

## Response to The Guardian article

Perenco UK notes the publication of the article *“North Sea oil and gas firm Perenco failing to seal old wells, documents show”* in The Guardian on June 28, 2024. Perenco UK strongly refutes any suggestion that it is not fulfilling its decommissioning obligations or is in any way putting the integrity of assets at risk.

Perenco started decommissioning in 2009, since when it has spent approximately £500 million on decommissioning, ramping up activity levels as its producing assets have reached the end of their economic life.

Under the comprehensive oversight of the regulator, the North Sea Transition Authority, Perenco has an excellent track record of effective decommissioning in the UK North Sea, exercising diligent stewardship of one of the largest networks of owned and operated gas assets in the UK, comprising two onshore gas terminals, over 2000 km of subsea pipelines, 240 gas wells and 34 gas fields, which according to the NSTA database is more than any other North Sea operator.

In 2023, in support of the UK’s energy security, Perenco produced 21% of the natural gas supplied from Southern North Sea (SNS) fields and processed a similar additional quantity through its gas terminals for other SNS operators, including gas from the prolific Cygnus field that connects into Perenco’s Bacton terminal. Consequently, since 2003, Perenco has become a significant contributor to UK energy security, investing hundreds of millions of pounds to ensure the continuing provision of natural gas.

Homegrown gas supplies are vital for UK energy security, jobs and the economy over the coming decade, as the country journeys through a transition towards a greener future. The UK currently has to import half of the gas that is required to heat homes and generate electricity for the national grid. Natural gas is widely acknowledged to be a key component of the energy mix in the medium term, until alternative methods of heating (such as ground source heat pumps) and electricity generation (such as offshore wind) are developed and rolled out at scale.

It is wrong to assert that there is any correlation between the decommissioning timeframe and a “risk of fire or environmental disaster”. Perenco’s operated North Sea assets undergo regular maintenance and inspection to ensure that the integrity of both producing and mothballed equipment is maintained safely, pending decommissioning. The timeline for decommissioning works is agreed through a strict regulatory process, overseen by several independent regulatory bodies: the North Sea Transition Authority (NSTA), the Health & Safety Executive and the offshore environmental agency, OPRED.

Contrary to what the article implies, no wells are ever left open to the environment. Any that are temporarily shut-in are done so according to well-established standards, using a combination of multiple valves and/or cement plugs, and are carefully monitored for integrity. Furthermore, the article refers repeatedly to “oil wells”, “oilfields” and “oil residues”. Perenco UK does not operate any oil wells or oilfields in the North Sea. Perenco UK produces exclusively in the North Sea from gas well and gas fields.

Perenco will continue its duties as a safe and responsible operator, proudly providing energy security for the nation, supporting thousands of well-paid jobs, and delivering significant tax contributions to the UK economy, while supporting an effective Energy Transition in support of the Net Zero objectives. Perenco is at the forefront of trials to assess the carbon storage potential of the Southern North Sea, with a CO<sub>2</sub> injection test planned towards the end of 2024.

For further information, see: [www.perenco-ccs.com](http://www.perenco-ccs.com)