national security, and only if a justification is made to the Commission of the European Communities and an assessment is undertaken to ensure that, all significant environmental impacts associated with the activity are considered. It should be noted that this process is not an alternative to the direction process described above.

6. THE SECRETARY OF STATE’S DECISION

6.1. The Regulations ensure that the SoS, when taking a decision whether or not to consent to an activity, takes any significant effects on the environment into consideration. For some activities, the environmental assessment will have shown that there are no likely effects as the processes and procedures of the activity will have been designed to prevent them. For others, however, likely significant effects may remain which could be further mitigated or removed by the application of practicable available technology or management procedures. In such cases, these will normally be required as a condition of the consent.

6.2. In every case submissions will be considered in the light of their particular circumstances. The SoS will normally form a view of the overall balance of advantage between the potential effects on the environment and benefits to the nation. In reaching this view the SoS will usually consider, amongst other matters, the severity, extent and duration of any significant adverse effects, the Government's overall energy supply and environmental objectives, and the potential economic and any other advantages arising from the activity proceeding.

6.3. A consent will not be refused without prior discussion with the Operator. As a result of this dialogue, it may become apparent that deficiencies in the ES can be rectified or mitigation of significant impacts can be achieved by modifications to the activity and the submission of further information under Regulation 10. Wherever possible, this approach will be adopted. Where the obstacles to consent are significant, however, a more fundamental reconsideration of the activity will be required. This is most likely to be the rejection of the ES followed by a reassessment of the project including the environmental provisions and mitigation measures. The application and its supporting ES could then be resubmitted.
7. ENFORCEMENT

7.1. Application to the Courts by Aggrieved Parties

Parties, who are aggrieved by the SoS’s decision to grant consent for an activity subject to an ES, may apply to the Court. The Court may quash the consent if it finds that the SoS contravened Regulation 5 or if the applicant's interests were substantially prejudiced by a failure to comply with any other requirement of the Regulations. An aggrieved party must make an application within six weeks of the consent being published in the Gazettes. This means that any Operator who commences the operations, for which consent has been given, before the expiry of the six week period does so accepting the risk that the Court may order that the operations cease, either permanently or until the objections have been resolved.

7.2. Court Orders

If the SoS finds that an activity is being carried out without consent or in breach of any conditions set, a Court Order may be sought to prevent these actions and an Order may also be sought requiring the removal of the activity and the re-instatement of the site.

7.3. Criminal Offences

In certain circumstances it will be an offence if an Operator submits false material to the SoS or omits material information or carries out a relevant activity without the consent of the SoS or in breach of the terms of a condition of the consent.
8. OTHER RELEVANT LEGISLATION

8.1 There are a number of Acts and Regulations relating to the environmental aspects of offshore oil & gas exploration and production activities which must be complied with, at their appropriate times, in addition to those covered in these Guidelines. Notwithstanding these, the subject Regulations require that all activities, which may have an effect on the environment, and any mitigating measures proposed, are assessed before the activity (development, pipeline etc.) is consented. This means that the Operator’s proposals for compliance with other relevant legislation must be considered during the preparation of an ES (or PON 15) and assessed by the regulatory authorities as part of the ES (or PON 15) process.

8.2 It will therefore be necessary for the Operator, in consultation with the regulatory authorities (the DTI and any designated consultees), to determine how the statutory requirements for consents for specific activities fit into the overall process and what degree of detail is required in the ES.

8.3 It is essential therefore, that Operators should be aware at all times of the current requirements for all emissions and discharges. For example, in the case of new developments, the OSPAR Recommendation 2001/1 for the Management of Produced Water from Offshore Installations includes a presumption against the discharge of oil in produced water and the ES must show that this has been considered. Further information and guidance on this and other legislation may be found on the DTI Oil & Gas website at www.og.dti.gov.uk/index.htm.

8.4 Legislation

8.4.1 Habitats Regulations (Offshore Petroleum Activities (Conservation of Habitats) Regulations 2001)

It is expected that a properly conducted environmental assessment would:

i. identify any habitats or species covered by the Offshore Petroleum Activities (Conservation of Habitats) Regulations 2001,

ii. determine the likely impacts on them and propose mitigation,

iii. propose an appropriate management system.

These findings would be included in the ES and would provide the information for the DTI, as competent authority for the Habitats Regulations offshore, to undertake an Appropriate Assessment if this is required. For proposed activities within 40 km of the coast the possibility of the operations affecting or, in case of accident or incident, impacting coastal habitats and species must also be considered. The environmental assessment and hence the ES must also identify and address these risks and provide sufficient information to allow an Appropriate Assessment to be prepared where necessary.

8.4.2 PPC Combustion Regulations. (Offshore Combustion Installations (Prevention and Control of Pollution) Regulations 2001).

If the proposed installed capacity of the combined combustion units, principally power generation and heaters, exceeds the threshold thermal input then a permit will be required
under the Offshore Combustion Installations (Prevention and Control of Pollution) Regulations 2001. Nonetheless, data on the extent and likely effects of the emissions from these units, any other potential impacts associated with them and any mitigating measures must also be included in the ES. If the decision on the specific units to be installed has not been made at the time the ES is prepared, the potential alternatives should be reviewed and a generic assessment included.

8.4.3. Chemical Discharge Permits. (Offshore Chemicals Regulations 2002).

All activities, which use and/or discharge chemicals to the marine environment from offshore exploration and production activities, require a permit issued under the Offshore Chemicals Regulations 2002. These permits require details of all the chemicals to be used and discharged and an assessment of their likely effects on the environment. Clearly, any discharges of chemicals from the drilling programme and production operations over the life of the projected activity are a major potential source of environmental impact. It is therefore essential that an assessment is made of the likely impacts of these discharges and that the conclusions of this assessment are included in the ES. It is recognised that the specific chemicals which will be used during the operations may not be known at the time the ES is prepared and that potential alternatives or a generic suite of chemicals may have to be used for the assessment instead.

8.4.4. Oil Spill Contingency Plan. (Merchant Shipping (Oil Pollution Preparedness, Response and Co-operation Convention) Regulations 1998).

All offshore exploration and production installations must have an Oil Spill Contingency Plan (OSCP) in place. This is required by the Merchant Shipping (Oil Pollution Preparedness, Response and Co-operation Convention) Regulations 1998 and covers inter alia all offshore installations, oil handling facilities and pipelines. As potential oil spills are identified as one of the most significant impacts in the marine and coastal environment and oil spill contingency planning is an important mitigating measure, it is essential that the principal elements of an oil spill plan are included in the ES. It is not sufficient simply to state that an oil spill plan will be prepared in accordance with the regulations. In the case of an operation already being properly covered by an existing oil spill plan this may be referenced with attention drawn to the specific elements relating to the new activities and any relevant risk assessments updated. For example, drilling operations from a Mobile Drilling Unit (MODU) may seek to operate under the umbrella of an existing approved oil spill plan for a fixed ('parent') installation. In such cases it is essential that the additional risks arising from those operations have been identified, assessed and a bridging document prepared linking the rig or vessel's OSCP to the parent plan. In most cases this will be to ensure that the communications and command and control pathways are established and known to all involved personnel.

8.4.5 Oil Spills and Discharge of Oil or Aqueous Mixtures Containing Oil. (Prevention of Oil Pollution Act 1971 or Offshore Petroleum Activities (Oil Pollution Prevention and Control) Regulations 2004)

If consent is given by the regulatory authorities to discharge oil or oily mixtures this will be done by means of an exemption from the provisions of Section 3 of the Prevention of Oil Pollution Act 1971. This legislation is expected to change from early in 2004 when POPA 1971 will be replaced by the Offshore Petroleum Activities (Oil Pollution Prevention and Control) Regulations 2004. Requests for exemptions for the discharge of production water from the proposed operations need not be made when the ES is submitted as these
discharges may be some time in the future. However, well clean-up and well testing operations following drilling may give rise to such discharges and a request for the relevant exemptions should be submitted with the PON15 seeking a Direction for the well.

8.4.6 Deposits in the Sea - FEPA 1985 (Part II) (Food and Environment Protection Act 1985).

Activities necessitating the discharge to the sea, or placement on the seabed of materials not covered by oil pollution or chemicals regulations require a licence under Part II of the Food and Environment Protection Act 1985.
9. FUTURE LEGISLATION

9.1 Environmental legislation applying to the offshore oil and gas industry frequently changes, following the introduction of EU Directives and Regulations, or as a result of updating existing UK legislation. It is Operators’ responsibility to be aware of these legislative changes and to implement them as they become applicable.

9.2 The following list includes the legislative changes which are in preparation or are currently being considered but is intended to be indicative only and not exhaustive. As legislation develops Operators will be made aware of the proposals in the normal way via consultation, both directly and through Trade Associations and it is intended that this section of the Guidelines will be updated regularly via the LCU website.

9.3 Legislation

9.3.1 Offshore Petroleum Activities (Oil Pollution Prevention and Control) Regulations 2004. This will replace the Prevention of Oil Pollution Act 1971. (See 8.5 above)

9.3.2 Offshore Marine Conservation (Natural Habitats &c.) Regulations [2003]. These regulations will apply to all relevant offshore activities and are expected to incorporate to requirements of the Offshore Petroleum Activities (Conservation of Habitats) Regulations 2001, which would then be repealed.


9.3.3.1 Application of MARPOL Annex I to FPSOs and FSUs. The status of these installations under MARPOL Annex I has been clarified and Guidance will be issued.

9.3.3.2 Implementation of MARPOL Annex IV. This applies to sewage. Regulations based on the revised Annex IV are being drafted by the Maritime and Coastguard Agency (MCA) and are expected to be circulated for consultation early in 2004. The target date for the implementation of the revised text is 2005 (the original text was September 2003) but the UK intends to bring this into force as soon as practicable. New installations will have to comply when the regulations come into force, existing installations five years later.

9.3.3.3 Implementation of MARPOL Annex VI. This covers atmospheric emissions from shipping, principally aimed at acid gases (SOx and NOx) and particulates but also includes ozone depleting substances and VOCs and regulates the use of ship-board incinerators. States representing more than 50% of the worlds shipping have already signed the annex and the remainder (3) of the 15 states required for completion are expected to sign before the end of 2003. The regulation comes into force one year following the completion date. The MCA will be responsible for drafting the UK regulations.
9.4. Proposals for the regulation of Ballast Water

Ballast Water Strategy for the North Sea. To be based on the IMO - International Convention for the Control and Management of Ships’ Ballast Water and Sediments. The Convention will be finalised at a Diplomatic Conference to held in February 2004. Article 1(12) of the Draft defines ships for the purpose of the convention and ‘includes submersibles, floating craft, floating platforms, FSUs and FPSOs.

9.5. Implementation of EU Regulations and Directives

Proposed European Union Directives. Some of these directives will apply directly to the offshore industry, others may have an affect through their application to shipping serving the industry, including both supply boats and tankers.


9.5.2. EU Marine Strategy. Communication from the Commission to the Council and European Parliament towards a Strategy to protect and conserve the marine environment: This is likely to include an objective for oil. The Commission is expected to propose a strategy in May 2005.


9.5.4. EU Chemicals Policy. Proposal for a Regulation of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restrictions of Chemicals (REACH), establishing a European Chemicals Agency and amending Directive 1999/45/EC and Regulation (EC) {on Persistent Organic Pollutants}: It is not expected to have a direct effect on the offshore E&P industry except in so far as it may make some chemical products or components more expensive or restrict their availability. The Offshore Chemical Regulations 2002 are expected to meet the requirements of this proposed Regulation, the final adoption of which is expected in 2005.

9.5.5. EU Regulation on Persistent Organic Pollutants. A Regulation of the European Parliament and of the Council on persistent organic pollutants amending Directives 79/117/EC and 96/59/EC: This will affect offshore installations because of the need to dispose of certain POPs, particularly any residual PCBs (subject to specific exemptions as set out in Directive 96/59/EC), that may still be present on offshore platforms, and will apply directly via the emission or discharge of PAHs. It is anticipated that existing regulations will be able to address the issue of PAH discharges to the marine environment, but it is not yet clear what legislative action might be required in relation to residual PCBs in equipment and PAHs in
atmospheric emissions. Final adoption of the Regulation is expected in 2004.
ANNEX A

Definitions and Abbreviations

The following definitions and abbreviations apply only to these Guidelines and users should study the Regulations themselves for the specific definitions listed there and also the appropriate sections in the other relevant legislation (Section 8 above) as required.

<table>
<thead>
<tr>
<th>Abbreviation/Title</th>
<th>Source/ Meaning</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFEN</td>
<td>Atlantic Frontier Environmental Network</td>
<td>Industry/Government body concerned with environmental issues (including R&amp;D, surveys and studies) in the Atlantic Margin Region</td>
</tr>
<tr>
<td>Application for Consent</td>
<td>Petroleum Act 1998</td>
<td>Term used in the Guidelines for all consents issued under the Act</td>
</tr>
<tr>
<td>Appropriate Assessment</td>
<td>Habitats Regulations</td>
<td>Assessment carried out by the competent authority on the potential effects on the conservation objectives of a designated site.</td>
</tr>
<tr>
<td>CCW</td>
<td>Countryside Council for Wales</td>
<td>The country conservation agency for Wales</td>
</tr>
<tr>
<td>CEFAS</td>
<td>Centre for Environment, Fisheries and Aquaculture Science.</td>
<td>Agency of DEFRA</td>
</tr>
<tr>
<td>Coast/coastal line /coastal zone</td>
<td></td>
<td>Used in a commonsense geographical rather than legal sense.</td>
</tr>
<tr>
<td>Consent to Drill</td>
<td>Petroleum Act 1998</td>
<td>Required to drill any well.</td>
</tr>
<tr>
<td>DEFRA</td>
<td>Department of Environment, Fisheries and Rural Affairs.</td>
<td></td>
</tr>
<tr>
<td>DTI</td>
<td>Department of Trade and Industry</td>
<td>Principal regulator for the offshore oil &amp; gas industry</td>
</tr>
<tr>
<td>Direction</td>
<td>The Regulations</td>
<td>Term used indicating that an ES need not be submitted.</td>
</tr>
<tr>
<td>EA</td>
<td>Environment Agency</td>
<td>Principal environmental regulator for England and Wales</td>
</tr>
<tr>
<td>EA/EIA</td>
<td>Environmental Assessment/Environmental Impact Assessment</td>
<td></td>
</tr>
<tr>
<td>EEMS</td>
<td>Environmental emissions monitoring system</td>
<td>The UKOOA/DTI database for environmental emissions, discharges</td>
</tr>
<tr>
<td>Abbreviation/Title</td>
<td>Source/Meaning</td>
<td>Notes</td>
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<tr>
<td>EMS</td>
<td>Environmental Management System</td>
<td></td>
</tr>
<tr>
<td>EMT</td>
<td>Environmental Management Team</td>
<td>The section within the Licensing and Consents Unit (LCU) dealing with ESs and PON 15s</td>
</tr>
<tr>
<td>EN</td>
<td>English Nature</td>
<td>The country conservation agency for England</td>
</tr>
<tr>
<td>Environmental Authorities</td>
<td>The Regulations</td>
<td>Those statutory authorities having environmental responsibilities in the areas likely to be affected.</td>
</tr>
<tr>
<td>ES</td>
<td>Environmental Statement</td>
<td></td>
</tr>
<tr>
<td>Espoo Convention</td>
<td>UN-ECE</td>
<td>Convention on EIA in a Transboundary Context.</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
<td></td>
</tr>
<tr>
<td>EWT</td>
<td>Extended Well Test</td>
<td>The flowing and/or testing of a well for more than the 96 hour/2000 tonne limit.</td>
</tr>
<tr>
<td>FEPA 1985</td>
<td>The Food and Environment Protection Act 1985</td>
<td>Regulates <em>inter alia</em> deposits in the sea including under the seabed.</td>
</tr>
<tr>
<td>FDP</td>
<td>Field Development Plan</td>
<td></td>
</tr>
<tr>
<td>FPSO</td>
<td>Floating Production, Storage and Offloading (installation)</td>
<td></td>
</tr>
<tr>
<td>FRS</td>
<td>Fisheries Research Services</td>
<td>Agency of SEERAD</td>
</tr>
<tr>
<td>FSU</td>
<td>Floating Storage Unit</td>
<td></td>
</tr>
<tr>
<td>Field Development Consent</td>
<td>Petroleum Act 1998</td>
<td></td>
</tr>
<tr>
<td>Gazettes</td>
<td></td>
<td>The London, Edinburgh and Belfast Gazettes</td>
</tr>
<tr>
<td>IMO</td>
<td>International Maritime Organisation</td>
<td>Responsible for the MARPOL Convention</td>
</tr>
<tr>
<td>Internal Waters</td>
<td></td>
<td>Those waters on the landward side of the baseline from which the Territorial Sea is drawn</td>
</tr>
<tr>
<td>IPPC</td>
<td>Integrated Pollution Prevention and Control</td>
<td>From the EU ‘Council Directive 96/61/EC concerning integrated</td>
</tr>
<tr>
<td>Abbreviation/Title</td>
<td>Source/Meaning</td>
<td>Notes</td>
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</tr>
<tr>
<td>Prevention and Control</td>
<td>pollution prevention and control’</td>
<td></td>
</tr>
<tr>
<td>JNCC</td>
<td>Joint Nature Conservation Committee</td>
<td>The UK national conservation body having responsibility outside 12 nautical miles.</td>
</tr>
<tr>
<td>Landward Areas</td>
<td></td>
<td>Marine areas below the low water mark but on the landward side of the baseline from which the Territorial Sea is drawn.</td>
</tr>
<tr>
<td>LCU</td>
<td>Licensing and Consents Unit</td>
<td>The organisation with in the DTI Energy Directorate concerned with the regulation of offshore energy exploration and development.</td>
</tr>
<tr>
<td>LED</td>
<td>Licensing, Exploration and Development</td>
<td>The section within LCU responsible for these activities for the oil and gas industry.</td>
</tr>
<tr>
<td>MCA</td>
<td>Maritime and Coastguard Agency</td>
<td>Agency of the Department for Transport (DfT) responsible for operational shipping matters including pollution.</td>
</tr>
<tr>
<td>MARPOL</td>
<td>Marine Pollution Convention 1973/78</td>
<td>Principal International Instrument for regulating pollution from ships.</td>
</tr>
<tr>
<td>Median Line</td>
<td>A line, mutually agreed, between marine areas over which the states concerned can exercise economic control.</td>
<td>The rights to Exclusive Economic Zones (EEZ) have been agreed under UNCLOS</td>
</tr>
<tr>
<td>MODU</td>
<td>Mobile Offshore Drilling Unit</td>
<td></td>
</tr>
<tr>
<td>Operator</td>
<td></td>
<td>The person or entity carrying out the activity. The term is intended to include Undertaker (as used in the Regulations) and Licensee.</td>
</tr>
<tr>
<td>OPRC</td>
<td>Oil Pollution Preparedness, Response and Co-operation Convention</td>
<td>The international agreement requiring the preparation of Oil Spill Contingency plans for, <em>inter alia</em>, offshore installations.</td>
</tr>
<tr>
<td>OSCP</td>
<td>Oil Spill Contingency Plan</td>
<td></td>
</tr>
<tr>
<td>OSPAR</td>
<td>The Convention for the Protection of Marine Environment of the North</td>
<td>The name derives from the old Oslo and Paris Conventions</td>
</tr>
<tr>
<td>Abbreviation/Title</td>
<td>Source/Meaning</td>
<td>Notes</td>
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<tr>
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</tr>
<tr>
<td>East Atlantic 1992</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PDA</td>
<td>Post Direction Amendment</td>
<td>An agreement by the DTI to an alteration to the proposed activity after a Direction has been issued.</td>
</tr>
<tr>
<td>PON</td>
<td>Petroleum Operations Notice</td>
<td>Document whereby the DTI informs, instructs or grants consent to Operators on the conduct of their operations on the UKCS.</td>
</tr>
<tr>
<td>PON 4</td>
<td>Petroleum Act 1998</td>
<td>Application for consent to drill a well</td>
</tr>
<tr>
<td>PON 12</td>
<td></td>
<td>The DTI well numbering system</td>
</tr>
<tr>
<td>PON 15</td>
<td>The Regulations</td>
<td>Seeking a Direction that an ES need not be submitted</td>
</tr>
<tr>
<td>PON 16</td>
<td>The Regulations</td>
<td>For submitting an ES</td>
</tr>
<tr>
<td>POPA 1971</td>
<td>The Prevention of Oil Pollution Act 1971</td>
<td></td>
</tr>
<tr>
<td>Public Notice</td>
<td>The Regulations</td>
<td>A notice placed in certain newspapers concerning the proposed activity and indicating the availability of the ES.</td>
</tr>
<tr>
<td>PWA</td>
<td>Pipeline Works Authorisation The 1998 Act</td>
<td></td>
</tr>
<tr>
<td>Territorial Sea</td>
<td></td>
<td>A marine area extending 12 nautical miles seaward of the UK baseline.</td>
</tr>
<tr>
<td>SAC</td>
<td>Special Area of Conservation The Habitats Directive</td>
<td></td>
</tr>
<tr>
<td>SEA</td>
<td>Strategic Environmental Assessment. SEA Directive</td>
<td></td>
</tr>
<tr>
<td>SEERAD</td>
<td>Scottish Executive Environment and Rural Affairs Department</td>
<td></td>
</tr>
<tr>
<td>SEPA</td>
<td>Scottish Environmental Protection Agency</td>
<td>Principal environmental regulator for Scotland</td>
</tr>
<tr>
<td>SNH</td>
<td>Scottish Natural Heritage</td>
<td>The country conservation agency for Scotland</td>
</tr>
<tr>
<td>SPA</td>
<td>Special Protection Area.</td>
<td></td>
</tr>
<tr>
<td>Abbreviation/Title</td>
<td>Source/Meaning</td>
<td>Notes</td>
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</tr>
<tr>
<td>The Birds Directive.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Statutory Consultees</td>
<td>The Regulations</td>
<td>Those environmental Authorities who must be consulted on the acceptability of the ES</td>
</tr>
<tr>
<td>SoS</td>
<td>Secretary of State</td>
<td></td>
</tr>
<tr>
<td>UKCS</td>
<td>United Kingdom Continental Shelf</td>
<td></td>
</tr>
<tr>
<td>UKOOA</td>
<td>United Kingdom Offshore Operators Association</td>
<td></td>
</tr>
<tr>
<td>UK Oil Portal</td>
<td></td>
<td>Electronic access gateway to DTI’s on-line interactive applications system.</td>
</tr>
<tr>
<td>UN-ECE</td>
<td>United Nations – Economic Commission for Europe</td>
<td></td>
</tr>
<tr>
<td>WHO</td>
<td>World Health Organisation</td>
<td></td>
</tr>
<tr>
<td>WONS</td>
<td>Well Operations Notification System</td>
<td>LCU’s well application and management system accessible via the Oil Portal.</td>
</tr>
</tbody>
</table>
ANNEX B
Flow Charts of Procedures

1) Application for a Direction – the PON 15 Process

Start

Undertaker submits PON15 making a case for direction from ES requirement

Undertaker may be required to submit further information

The SoS considers the application. Views of Environmental Authorities sought

SoS decides project is likely to have a significant effect on the environment

SoS decides project is not likely to have a significant effect on the environment

SoS gives notice of direction and notifies of duration of direction under The Offshore Petroleum and Production (Assessment of Environmental Effects) Regulations 1999

Undertaker makes application for consent for relevant project under Petroleum Act 1998 accompanied by copy of direction

SoS gives notice of decision not to give direction

Undertaker submits ES with PON16 (review request) in support of consent for relevant project

Procedure for ES review and project consent
2) Submission of an Environmental Statement (for projects where an Environmental Statement is mandatory or where a Direction has not been sought or has been refused.)

Start

- **On application from the undertaker:**
  - The DTI may assist with information.
  - **Reg. 5 (2)**
  - DTI notifies undertaker of Environmental Authorities that must be sent ES and public notice requirements.
  - **Reg. 9 (1)**
  - If necessary, the SoS may provide a copy of the ES to a Member of State.
  - Environmental Authorities and Public make representations to SoS.
  - DTI copies the representations received to the undertaker.
  - **Reg. 9 (3) (b)**
  - The DTI may require further information from the undertaker and decides whether further publicity is required.
  - SoS considers ES and determines any conditions to eliminate/reduce significant effects of project on environment.
  - **Reg. 10 (2) (f)**

- **Undertaker consults with public environmental authorities and groups:**
  - **Reg. 5 (1)**
  - Undertaker submits ES accompanied by PON16 (requesting review of ES) in support of relevant project.
  - **Reg. 9 (2) (a)**
  - Undertaker serves the PON16, ES and notice on authorities with date for representations.
  - **Reg. 9 (2) (b)**
  - Undertaker must make available for inspection and supply on request the PON16 and ES for a period of 4 weeks.
  - **Reg. 9 (2) (c)**
  - Undertaker must inform the SoS of actions taken.
  - The undertaker provides such further information and publicity as is required.
  - SoS considers ES and determines any conclusions of the process in the development.

- **Undertaker prepares draft consent under Petroleum Act 1998 for relevant project i.e. development plan:**
  - Undertaker incorporates views in the draft development plan.
  - Undertaker submits application for consent for relevant project.

ANNEX C

THE OFFSHORE PETROLEUM PRODUCTION AND PIPE-LINES (ASSESSMENT OF ENVIRONMENTAL EFFECTS) REGULATIONS 1999 (THE EIA REGULATIONS)

PETROLEUM OPERATIONS NOTICE 16

SUBMISSION OF AN ENVIRONMENTAL STATEMENT IN SUPPORT OF AN APPLICATION FOR CONSENT OF A PROJECT

DATA ON THIS FORM MAY BE RELEASED TO THE PUBLIC

The PON16 is a form that supports the submission of Environmental Statement under the EIA Regulations detailing the Application for Consent required under the Petroleum Act 1998.

The regulator and consultees will be notified that the Operator has submitted a completed PON16 form and an Environmental Statement. It is the responsibility of the operator to ensure that the Application for Consent for either for a field development, construction of a pipeline or the drilling of a well is submitted in accordance with the requirements of the Petroleum Act 1998.

Any queries regarding the PON16 form, or a specific application, should be addressed to:

Environmental Management Team
Licensing and Consents Unit
Department of Trade and Industry
Atholl House, 86-88 Guild Street
Aberdeen AB11 6AR

Tel: 01224 254102 or 254054
Fax: 01224 254019
E-mail: EnvironmentalManagementTeam@dti.gsi.gov.uk
Section A: CONTACT INFORMATION

Operator Name

Contact Title

Contact Forename

Contact Surname

Address

Post Code

Telephone Number
Mobile
Fax Number
E-mail

Licensed Operator Name (if Different from Above)

Contact Title

Contact Forename

Contact Surname

Organisation

Address

Post Code

Telephone Number
Mobile
Fax Number
Email

Section B1: PROJECT INFORMATION

Please specify the name of the Project name for which the Application for Consent under the Petroleum Act 1998 is being made.

Name:

Name of Environmental Statement Submitted (if different from Project Name)

Name:

Please indicate the Nature of the application you are making with this form:

(i) Drilling of Wells
(ii) Getting of Petroleum
(iii) Construction of a Pipeline

Please indicate the Main Elements of the Activities that are the subject of this Application:

(i) Field Development with Installations, Wells and Export Pipelines
(ii) Field Development with Installations and Wells
(iii) Field Development – Incremental Project
(iv) Field Re-development
(v) Pipeline(s) (including repair and replacement)
(vi) Exploration Well(s)
(vii) Other (Please state)

Section B2: PROJECT LOCATION

Main Project Location

Quad

Block Number

Block Suffix

<table>
<thead>
<tr>
<th>Project location</th>
<th>Latitude</th>
<th>Longitude</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Please include N and W / E designations)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Distance to nearest UK coastline | km | Which coast? | England / Wales / Scotland / NI |
|----------------------------------|----|--------------|
| Distance to nearest transboundary line | km | Which line? | UK/ |

<table>
<thead>
<tr>
<th>Pipe-line</th>
<th>Quadrant</th>
<th>Block No</th>
<th>Country</th>
<th>Facility</th>
<th>Latitude</th>
<th>Longitude</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>End</td>
<td></td>
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</tr>
</tbody>
</table>

Short Description of Project

Licence Number Under Which the Activity(ies) will be Undertaken

Licence Awarded in Round (if appropriate)

Licensees and Percentage of Equity Held

**Section B3: INCREMENTAL PROJECTS**

If an ‘Incremental Project’, please provide the Name of the original project.

Name:

Has this project been the subject of a previous Environmental Statement? Yes / No

Date of Submission to DTI of Any Earlier Statement Related to this project

Reference Number of Earlier Statement

**Section B4: HOST INSTALLATION**

Host Installation Name

Associated Field Name(s)

Has this Project been the Subject of an Environmental Statement (ES) Yes/No

Date of Submission to DTI of Any Earlier ES Related to the host installation.

Reference Number of Any Earlier ES Related to this installation.
### Section C: PROJECT DATES AND IMPACTS

**Anticipated Duration of works**

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
</tr>
</thead>
</table>

**Significant Environmental Impacts Identified**

1.  
2.  
3.  

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ANNEX D

Guidelines for Exploration, Appraisal and Development Wells

The following criteria apply to exploration and appraisal wells, additional satellite and template wells and to sidetracking of wells already drilled. Workover and well abandonment operations, which do not require new drilling activity, are not covered by the Regulations. When seeking a direction or preparing an ES for a well it is advisable to include an assessment for potential sidetrack operations.

Wells included in the ES submitted in support of an application for consent for a development do not require a further Statement if a direction has been granted under regulation 6(2) on submission of a PON 15. Additional development wells will require an ES unless a direction under regulation 6(1) has been granted.

Criteria that indicate that an ES would normally be required:

All distances are relative to the surface location of the well

1. Distance to coast less than 40 kilometres.
2. Licence condition requiring an ES.
3. Presence within 10 kilometres of Special Area of Conservation (SAC) or Special Protection Area (SPA) in locations where the DTI does not already have sufficient information on the likely impacts.
4. Presence of archaeological features potentially subject to damage or physical disturbance within 5km of the proposed drilling operations in locations where the DTI does not already have sufficient information.

Criteria that indicate that an ES may be required:

1. Seasonal sensitivity at proposed time of drilling; this may include the presence within 20 kilometres of concentrations of seabirds or mammals, fish spawning in the water column or fish nursery areas
2. Operations that may significantly affect herring or sand-eel spawning grounds.
3. Operations that may significantly affect important fisheries (including shell fisheries such as Nephrops).
4. The presence of large or long-lived biological features within 10 kilometres which may be significantly affected by the proposed operations
5. Operations that may significantly impact other users of the sea (for example, the presence within 10 kilometres of fishing grounds or navigation channels)
6. International boundary within 10 kilometres.

If none of the above applies then an ES is unlikely to be required.

Note: This information is given only as guidance and each well will be considered on its merits.
## ANNEX E

### List of Environmental Authorities

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Address</th>
<th>Telephone No</th>
<th>Fax No</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint Nature Conservation Committee</td>
<td>Dunnett House, 7 Thistle Place, Aberdeen AB10 1UZ.</td>
<td>01224 655716</td>
<td>01224 621488</td>
<td><a href="mailto:zoe.crutchfield@jncc.gov.uk">zoe.crutchfield@jncc.gov.uk</a></td>
</tr>
<tr>
<td>Countryside Council for Wales</td>
<td></td>
<td></td>
<td></td>
<td><a href="mailto:j.hamer@ccw.gov.uk">j.hamer@ccw.gov.uk</a></td>
</tr>
<tr>
<td>English Nature</td>
<td></td>
<td></td>
<td></td>
<td><a href="mailto:jamie.storrie@english-nature.org.uk">jamie.storrie@english-nature.org.uk</a></td>
</tr>
<tr>
<td>Scottish Natural Heritage</td>
<td></td>
<td></td>
<td></td>
<td><a href="mailto:sandy.downie@snh.gov.uk">sandy.downie@snh.gov.uk</a></td>
</tr>
<tr>
<td>The Scottish Executive Environment and Rural Affairs Department</td>
<td>Pentland House, 47 Robb’s Loan, Edinburgh EH4 1TY.</td>
<td>0131 244 6234</td>
<td>0131 244 6313</td>
<td><a href="mailto:Bruce.stewart@scotland.gsi.gov.uk">Bruce.stewart@scotland.gsi.gov.uk</a>; Ewan.Swaфф<a href="mailto:ield@scotland.gsi.gov.uk">ield@scotland.gsi.gov.uk</a></td>
</tr>
<tr>
<td>Fisheries Research Service, Marine Laboratory</td>
<td>PO Box 101, Victoria Road, Aberdeen AB11 9DB</td>
<td>01224 295331</td>
<td>01224 295524</td>
<td><a href="mailto:mooredc@marlab.ac.uk">mooredc@marlab.ac.uk</a>; <a href="mailto:johnstoner@marlab.ac.uk">johnstoner@marlab.ac.uk</a></td>
</tr>
<tr>
<td>DEFRA: Marine Environment &amp; Consents Unit</td>
<td>MECU, Area 3A, Ergon House Horseferry Road, LONDON SW1P2AL</td>
<td>020 7238 5879</td>
<td>020 7238 5881</td>
<td><a href="mailto:Malcolm.peddar@defra.gsi.gov.uk">Malcolm.peddar@defra.gsi.gov.uk</a></td>
</tr>
<tr>
<td>Centre for Environment, Fisheries and Aquaculture Science (CEFAS)</td>
<td>Lowestoft Laboratory Pakefield Road Lowestoft Suffolk NR33 0HT</td>
<td>01502 562244</td>
<td>01502 524464</td>
<td><a href="mailto:ogc@cefas.co.uk">ogc@cefas.co.uk</a></td>
</tr>
<tr>
<td>The Environment Agency</td>
<td>Rio House, Waterside Drive, Aztec West, Almondsbury, BRISTOL, BS32 4UD</td>
<td>01454 624400</td>
<td>01454 624409</td>
<td></td>
</tr>
<tr>
<td>Department of Agriculture for Northern Ireland, Fisheries Division</td>
<td>Mr Damion Skillen, Annex 5, Castle Buildings, Stormont, BELFAST, BT4 3PW</td>
<td>02890 522365</td>
<td>02890 522394</td>
<td><a href="mailto:Damion.skillen@dardni.gov.uk">Damion.skillen@dardni.gov.uk</a></td>
</tr>
<tr>
<td>The Water Quality Unit, EHS</td>
<td>Kerry Anderson, Calvert House, 21 Castle Place, Belfast, BT1 1FY</td>
<td>02890 254743</td>
<td>02890 254865</td>
<td><a href="mailto:Kerry.Anderson@doeni.gov.uk">Kerry.Anderson@doeni.gov.uk</a></td>
</tr>
<tr>
<td>MOD Defence Estates</td>
<td>Mr Jon Wilson Defence Estates Blakemore Drive Sutton Coldfield West Midlands B75 7RL</td>
<td>0212 311 3818</td>
<td>00212 311 2218</td>
<td><a href="mailto:jonathon.wilson@de.mod.uk">jonathon.wilson@de.mod.uk</a></td>
</tr>
<tr>
<td>Region</td>
<td>Name</td>
<td>Address</td>
<td>Phone 1</td>
<td>Phone 2</td>
</tr>
<tr>
<td>------------------------</td>
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</tr>
<tr>
<td>Cornwall</td>
<td>Paul Rickard</td>
<td>County Hall, TRURO, TR1 3AY</td>
<td>01872 322176</td>
<td>01872 270340</td>
</tr>
<tr>
<td>Cumbria SFC</td>
<td>Sally Garrett</td>
<td>The Courts, CARLISLE, CA3 8LZ</td>
<td>01228 606363</td>
<td>01228 606372</td>
</tr>
<tr>
<td>Devon SFC</td>
<td>Neal Downes</td>
<td>Office No. 9, Fish Market &amp; Jetty, The Quay, Brixham, Devon, TQ5 8AW</td>
<td>01803 882004</td>
<td>01803 853217</td>
</tr>
<tr>
<td>Eastern</td>
<td>S C Amos</td>
<td>Unit 6, North Lynn Business Village, Bergen Way, King’s Lynn, Norfork, PE30 2JG</td>
<td>01533 775321</td>
<td>01553 772031</td>
</tr>
<tr>
<td>Kent &amp; Essex</td>
<td>Mrs Joan Taylor</td>
<td>The Ice House, Military Road, Ramsgate, Kent, CT11 9LG</td>
<td>01843 585310</td>
<td>01843 585310</td>
</tr>
<tr>
<td>North West &amp; North Wales</td>
<td>Mr Jim Andrews</td>
<td>University of Lancaster, LANCASTER, LA1 4YY</td>
<td>01524 68745</td>
<td>01524 844980</td>
</tr>
<tr>
<td>North Eastern</td>
<td>Daryl Stephenson</td>
<td>County Hall, Beverley, East Riding of Yorkshire, HU17 9BA</td>
<td>01482 887700</td>
<td>01482 391002</td>
</tr>
<tr>
<td>Northumberland</td>
<td>Sir Derek Bradbeer</td>
<td>Unit 60B, South Nelson Industrial Estate, South Nelson Road, Cramlington, Northumberland, NE23 1WF</td>
<td>01670 731399</td>
<td>01670 731639</td>
</tr>
<tr>
<td>South Wales</td>
<td>Mr P Coates</td>
<td>Quees Building, Cambrian Place, SWANSEA, SA1 1TW</td>
<td>01792 654466</td>
<td>01792 645987</td>
</tr>
<tr>
<td>Southern</td>
<td>Mr Ian Carrier</td>
<td>64 Ashley Road, Parkstone, Poole, Dorset, BH14 9BN</td>
<td>01202 721373</td>
<td>01202 721373</td>
</tr>
<tr>
<td>Sussex</td>
<td>Mr P M Dapling</td>
<td>56 Winterbourne Close, Hamhurst Park, Hastings, East Sussex, TN34 1XQ</td>
<td>01273 454407</td>
<td>01273</td>
</tr>
<tr>
<td>Isles of Scilly</td>
<td>Mr P Hygate</td>
<td>Town Hall, St Mary’s, Isles of Scilly, TR21 0LW</td>
<td>01720 422537</td>
<td>01720 422202</td>
</tr>
<tr>
<td><strong>Scottish Environment Protection Agency</strong>,</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>------------------------------------------</td>
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<td></td>
</tr>
<tr>
<td><strong>Head Office</strong></td>
<td>Dr Campbell Gemmell</td>
<td>01786 457700</td>
<td>01786 446885</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Erskine Court, The Castle Business Park, Stirling, FK9 4TR</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Highlands, Islands and Grampian Area</strong></td>
<td>Mr Colin Craig</td>
<td>01349 862021</td>
<td>01349 863987</td>
<td><a href="mailto:Colin.craig@sepa.org.co">Colin.craig@sepa.org.co</a> m</td>
</tr>
<tr>
<td></td>
<td>Graesser House Fodderty Way Dingwall IV15 9XB</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>South West Area</strong></td>
<td>West, 5 Redwood Crescent, Peel Park, East Kilbride, G74 5PP</td>
<td>01355 574200</td>
<td>01355 574688</td>
<td></td>
</tr>
<tr>
<td><strong>South East Area</strong></td>
<td>Ms Gillian Bruce, Clearwater House, Heriot-Watt Research Park, Avenue North, Riccarton, Edinburgh, EH14 4AP</td>
<td>0131 449 7296</td>
<td>0131 449 7277</td>
<td></td>
</tr>
</tbody>
</table>

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ANNEX F

Publication Notices

Developments
Offshore Petroleum and Pipelines (Assessment of Environmental Effects) Regulations 1999

[Name of Field]

[AnyOilCo] has applied to the Secretary of State for Trade and Industry for consent to [Type of activity] in relation to the [Name of development] located [No of miles], [location from coast], [coordinates (00 00 00 N; 00 00 00 W)]. In accordance with the above-mentioned Regulations, this application is accompanied by a PON16 and Environmental Statement, copies of which may be inspected between 10 a.m. and 4 p.m. on business days at [full postal address] until close of business on dd/mm/yy. Copies of the Statement may be obtained from [the same address] subject to a payment of £2 by P.O. or cheque made payable to [AnyOilCo].

Members of the public have until dd/mm/yy to make representations in relation to the application to the Secretary of State for Trade and Industry. All correspondence should refer to [DTI Ref No]. Comments on the statement may be sent in by either letter, fax or email and should be marked for the attention of:

Wells
Offshore Petroleum and Pipelines (Assessment of Environmental Effects) Regulations 1999

Block [Number] – [Type] Well [Number]

[AnyOilCo] has applied to the Secretary of State for Trade and Industry for consent to drill a [type] of well located at [location]. The well will be located within a 1 km radius of [00 00'N] and [00 00'W], and will take up to an estimated maximum of [number] days including well testing for drilling. In accordance with the above-mentioned Regulations, this application is accompanied by an Environmental Statement, copies of which may be inspected between 10 am and 4 pm on business days at [full postal address] until close of business on dd/mm/yy. Copies of the Statement may be obtained from [full postal address] subject to a payment of £2 by P.O or cheque made payable to [AnyOilCo].

Members of the public have until dd/mm/yy to make representations regarding the application to the Secretary of State for Trade and Industry. All correspondence should refer to [DTI Ref No]. Comments on the statement may be sent in by either letter, fax or email and should be marked for the attention of:

Both notices should be marked for the attention of:

EIA Co-ordinator
Environmental Management Team
Licensing and Consents Unit
Department of Trade and Industry
Fourth Floor, Atholl House
86 – 88 Guild Street
Aberdeen, AB11 6AR
Email: EnvironmentalManagementTeam@dti.gsi.gov.uk
Fax: 01224 254019

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ANNEX G

MAP for Newspapers Requirements
ANNEX H

Schedule 2, Regulation 3 – Content of ES’s

(a) A description of the activity comprising information on the site, design and size of the activity and where relevant to the particular characteristics of the activity or the environmental features likely to be affected and to the extent that the Operator might reasonably be required to compile the information having regard to current knowledge and methods of assessment such a description shall include –

(i) the land and seabed use requirements during the construction and operational phases;

(ii) a description of the main characteristics of the production processes including the nature and quantity of the material used; and

(iii) an estimate by type and quantity of the expected residues and emissions (including water, air, and soil pollution, noise, vibration, light, heat and radiation) resulting from the operation of the proposed activity.

(b) a description of the measures envisaged in order to avoid, reduce and, if possible remedy significant adverse effects on the environment;

(c) the data required to identify and assess the main effects which the activity is likely to have on the environment and where relevant to the particular characteristics of the activity or the environmental features likely to be affected and to the extent that the Operator might reasonably be required to compile the data having regard to current knowledge and methods of assessment such data shall include –

(i) a description of specific aspects of the environment likely to be significantly affected including in particular human population, fauna, flora, soil including the seabed and its subsoil, water including the sea and any aquifers under the seabed, air, climatic factors, the landscape of the seascape, tangible property, architectural and archaeological heritage and the interaction between any of the foregoing; and

(ii) a description of the likely significant effects on the environment arising from the existence of the activity, the use of natural resources, the emission of pollutants, the creation of nuisances and the elimination of waste together with details of the forecasting methods used to assess the effects on the environment.

(d) an outline of the main alternatives (if any) studied by the developer and an indication of the main reasons for his choice, taking into account the environmental effects;

(e) a non-technical summary of the information provided under the above headings; and

(f) where relevant to the particular characteristics of the activity and the environmental features likely to be affected and to the extent that the Operator might reasonably be required to compile the information having regard to current knowledge and methods of assessment, an indication of any difficulties (technical difficulties or lack of know-how) encountered by the Operator in compiling the required information.