IOGP directors discourse at Offshore Europe

Decades after the North Sea’s oil and gas fields were predicted to run dry, they remain an important source of energy. Similarly, the Society of Petroleum Engineers’ Offshore Europe Conference and Exhibition, is still going strong, at a new venue and with new focus on issues such as net zero carbon emissions, artificial intelligence and digital transition.

This year Offshore Europe attracted 38,000 visitors, 950 exhibitors and a line-up of speakers that included four senior IOGP figures: Executive Director Gordon Ballard, Environment Director Wendy Brown, Safety Director Olav Skår and JIP33 Project Director Adri Postema.

Gordon was there to chair a panel discussion on standardisation in general and procurement in particular. In contrast to greater efficiencies and economies elsewhere, in recent years 75% of major oil and gas projects were exceeding their budgets by half, Gordon pointed out. “Add typical scheduling overruns of 40% and you’re in serious trouble,” he said.

“That’s why IOGP took up the World Economic Forum’s challenge in 2016 to bring our industry’s costs down through standardised procurement.” Previously, he pointed out, an IOGP study had found among participating companies, there was an average of 446 individual equipment specifications. Each typically ran to 28 pages. “That’s 13,048 pages of specs – who has the time to read and absorb all of that? And why bother?” he asked.

Instead, he said, the advantages of standardising procurement specifications in the upstream industry include cuts of 20% of capex spending equipment, higher quality equipment with fewer fabrication defects and safety benefits that accrue through familiarity with equipment across a range of locations.

Quoting McKinsey, Gordon added that ‘Standardisation is a key lever we can pull as an industry to structurally reduce large project lifecycle costs.’

Joining Olav and Adri on Gordon’s panel were Steve Cartwright, Jaguar Land Rover’s Global head of Standards and Controls and Chris Garside, BAE Systems’ International Capability & Assurance Engineering Director.

In a parallel keynote session on ‘transformative technologies to lower carbon footprint’, Wendy was a featured speaker, describing how eliminating methane leaks and reducing flaring are some of the most cost effective ways to provide drastic reductions to the emissions intensity of oil and gas supply.

Continued overleaf
Accelerating progress on procurement standards

The IOGP-managed JIP33 held its first Industry Day on September 16, 2019, at BP’s Helios Plaza in Houston. It attracted 120 representatives from 41 organisations representing suppliers, engineering contractors and operators.

The purpose of the Industry Day was to educate participants on JIP33’s work on standardising procurement, demonstrate commitment from the oil and gas industry majors at an executive level and encourage increased dialogue and collaboration across the supply chain.

Led by Richard Mortimer (VP Engineering BP, and JIP33 Steering Committee Chair) and Adri Postema (JIP33 Programme Director, Seconded to IOGP from Shell) the event was supported by senior engineering leaders – Raymond Jones, ExxonMobil; Steinar Vaage, ConocoPhillips and Dave Wisch, Chevron. These senior leaders voiced their advocacy for JIP33 and shared how their own organisations were advancing in adopting the JIP33 specifications that have already been published.

Richard Mortimer expounds on the case for change

“The event offered an opportunity for suppliers and engineering contractors to provide feedback and perspectives on the JIP33 program. The discussions were lively, energetic and constructive,” Adri says.

This was the first of three Industry Days, planned for the rest 2019: the second, hosted by Eni, took place in Milan on 11 October and the third will be in Kuala Lumpur on 18 November, under the auspices of Petronas.

JIP33 has also recently published 4 draft specifications, each with a 4 week consultation period. They are:

- JIP33 issues actuators specification for review [https://www.iogp-jip33.org/jip33-issues-actuators-specification-for-review/](https://www.iogp-jip33.org/jip33-issues-actuators-specification-for-review/)
- Low Voltage Motors specification launched for review [https://www.iogp-jip33.org/low-voltage-motors-specification-launched-for-review/](https://www.iogp-jip33.org/low-voltage-motors-specification-launched-for-review/)
- Noise emitting equipment specification launched for review [https://www.iogp-jip33.org/noise-emitting-equipment-specification-launched-for-review/](https://www.iogp-jip33.org/noise-emitting-equipment-specification-launched-for-review/)
- Special purpose couplings specification launched for review [https://www.iogp-jip33.org/special-purpose-couplings-specification-launched-for-review/](https://www.iogp-jip33.org/special-purpose-couplings-specification-launched-for-review/)

All are listed on the spec development page [https://www.iogp-jip33.org/development/](https://www.iogp-jip33.org/development/)

Register now for EGM 2019, Kuala Lumpur

There are only a few days left for IOGP Member Representatives and chairs of standing committees to register for the Association’s EGM 2019 in Kuala Lumpur, hosted by PETRONAS.

The EGM agenda will include discussion and voting on the Association’s 2020 Business Plan, poster sessions covering the work of each of IOGP’s standing committees and two panel discussions. The first of these will focus on communications and outreach. The second will look at how IOGP can best serve Member Companies in a lower emissions future.

The deadline for registration is 31 October and hotel accommodation at the special IOGP rate is limited. Visit [https://www.iogp.org/egm19/](https://www.iogp.org/egm19/)

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Other speakers were:

- Julien Perez of OGCI, who focused on the climate change agenda and reported on his organisation’s progress
- Sam Gomersall of Pale Blue Dot Energy, who advocated a “massive step change in carbon capture, utilisation and storage (CCUS)”
- Dr Owain Tucker of Shell who provided real life examples from his company’s efforts in carbon footprint reduction
- Anna Korolko of Equinor who described progress at Equinor and also looked at hydrogen and CCUS in a holistic context
- Wendy was also the subject of a profile in Upstream’s “Head to Head” column on 13 September, based on an interview she gave during Offshore Europe. It described how she is “working to raise the bar on emissions and energy efficiency.”
Olav Skår joins IOGP as Safety Director

Teamwork comes as second nature to Olav Skår, IOGP’s new Safety Director.

An accomplished amateur percussionist and novice tuba-player, he has even performed at London’s Royal Albert Hall. His musical life provides a parallel with his day job: “I often think of my conductors, whose sole task it was to get the best out of the team, without playing a single note. Similarly, at IOGP, we clearly all play many notes in our daily work, but we do not operate valves, spanners or heavy machinery. Instead, our efforts are aimed at safely getting the best out of all frontline folks in our industry.”

Olav comes to IOGP from Shell, where he was, most recently, Wells Learning Manager. “This made me custodian of the Company’s industry-leading Wells Round I/II Program. My task was to restructure the Program to support a change in strategic direction. As part of that process, we managed to digitalise it as well. The Program was already accredited with a Masters degree but we took it even further by getting external verification that it conforms with all levels of IOGP Report 476 on well control training enhancement. Further, in 2018, I was appointed Visiting Professor with Robert Gordon University for my learning and industry efforts. A huge and very unexpected honour which I am proud to carry with me to IOGP. As a bonus – and with perfect timing – on my last working day before moving to London, we received a Gold Award from Brandon Hall for Excellence in Learning.”

Previous involvement

Olav’s previous involvement with IOGP went considerably beyond Report 476. He was active in the Wells Expert Committee’s (WEC) Competency and Training Subcommittee and now looks forward to expanding his involvement with the WEC and embarking on new relationships with the Chairs of other IOGP Standing Committees.

“I had already engaged with as many IOGP committee colleagues as I could before taking up my appointment and that effort continues,” Olav says. One of his key topics for discussion is the idea that “all our committees put their thoughts forward five years ahead and describe how they’d like that place to be. From that vantage point, it’s easier to look back on the steps they’d have to take to get to their desired future.”

Olav also avers that it’s essential to focus on front line people. “We need to think how IOGP actions and recommendations can have a positive impact on coffee shack conversations in terms of tangible improvements at work sites around the world. This is part of my belief that a deeper understanding of human factors is a next key step for us as an industry and as an Association.

“We have to bear in mind,” he continues, “that our industry is global, integrated and complex. We are facing many societal pressures that make risk management even more important. It makes good sense to address industry challenges together and I see IOGP as a lighthouse that helps lead that effort. This also means reaching out to align with many other organisations and groups, one of the greatest privileges that comes with the role.”

Respect, care & trust

Olav’s new title notwithstanding, he doesn’t see his role confined to that discipline; nor should others who work in different areas regard safety as something outside their responsibility. “What we all want is efficient, safe and clean outcomes in our work and this has many contributing parts, ‘safety’ is only one. Having said that, I first felt deep accountability as a safety leader when I moved to Syria in 2001. There, I had several onshore drilling rigs working under me. As it turned out, my main contribution to safety in Syria was all about respect for, care and trust in my team, and we had excellent results. That was a pivotal point in my career which I often refer back to. I am proud to say that many of my Syrian colleagues were first to congratulate me on my appointment with IOGP. Thankfully, I have managed to locate just about all of them after all these years.”

Looking ahead, Olav sees an imminent and short-term safety challenge to structurally help manage the industry’s recovery from its very significant downturn a few years ago. On the positive side, he also sees great opportunities ahead.

“We are well-placed as an Association and an industry to better collaborate, prioritise and coordinate our collective efforts to eliminate major accident hazards.” Referring again to human factors, he says those considerations “will be a key enabler for the next significant improvements. Finally, there is a broad negative public perception surrounding oil and gas which frustrates me. I believe the excellence we can demonstrate in both safety, environment and other areas, coupled with an exciting view of our contribution to the energy transition, can be used to enhance our industry’s reputation.”

“I am privileged to come to work every day with a sole purpose of being a force for good, and certainly look forward to engage with those who share that mantra. Together, we will make a bigger difference,” Olav says.
Welcome back, Genel Energy

Genel Energy has re-joined IOGP. The company is one of the largest London-listed independent oil producers and is the largest holder of reserves and resources in the Kurdistan Region of Iraq, where it has been operating for over a decade.

Genel has highly cash-generative oil production from the Taq Taq and Tawke licences, with material growth potential from other assets in the portfolio. In the first half of 2019, Genel’s working interest production averaged 37,400 barrels of oil per day.

“Production from these assets is among the lowest cost in the industry and generates material free cash flow”, the Company says, adding “We aim to have a positive and sustainable impact on the Kurdistan Region of Iraq both by growing the production of the hydrocarbons that fuel the economy and directly supporting the communities in which we operate by improving infrastructure and providing opportunities.”

Genel Energy also has interests in Morocco and Somaliland. The Company’s IOGP Member Representative is Vrijesh Kumar Gupta, Head of HSE and Risk Management.

IOGP to recognise young professionals

Nominations are now open for the 2020 IOGP Outstanding Young Professional Award (OYPA), hosted by IOGP in association with the biennial SPE International Conference and Exhibition on Health, Safety, Environment, and Sustainability.

“Our industry needs competent and confident leaders for decades to come,” said Gordon Ballard, Executive Director of IOGP. “This award aims to inspire the next generation. We want to recognise their efforts to promote safe, responsible and sustainable Exploration and Production operations.”

Now in its third year, OYPA celebrates the achievements of an individual with fewer than 10 years of professional E&P experience. The winner must demonstrate professional accomplishments and evidence of outstanding talent, dedication and leadership working in at least one aspect of health, safety, security, the environment sustainability and/or social responsibility.

For nominees, IOGP is looking to senior members of the industry to name young professionals who meet the award criteria. Entrants must:

- Be well-respected and in good standing within the community
- Serve as a role model for other young professionals
- Demonstrate noteworthy professional and personal achievement
- Demonstrate commitment to excellence and proven leadership
- Exhibit expertise, passion and the ability to inspire others

A special awards committee will announce the winner at the SPE International Conference and Exhibition on Health, Safety, Environment, and Sustainability in Bogotá, Colombia, March 17-19 2020.

The winner will receive:

- OYPA certificate and trophy
- Complimentary registration to the 2020 SPE Bogotá Conference
- Two-year membership to SPE
- An invitation to join the OYPA and YP Committees for the 2022 Conference
- Recognition on IOGP’s website and Highlights
- Recognition in the SPE HSENow webzine

For more information, and to nominate a young professional, visit www.iogp.org/award.