



Particularities of Offshore Casualties and Wreck Removal





Offshore Casualties and Wreck Removal





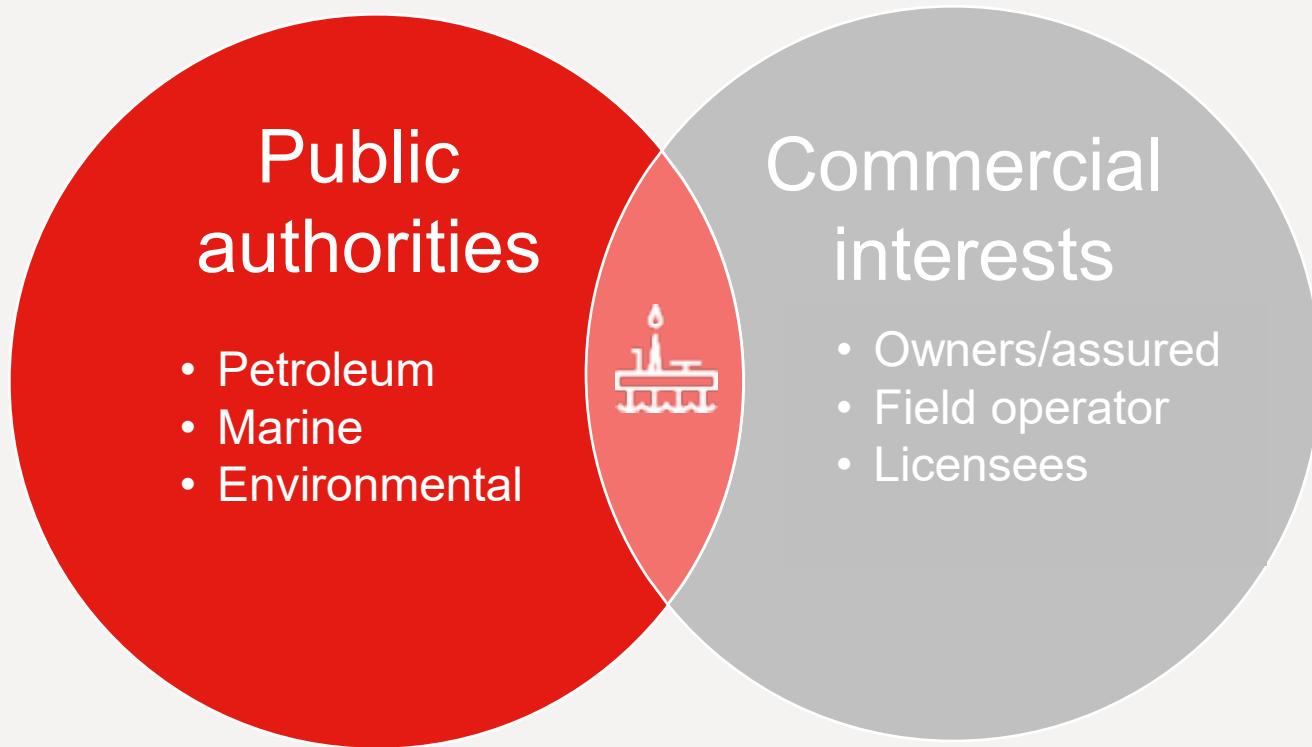
Agenda

- Stakeholders
- Contracts
- Insurance and reinsurance
- Approvals and access to site
- Surveys
- Technical challenges for removal
- Proximity to other installations and operations
- Recycling
- Where next?



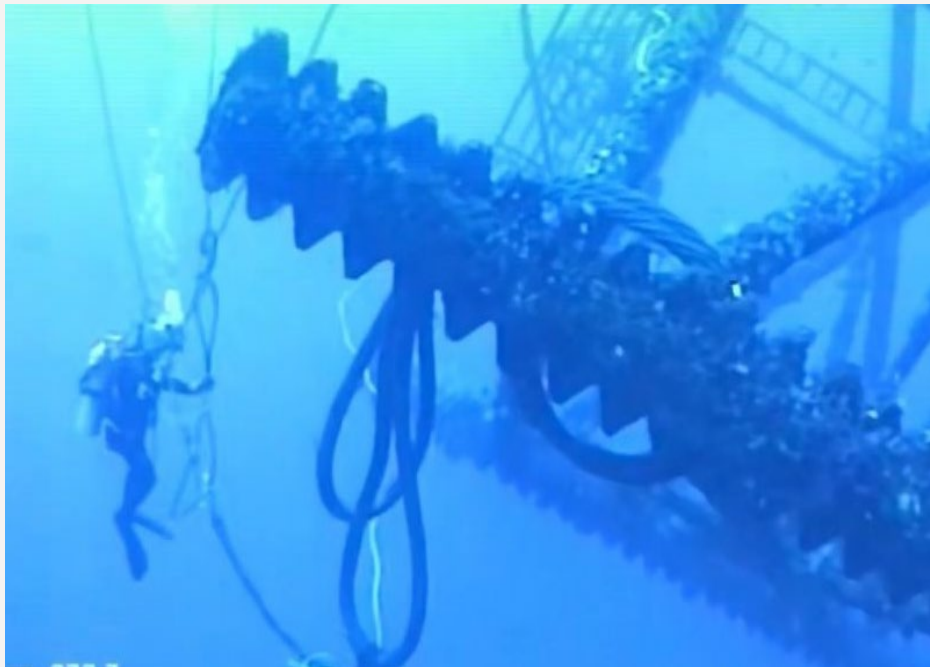


Stakeholder identification and management





Contractual framework



- Contract between owner/assured and field operator
 - Wreck removal clause
 - Indemnity regimes (knock-for-knock)
 - Commercial interests
- Salvage contract
 - Wreckhire/LOF
- Transition
- Wreck removal contract
 - Wreckstage/ Wreckhire



Insurance and reinsurance

Reinsurance considerations (for insurers)

- Offshore units often not considered vessels, and accordingly covered by commercial cover (i.e. not poolable)
- P&I insurers will therefore primarily report to and update reinsurers
- Emphasis on predictability

Insurance considerations (for salvors)

- Wreckstage/Wreckhire – Contractor to have insurance cover for their own operation incl. salvor's liabilities
- Damage to third party installations not covered by field indemnity regime
 - Additional insurance



Approvals

Who will issue approvals?

- Geographical variations
- Explicit vs. tacit approval
- Contractual impacts

• What needs to be approved?

- Methodology
- Use of assets
- Ordinary permits (visas etc.)

Common concerns

- Safety
- Field operations
- Local content
- Environmental



Access to site

- Expectations of the field operator
 - Operational concerns
- Expectations of the Contractor
 - Access without delay
- Security considerations





Surveys

- Survey – owners/insurers or the bidders?
- Site information – meaningful, accurate description
- Balanced bidding
- Increased certainty in the review process
- Clear risk allocation – better pricing
- Wreck monitoring to ensure no Clause 4 events prior to contracting / attendance on site
- Surgical approach to hydrocarbon removal
- Continuous reference in the method design spiral
- Practical on-site preparation for each work package, and each task
- Presentation to authorities





Technical challenges for removal of a unit

- Depth
- SAT diving
- ROV
- Dangerous Goods
- Live assets
- Object shapes and strength
 - Cantilever decks
 - Legs
 - Obstructions





Weather and operational restrictions

- Seasonal variations
- Distance to shelter
- Time to recover significant anchor spreads
- Offshore
- Asset availability (high and low seasons)





Proximity to other offshore installations and operations

- Sim-ops
- Crossing of live pipelines on exit (drop concerns)



Recycling

- Scale of sections
- Location of fields not often convenient to recycling facilities
- Challenges of cross border transfer
- Optics of bringing scrap ashore





Where next? Some reflections

- Will floating offshore wind create new challenges and expectations?
- Asset choice and availability for intervention
- Extensive flotsam from fractured blades
- Designs of windmill and their moorings constantly evolving
- Recovery of drifting windmill
- Is experience from offshore casualties relevant?





Thank you

