To: Members of the Technical Advisory Group
From: John Etherington, TAG Chair

Technical Advisory Group Meeting
11 February 2016 – 1:00 pm GMT
MINUTES

Attendees: John Etherington (Chair), Andrew Barrett, John Barry, Jan Bygdevoll, Alistair Jones, Dominique Salacz, Alexander Shpilman and Harikrishnan Tulsidas
Observer: Charlotte Griffiths
Apologies: Santosh Adhikari, Roger Dixon, Danny Trotman, Maksim Saakian, and David Macdonald (Observer)

Approval of Draft Agenda

1. The draft agenda was approved as submitted.

Minutes of TAG meeting of 5 January 2016

2. The draft minutes of the 5 January 2016 meeting were approved and can be posted on the UNECE website.

Status Update: GKZ Petroleum Classification Bridging Document – John Etherington

3. The Russian GKZ submitted an updated draft RF2013 to UNFC-2009 Bridging Document (BD) on 1 February. The draft is now being reviewed by the TAG Sub-group with comments due by 15 February. It is probable that there may be one or two review cycles before the BD can be submitted for full TAG review in late March. It remains the TAG goal to submit a recommendation to the Bureau before 15 April such that an English & Russian version can be available for the EGRC April meeting.

4. The major issue is how to accommodate the geological-based Russian system within the UNFC project-based system. Specific issues include mapping on the G-axis from geologic confidence levels to uncertainty in project recoverable quantities.

Status Update: Chinese Petroleum Classification Bridging Document – Dominique Salacz

5. In early 2016, the Chinese Ministry of Land and Resources (MLR) submitted a request for public bids regarding the bridging of the Chinese petroleum classification to UNFC-2009. Based on their bid, the contact was awarded to the "Research Institute for Petroleum Exploration and Development" (RIPED) in Beijing. Ms. Yang Hua is a member of RIPED and remains the primary contact for this project.

6. On 2–3 February 2016, Dominique Salacz met with Yang Hua and four RIPED colleagues. A draft report on this work session is in preparation. The Chinese system is very focused on geological confidence and, as with the Russian GKZ petroleum classification, presents challenges in mapping to the UNFC-2009 project-based system. Nonetheless, initial results yielded a preliminary mapping to the E and F-axes; however, more work is required to align the systems regarding the G-axis.

7. A second work session between RIPED and the TAG is tentatively scheduled for 25 and/or 26 April in Geneva prior to the EGRC seventh session. The goal remains to complete the China Petroleum and UNFC-2009 Bridging Document before the April 2017 ERGRC meeting.

Status Update: Bridging Document to Chinese Solid Minerals Classification – Roger Dixon

8. No update report. Roger Dixon has preliminary plans to visit China to progress this project sometime in early 2016.

Status Update: Renewables, Geothermal and Bioenergy Projects – Alistair Jones and Andrew Barrett

9. The Task Force developed an updated draft of the Generic Renewable Specifications. This was received for TAG comment on 15 January and the TAG provided feedback to the Renewables Task Force on 1 February and to the Bureau on 8 February.

10. The input from the G-axis Working Group to the EGRC seventh session dcument was incorporated into the update of the Generic Renewables Specifications and so no further document is expected for TAG review. It is possible that at a later stage, after the EGRC meeting, the WG will provide further input e.g. they may suggest a name change for the G-axis.

11. A White Paper on Access & Entitlement is expected from the Bioenergy Working Group by 12th Feb for comment by the TAG.

12. The Geothermal Working Group has developed a full draft of the Geothermal Specifications. This is currently with the Renewables Task Force for their comments before being updated and sent to the TAG for review. Meanwhile, the draft version was sent to the full TAG to give an early opportunity to review the document since it is quite long.

Status Update: Specifications for the Application of UNFC-2009 to Injection Projects for the Purpose of Geological Storage – Jan Bygdevoll

13. The revised draft Specifications Document and supplemental report will be available for TAG review in late February 2016. The TAG recommended and Bureau approved document will be submitted for the seventh session of the EGRC by 5 April.

Status Update: Uranium/Thorium Guidelines and Case Studies – Harikishnan Tulsidas

14. UNECE has published "Application of UNFC 2009 to Nuclear Fuel Resources - Selected Case Studies", ECE Energy Series n°46 on 30 December 2015. Publication of Uranium Guidelines as a print version jointly by IAEA-UNECE is being pursued.

15. TAG has reviewed the following three uranium case studies for the 7th session of EGRC:

1. *Considerations related to the application of the United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources 2009 to uranium projects and associated resources in Paraguay*

2. *Application of the United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources 2009 to the Uranium Resources of the Gurvanbulag Uranium Deposit, Mongolia*
3. *Application of UNFC-2009 to phosphate rock - uranium resources: A case study of the El-Sebaeya Projects, Nile Valley, Egypt*

16. The TAG review was facilitated by external experts: Mr Jean-René Blaise (for Mongolia and Egypt) and Ms Adrienne Hanly (for Paraguay). TAG recommendations have been provided to the Bureau for approval during end January/early February.

17. The Nuclear Fuel Resources Task Force will be starting work on a Best Practice document in the coming weeks. The draft (Scope and Structure / Table of Contents) will be finalized during the seventh session of EGRC and forwarded to the TAG for initial comments. It is expected the Best Practice document will be worked on over 2016–17. A tentative date for the first draft will be decided during the EGRC meeting. One case study from Australia is expected sometime during the mid-year. Additional cases studies are likely towards end of the year. Efforts will be made to inform the TAG well in advance the expected number of case studies in 2016, so that review can be planned accordingly.

E-axis Working Group – John Etherington

18. The E-axis Sub-group chaired by David Elliott shared draft versions with both the TAG and the Bureau. The EGRC E-axis Sub-group was established to examine the social and environmental aspects of classification using UNFC. The major recommendations are:

- A clarification of terminology regards definition of E-axis categories
- To divide the E2 category into E2.1 and E2.2 for this purpose, based on:
    - Whether there is an active attempt to resolve social and environmental issues, and,
    - The probability of this being successful.

19. The TAG completed its initial review and submitted a recommendation to the Bureau on 30 January 2016. The TAG supports the draft revisions to the E-axis category definitions; however, the recommended division of the E2 category into E2.1 and E2.2 may not appropriately address the issue of incorporating environmental and social factors in project reporting under UNFC-2009.

20. There is concern that expansion of the E-axis definitions to include commercial criteria and the chance of resolution of the contingencies may overlap with the F-axis project maturity status.

21. While it is appropriate to present this paper for discussion at the EGRC 7th session, the final recommendations to be included in the next revision of UNFC-2009 guidance should consider clarifications on both the E and F-axes categorization and their combination to definitively assign projects to sub-classes.

Project Definition Study – John Etherington

22. The TAG completed a preliminary review of the submitted draft of the discussion document "What is a Project" on 30 January. The TAG also considered comments from other Bureau members in this review.

23. The following issues were raised in the combined Bureau and TAG review of the document and are addressed in latest revisions:

- The revised version accommodates renewables, injection projects and unconventional petroleum. It recognizes that even for petroleum there are issues around the interconnectivity for fluid migration and mobility in unconventional reservoirs that impacts the G-axis methodology and the limits of a project.
- While it emphasizes economics in project approvals, it recognizes the broader context of "commerciality" including project approvals, social-economic conditions, etc.
- There was some confusion around incremental projects where a "significant" incremental investment decision is required. While not providing full clarification on the term "significant", it recognizes that incremental operating costs could be significant enough to separate projects.
- It recognizes that approvals may be given for mega-projects that are implemented in phases with the opportunity to make adjustments as new information is gathered.

24. As for the E-axis study, this report will be presented to the 7th EGRC as a discussion document and any amendments to UNFC-2009 will consider clarifications on both the E and F-axes categorization and their combination to definitively assign projects to sub-classes.

Other Business

25. John Barry led a discussion on improvements to the process regarding the large volumes of emails and attachments that must be reviewed in a short time frame by the broad and geographically dispersed teams. Charlotte Griffiths offered that her office recognizes the issue and will investigate future use of web-based "wiki-type tools".

26. John Etherington commented that sharing the review process with the Bureau on reports generated by Bureau sub-groups generated confusion on timely distribution and full consideration of comments. Again, the hectic pace of UNFC projects generated immediately prior to the EGRC annual meeting coincided with year-end reporting obligations by many EGRC members within their companies.

TAG Membership/Terms of Reference (TOR)

26. The TAG was reminded that there is a two-year term limit on membership and the Chair and the TAG need to submit nominations (including members that volunteer to extend their terms) to the Bureau for the period 2017-19. John Barry offered to review the TOR and submit a recommendation for this process in the next meeting.

Next Meeting

27. Charlotte Griffiths will conduct a doodle-poll to organize the next TAG teleconference during the week of 7 March.

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