

SNS2026
The Next 25 Years



Welcome Back



**Gas Transition Sector Council
Panel Session
"UK SNS - The Gas Powerhouse"**

Hosted by Alan Muirhead, Ithaca Energy
and Julian Manning, Paradigm

Panellists

Chris Smith, Perenco
Richard Sheppard, SEEL
Bart Smits, Petrogas
Enrique Cornejo, OEUK

“SNS is a critical bridge for the UK's energy security and transition.”

UK SNS: The Gas Powerhouse

Gas Transition Sector Council

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Agenda:

- Opening Keynote: The Strategic Imperative
 - A UK SNS Flashback: What we said in 1999 about the next 30 Years.
 - Balancing domestic supply (SNS gas) against rising LNG import costs and price volatility in an uncertain world.
- Panel Discussion: Investment & Transition
 - Panellists: Bart Smits – Petrogas, Richard Sheppard – Summit Energy, Chris Smith – Perenco and Enrique Cornejo – OEUK
- Audience Q&A: Addressing the Hurdles
 - Open floor focusing on the opportunities to maximise the SNS gas supply to support the UK's energy needs with the panellists.
- Closing Remarks: The 2030 Outlook

1999

A YEAR THAT SHAPED HISTORY

1 BILL CLINTON'S IMPEACHMENT



DECEMBER 19, 1999
The U.S. House of Representatives impeaches President **Bill Clinton**.

2 THE LAUNCH OF THE EURO



JANUARY 1, 1999
The euro is launched as the official currency for 11 European countries.

3 THE KOSOVO CRISIS



SPRING – SUMMER 1999
NATO launches an aerial campaign against Yugoslavia amid the crisis in Kosovo.

4 THE MATRIX HITS THEATERS



MARCH 31, 1999
The *Matrix* is released in theaters, becoming a groundbreaking sci-fi phenomenon.

5 THE POKÉMON CRAZE



1999
Pokémon takes the world by storm with the games, trading cards, TV show and toys.

6 MANCHESTER UNITED WIN THE CHAMPIONS LEAGUE



MAY 26, 1999
Manchester United completes a thrilling comeback to beat Bayern Munich 2–1 and win the Treble.

CAMP NOU, BARCELONA

2-1	
SHERINGHAM 90+1'	BASLER 6'
SOLSKJÆR 90+3'	

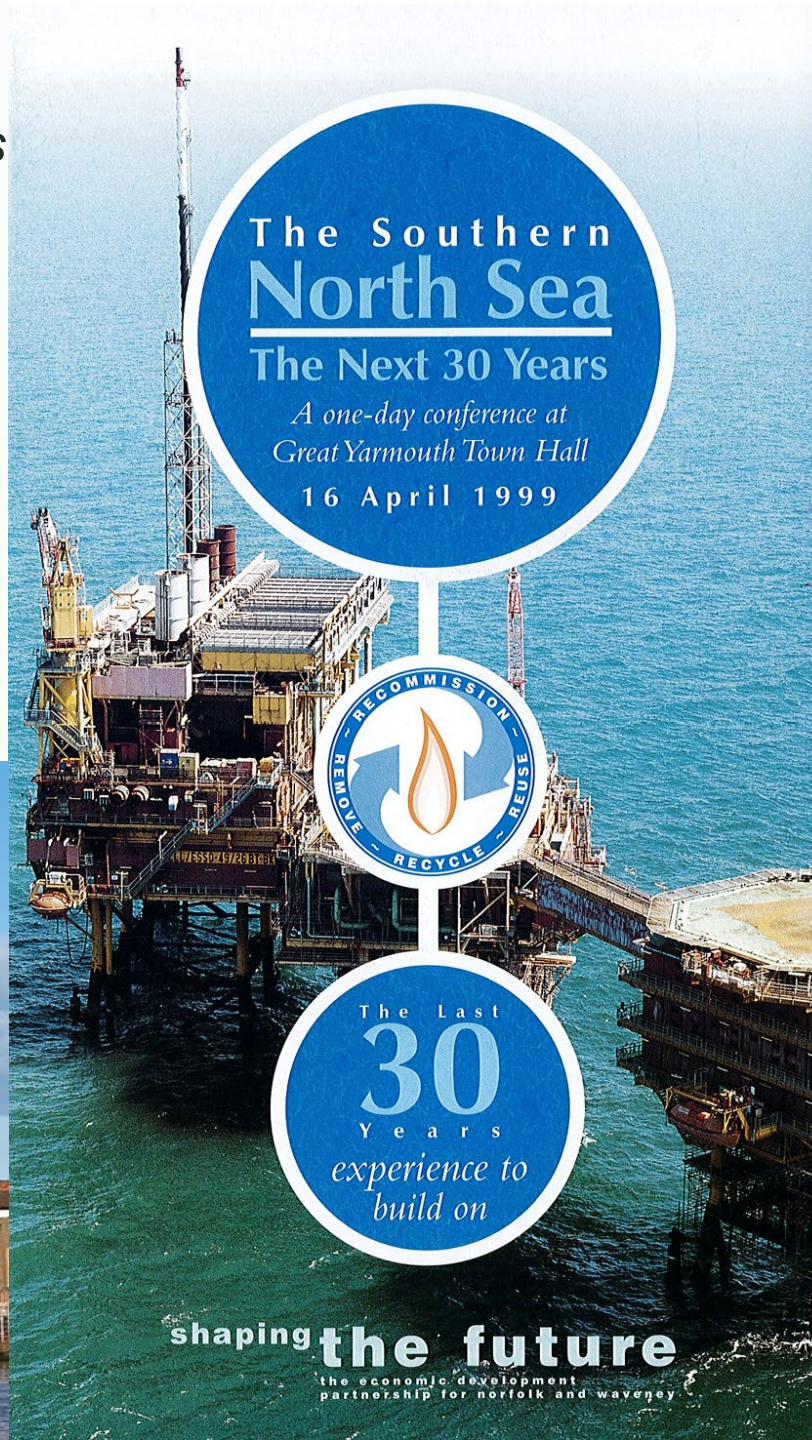


UK SNS: Flashback

What we said in 1999 about the next 30 years

16th April 1999 (27 Years Ago) A multi operator conference was held to look at the next 30 years in the UK SNS in Great Yarmouth.

At the time the UKSNS Gas business employed 21,000 people across 300+ companies.



The Southern
North Sea
The Next 30 Years
*A one-day conference at
Great Yarmouth Town Hall
16 April 1999*



The Last
30
Years
*experience to
build on*

shaping the future
the economic development
partnership for norfolk and waveney

a major
conference in
Great Yarmouth

presented by
The Offshore Sector
Group of Shaping
The Future
and the
Great Yarmouth
Recommissioning
Partnership

sponsored by:



GAS TRANSITION
SECTOR COUNCIL

UK SNS: Flashback

What we said in 1999 about the next 30 years

- The Theme was getting the SNS fit for the next 30 years as change was needed: Common Operatorship, Recommissioning, Developing European Gas Market and the First Interconnector Being Operational for 6 months.
- The Challenge to remain economically efficient in the long term:
 - Rising Operating Costs
 - A Low Gas Price
 - Lots of Theoretical Reserves but Perceived Small Developments in 1999.
 - A Vehicle was Needed that will Attract Investment for the Opportunities

background



Shaping the Future - the Economic Strategy for Norfolk and Waveney identified the Offshore Sector as a **Key Sector** critical to the future economic development of the area. UKOOA - The Offshore Operators Association estimates that the offshore industry supports over 21,000 employees in East Anglia.

The Great Yarmouth Recommissioning Partnership was formed following a challenge to local business through a conference, workshop and Action Plan to recognise and exploit the opportunities afforded by the statutory requirement to remove fixed offshore structures in the Southern North Sea.

The Norfolk and Waveney Chamber of Commerce working within **The Enterprise Partnership** will facilitate this one-day conference which brings together the work of both groups. **AMEC Process and Energy, ARCO British, Phillips Petroleum and Shell U.K. Exploration and Production** are the major sponsors of the event.

objective

Energy production for the future will require radical new thinking. **Without compromising** health, safety and the natural environment the industry must embrace major strategic changes in its operating methods.

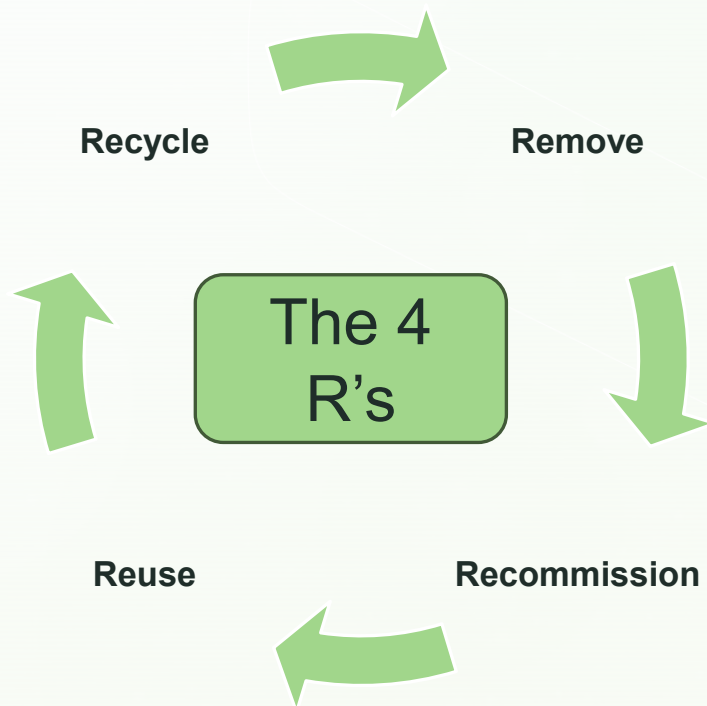
This conference is structured to give delegates the best possible briefing on the current thinking being developed in all aspects of management and operations in the Southern North Sea. The gas industry **must change** to remain sustainable.

This conference also seeks to address two future developments, which could provide new business opportunities. These are the development of a recommissioning industry and the development of complementary energy sources.

UK SNS: Flashback

What we said in 1999 about the next 30 years

RECOMMISSIONING IN THE 21st CENTURY



- A concept of reusing or repurposing the 150 UKSNS assets which were for seen to be removed over the next 30 years.
- Using the then 35 years SNS operations in the region to export skills and experience.
- The outer harbour in GY was not in place. The Recommissioning project was one of the drivers for the harbour.
- “This is no sunset for the gas industry, but more a sunrise for new industry as we move into the next century. A sunset or sunrise? It depends on your point of view.” John Best

John Best – The Enterprise Partnership
Mark Goodall – Kvaerner Oil and Gas
Chris Hacon – GY Recommissioning Partnership

UK SNS: 30 Years On

What Operators said in 1999 about the next 30 years



The Future of NUI's

- Focus on retrofitting / conversion of manned fixed platforms to NUI's
- Optimising purpose build old types
- Implementing new more efficient types
- NUI = Lower operating costs, improved safety and higher reliability

Eva Wasilewska
Operations Manager (NUIs)
BP AMOCO

"Energy production for the future will require **radical new thinking**. Without compromising on health, safety and the natural environment the industry must embrace major strategic changes in its operating techniques.

"I believe that there will be a gas business in East Anglia **for the next 250 years but it wont look like a gas business we have today**. To adapt the changes that will be required, we will have to make a fundamental change in the way we work. I believe that one of those fundamental changes will be common operatorship.

Chris Sleap
ARCO British Ltd.
Operations Manager

Shell's Future Strategy for the Southern North Sea was presented as Future Developments focused on:

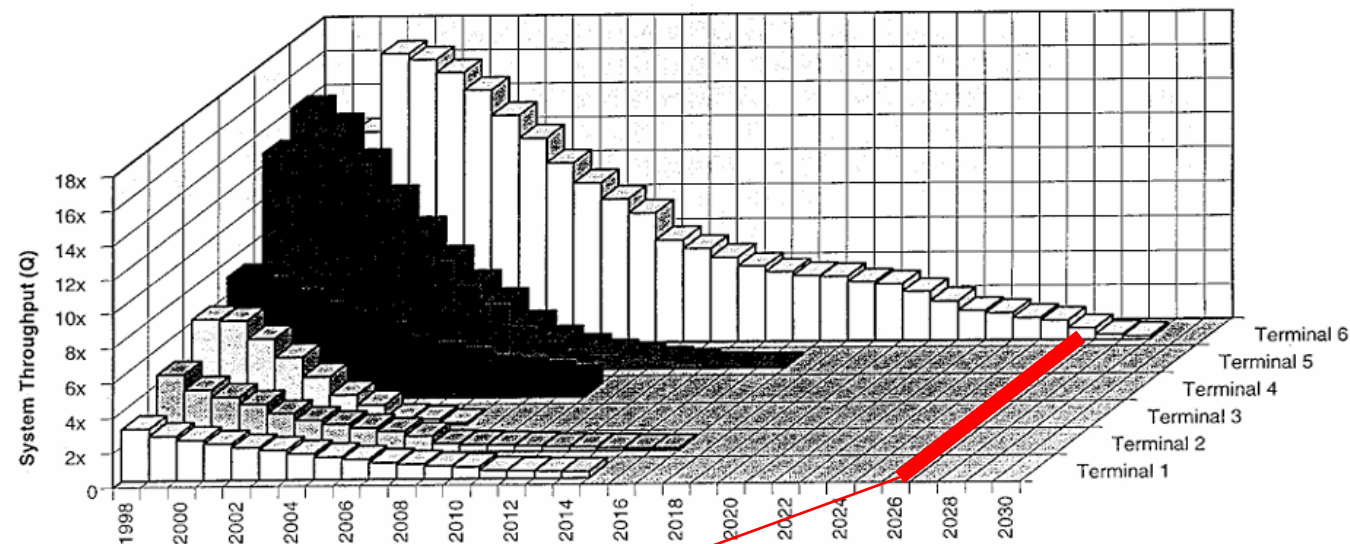
- Technology (Enablers)
- Supply and Demand (Clear growing demand)
- Sustainable Development (Gas as a cleaner fuel)

Lynda Armstrong
Head of Business Strategy
and Environment

UK SNS: 30 Years On

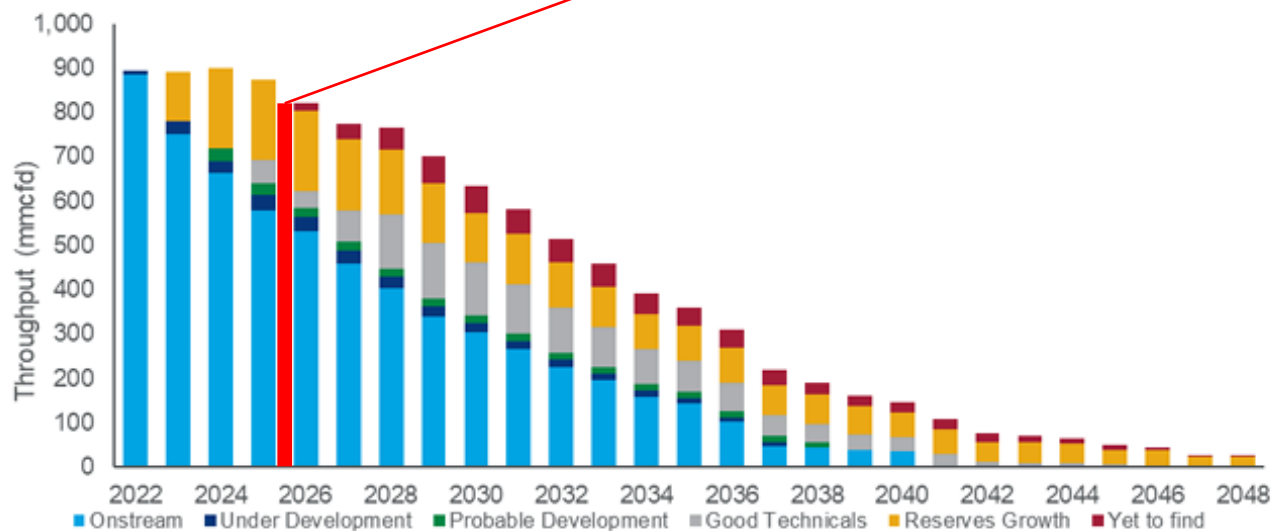
Gas Terminal: Throughput Projection 1998 – 2030

- Shell Bacton,
- BP Amoco Bacton,
- Phillips 66 Bacton,
- Conoco Theddlethorpe,
- BP Amoco Easington & Dimlington



Current Projections:

- Gas opportunities still exists and similar challenges in 1999 to overcome.
- SNS clusters have the ability to provide quicker production and the ability to provide a low carbon route for hydrocarbon production.
- EEE has availability of main feedstock for Transition Projects (natural gas, renewable energy and water)



Potential natural gas feedstock to Bacton (Source: Wood Mackenzie)

UK in a VUCA World

Oil and gas will be needed for decades as renewables and low-carbon fuels scale up

Volatility:

The nature and dynamics of change, and the nature and speed of change forces and change catalysts.

Uncertainty:

The lack of predictability, surprise, and the sense of awareness and understanding of issues and events.

Complexity:

The multiplex of forces, the confounding of issues and the chaos and confusion that surround an organisation.

Ambiguity:

The haziness of reality, the potential for misreads, and the mixed meanings, cause-and-effect confusion.



Energy security is national security. A strong UK all energy sector is essential to economic resilience.



UK now imports around 40% of its energy, driven largely by policy decisions.



Around 85% of UK homes still rely on gas for heating and hot water.



Transition of Energy and People - Mind the Gap!

Over 240,000 skilled jobs spread around the UK in support of industrial clusters activity



- Highly skilled careers that can drive economic growth and innovation.
- Track record over 60 years, has made the UK a global leader and supply chain built on oil and gas.
- On the current path, we are expected to produce less than 4 billion boe with a demand of 13-15 billion Boe, increasing reliance on imports.
- Without new, responsible developments, energy security and resilience are undermined.
- Ever increasing risk of a **deployment gap** with O&G jobs gone before Transition opportunities at scale mature.

Meet the panel



Hosted by: Alan Muirhead, Ithaca and Julian Manning, Paradigm



**Chris Smith
Perenco**



**Richard Sheppard
SEEL**



**Bart Smits
Petrogas**



**Enrique Cornejo
OEUK**

MIND — THE — GAP

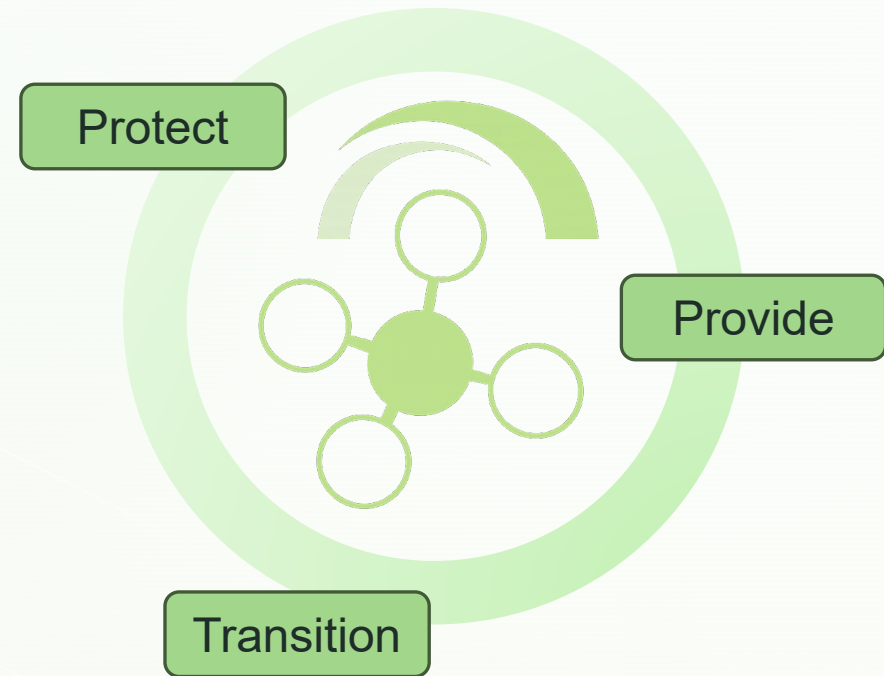


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UK SNS: The Gas Powerhouse

Gas Transition Sector Council: 2030 Outlook

- The 1999 SNS vision recognised that long-term economic survival would depend on radical operating change, collaboration and innovation to turn declining assets and volatile markets into a sustainable future opportunity.
- 30 years on we are still in a VUCA world where Energy Security is national security and needs a pragmatic approach to the energy transition.
- Secure future of transition by “Minding the Gap”; O&G is a strategic economic asset, protect jobs, provide foundation of transition growth & net zero.



Visit the GTSC Stand

Look at the Original Conference Pack and Papers





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EEEGR



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Lunch Break

