

**Date: October 31, 2023** 

**BSEE Funding Source or Author's Division:** Office of Offshore Regulatory Programs

**Emerging Technologies Branch** 

45600 Woodland Road Sterling, VA 20166

Title: Evaluation of Technology Assessment (TAP) Project 796 – Decommissioning Cost Update for Pacific Outer Continental Shelf Region (POCSR) Facilities Study

Subject and Purpose: The subject of this study is complete a peer review on the research titled "Decommissioning Cost Update for POCSR Facilities Study." This peer review aims to verify the scientific and technical merit of the assumptions, inputs, methodologies, and results. This study reviewed the decommissioning of the POCSR oil and gas facilities and developed benchmark costs for decommissioning the facilities using conventional technology. The report provides a cost assessment based on POCSR operations and current market conditions, including the availability and capability of derrick barges (DBs) in the region (west coast of U.S.), support vessel services, well plugging and abandonment services, abrasive, mechanical and explosive cutting services, disposal options, and site clearance services. When local/regional decommissioning services were not readily available, these services were estimated based on mobilization and demobilization cost, day-rate cost of the services, and spread costs for the operations. This peer review will evaluate and assess this research project's results.

Impact of Dissemination: This study is considered by BSEE to be influential scientific information. The specific tasks in this study include: reviewing and updating the decommissioning scenarios for outer continental shelf (OCS) platforms, reviewing and updating the engineering cost assumptions and methodologies, and reviewing and updating the costs for each phase of the decommissioning process. This study's findings may directly impact OCS oil and gas regulations (30 CFR 550 and 556) for operator compliance with permanent plugging of wells, removal of well conductors and platform jackets to 15 feet below the mud-line, decommissioning and removal of pipelines and power cables, decommissioning and removal of platform decks and jackets, site clearance, and other lease and permit requirements. The results from this study are essential for distributing learnings from decommissioning with those who may have a need to decommission platforms in the future.

Upon conclusion of the peer review, BSEE will post all possible contracted deliverables, tasks, data, analyses, and information, including the peer-review reporting, reports, and comments on BSEE's research records website: https://www.bsee.gov/research-record.

Disclaimer: The content of this peer review plan has been verified in compliance with the peer review handbook. For peer review contracts executed prior to peer review plan release, there may be differences in language used between the peer review plan and the executed contract.



**Timing of Review: September 2023 – May 2024** (Total peer review process of not more than 8 months is desired for this project.)

## Manner of Review, Selection of Reviewers, and Nomination Process:

This peer review shall be conducted through the contract BSEE BPA Process. This process will provide for a panel of qualified subject matter experts (SMEs) selected by the agency in order to achieve an optimum level of expertise across the spectrum of issues. The SMEs will be required to maintain both balance and independence while minimizing any potential conflicts of interest. The public will not be consulted in the nomination of potential peer reviewers.

Primary criteria for peer reviewers include the following:

- Mechanical Engineering, Petroleum Engineering, Financial Analysis Expertise.
- Practical experience and knowledge specific to Industrial Safety, and Decommissioning Practices.

The secondary tier of criteria should include the following:

- At least one from inside of the oil & gas industry
- At least one from outside of the oil & gas industry

Reviewers may be selected from academia, industry, and federal government. The group of reviewers shall not include multiple reviewers from the same affiliation and shall strive to include various perspectives on the issue considered.

## **Expected Number of Reviewers:**

Three reviewers, plus contractor oversight, and writing personnel.

## **Requisite Expertise:**

- Subject Matter Experts with five years of experience in a relevant field and should also have some other strong credentials, e.g., a Ph.D. with a substantial publication or patent record specific to the evaluated technology, a young investigator award, or a strong pedigree (e.g., a Ph.D. from a high caliber institution or under a recognized leader in the field).
- Publications and Patents. Qualified experts often have many peer-reviewed journals and/or patents on the evaluated technology.
- Other evidence is that the person is a recognized expert in the field. Qualified experts have often managed a public policy program that has had a national impact, has a record of bringing innovations to the market or holds vital patents.
- In a relevant field, an advanced degree Ph.D., Sc.D., D.Eng., MS, or MBA. Experts with only a bachelor's degree should have other experience and or a record of significant accomplishments indicating their expertise.

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- Relevant awards. Qualified experts may have received a prestigious award such as the National Medal of Science, American Chemical Society National Award, Young Investigator Award, R&D 100 Award, or other awards specific to technology (e.g., Fuel Cell Seminar Award).
- Key Society Membership. Qualified experts may be members of a society like the National Academy of Sciences (NAS), the National Academy of Engineering (NAE), the American Physics Society, a National Laboratory Fellow, etc.

## **Opportunity for Public Comment:**

At the time of this peer review plan's posting, the research report will be available on BSEE's Peer Review Public Posting website located here: <a href="https://www.bsee.gov/what-we-do/research/peer-review">https://www.bsee.gov/what-we-do/research/peer-review</a>. BSEE welcomes public comment, especially from those with experience with decommissioning cost on the pacific coast. BSEE invites the public to comment within the 30-day window indicated on the website, which is consistent with the guidance provided below:

- For comments pertaining to this peer review plan, send emails to: bsee peerreviewplancomments@bsee.gov
- For comments pertaining to the research, send emails to: bsee\_researchpubliccomment@bsee.gov

In the subject line list of a public comment email, please state: "TAP 796 – Decommissioning Cost Update for Pacific Outer Continental Shelf Region (POCSR) Facilities Study" + the words "peer review plan" or "research" + the words "public comment."

- List out any comments, questions, feedback by number (ex. 1, 2, 3, etc.)
- If referencing any sources of published information, please list the complete source information in a recognized reference format (such as APA)
- Please include your name, contact information, and affiliation

The agency will provide public comments deemed significant and relevant to the peer reviewers to address during their review.

**Agency Contact: Tony Richardson** 

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