



Role of the Regulator

Challenges and expectations in the Thai upstream oil and gas industry



Department of Mineral Fuels [DMF]
MINISTRY OF ENERGY



OGP International Standard Workshop, Bangkok, 11-12 March 2010



Presentation context and objectives

- Overview
- Regulatory body and the upstream oil and gas industry
- Guidelines and competency standards
- Challenges and expectations
- Q&A



DMF responsibilities


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- Administer concession awards
 - Make policy for supply sourcing, development, and management of petroleum resources
 - Analyze, research, assess potential and reserves
 - Define petroleum operations safety, health, and environmental standards

Good petroleum industry practice

- Petroleum Law:
“the concessionaire shall execute all operations in accordance with sound technical principles and **good petroleum industry practice** ...”
- Important — but — undefined terms stated in petroleum legislation
- Industry codes; classification society rules; corporate standards




Results-based regulation

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- Broad goals are set.
 - Operators freely develop best methods to achieve them.
 - Advantages:
 - Less resources required
 - More flexible and efficient
 - Open to new technologies
 - Innovation recognized and rewarded




Use of industry codes and standards

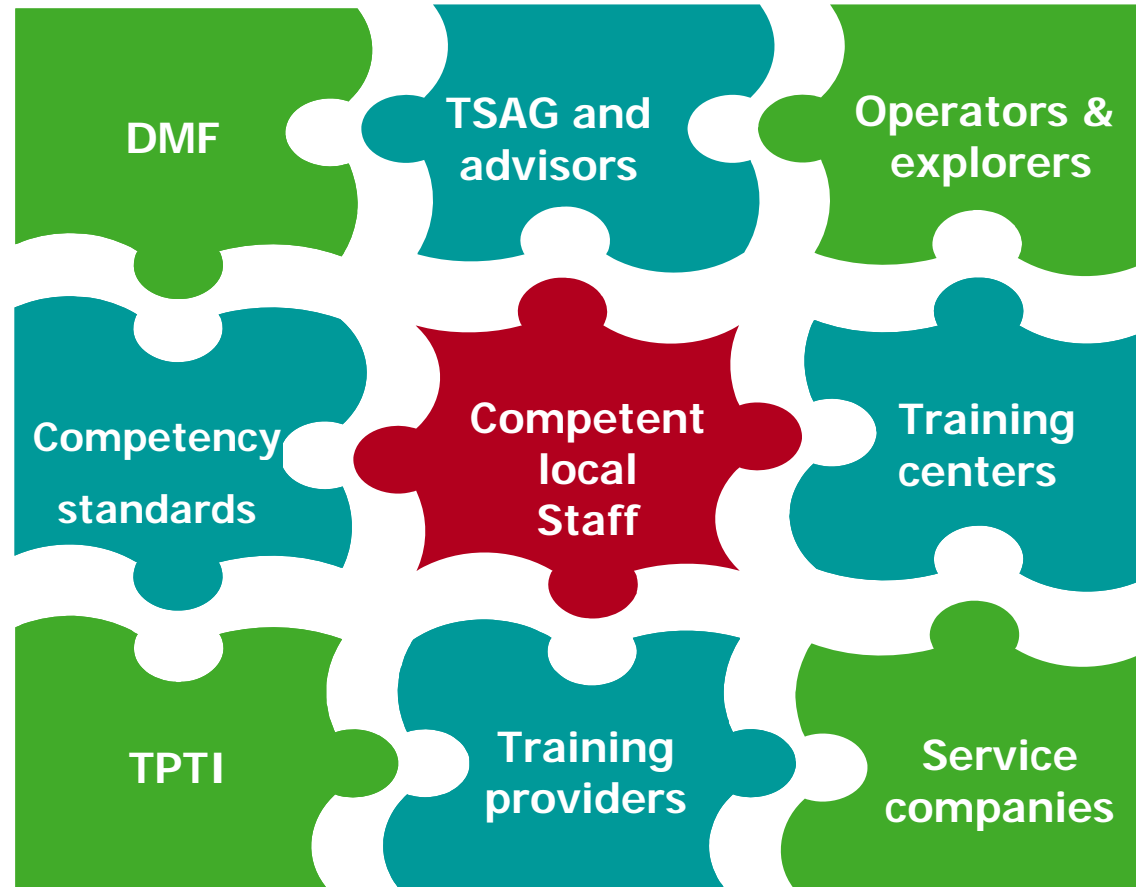
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- No specific legislative requirements
 - PTTEP, Chevron, Pearl Energy, etc:
Adopting international standards (e.g. API, ASME, ISO)
 - Justifying applicability and recognizing limitations based on safety cases
 - Role of classification societies



Thailand upstream oil and gas industry guidelines


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- Seismic surveys
 - Structural design and integrity assessments:
 - Offshore platforms
 - Subsea pipelines
 - Decommissioning

**Thailand E&P
competency
standards**






Upstream oil and gas industry challenges

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- Development cost
 - Skill shortages
 - Greenhouse gas emissions
 - Environmental protection



Upstream oil and gas industry expectations

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- Suitability to local conditions (e.g. environmental parameters, fishing activities)
 - Government-academic-operator research collaboration
 - Thailand Training Quality Framework

