# Risk Decision

## North Sea

- An unexploded bomb has been found on your pipeline.
- It seems to date from WW2, so it has remained intact for a long time.
- It may move away from your pipeline with the sea’s motion, and stop being a threat – but it may not!
- If the bomb explodes it will seriously damage your pipeline and could cause a leak. If so, there would be serious consequences for the environment and the company’s reputation.
- You have the choice to disarm and remove the bomb or not.
- However, removing the bomb is a complicated technical procedure and would cost the equivalent of 6 months’ production.

You must decide if you want to remove the bomb and lose the equivalent of 6 months’ production in year 4 or if you want to risk making no changes and hope that the bomb moves naturally and doesn’t damage your pipeline.

Discuss the risks and the rewards of each option, decide what you are going to do and why. Then be ready to describe your team’s decision.
Risk Decision

Middle East (Desert)

- The political situation in the Middle East is unstable.
- There is a group of activists disputing ownership of the land on which your facility is built.
- The group is threatening to damage your facility in order to reduce oil supply and gain the attention of the government and the media.
- The immediate solution is to evacuate your staff to maintain their safety whilst the dispute is solved.
- It is estimated that the resolution to the dispute will take 6 months to negotiate, during which you will have no production.
- However, if a resolution is not reached there is the threat of future attacks on your facility and staff.

You must decide if you want to remove your staff or whether you want to risk continuing production.

Discuss the risks and the rewards of each option, decide what you are going to do and why. Then be ready to describe your team’s decision.
West Africa (Offshore)

- There are hijackers off the coast of West Africa.
- They have threatened to target offshore oil and gas platforms in the area by boarding them and damaging the platforms and their control systems. This is a considerable safety and environmental risk.
- If the hijackers choose to target your platform you currently have little protection.
- There is an option to spend some money on modifying your platform and installing an early warning system with a new radar to detect small vessels in the area.
- This is very expensive though and the cost involved is equivalent to 6 months’ profit.
- If the hijackers move on, the threat of attack is also removed.

You must decide if you want to invest in protecting your platform or whether you want to risk making no changes.

Discuss the risks and the rewards of each option, decide what you are going to do and why. Then be ready to describe your team’s decision.