Petroleum Industry Leadership in the Energy Transition

Panel Session
EGI Annual Technical Conference, 2023
Global electricity versus total energy

More than one-third of global electricity comes from low-carbon sources; but a lot less of total energy does.
Global Energy Consumption by Source

- Fossil fuels still dominant and demand is increasing
- Even minor ripples in the supply chain cause chaos
Profits of a supermajor, and forward spend

Billion $

Record high profits in 2022!

BUT...

Forward investment to 2030, $18 billion, to be split evenly between traditional O&G and Energy Transition projects
Why are many O&G majors embracing the Energy Transition?

- Good optics
- Good business!
- Because it’s the right thing to do
The Energy Transition Bridge

CONVENTIONAL FUELS → ENERGY TRANSITION → GREEN ENERGY

Natural Gas

Access to water
Carbon capture + storage
Introducing your panel

Tony Doré, EGI (Moderator)
Kristie McLin ConocoPhillips
Francesca Salvi ENI
Sid Jones Chevron
John Baza Utah DOGM
Bill Gould Energy Consultant
Sidney Green EPI
Questions to the Panel

• Is the oil and gas industry providing leadership in the Energy Transition right now – or is it abrogating responsibility or “greenwashing?”
• What else should the O&G industry do that it isn’t already doing?
• What do service industries and utility companies need to transition to a greener future, and how can the oil and gas industry help meet these needs?
• How is your company reflecting these changes in terms of investment priorities and research dollars?
• How is your own work reflecting these changes?
• Energy security vs energy transition: how do we strike a balance and manage public perception?
• How can EGI make itself relevant to this process and hence increase corporate partnership?
Non-renewables – can we just shut them down?

Minor ripples in HC supply chain cause chaos in UK, 2021

Panic buying at gas stations

CO2 Shortage!

UK firms reach deal over CO2 supply chain shortages

Department for business says it has brokered a deal which will avert shortages until January

CF Fertiliser plant in Cheshire. Photograph: Mark Waugh/Alamy
Major UK offshore wind project cancelled in 2023 due to high gas price

The government’s green energy ambitions have been dealt a blow after plans for a giant offshore windfarm off the Norfolk coast ground to a halt due to spiralling supply chain costs and rising interest rates.

The Swedish energy giant Vattenfall said it would stop work on the multibillion-pound Norfolk Boreas windfarm, designed to power the equivalent of 1.5m British homes, because it was no longer profitable.

The state-owned company said costs had climbed by 40% due to a rise in global gas prices which have fed through to the cost of manufacturing, putting “significant pressure on all new offshore wind projects”.

Norfolk Boreas had not yet gone into construction but would have been built off the Norfolk coast.

Credit: PA