The EU internal dimension

- Strengthen the internal market
- Improve energy efficiency
- Stimulate investments in renewable energy
Key topics

• The future of gas

• EU gas challenges towards 2030

• Purpose
  – Offer input to 2010 Action plan
The future of gas

• Growing gas consumption - also in the mitigation scenario
  – Gas remains competitive
  – Significant reductions for oil and coal
  – Huge increase in renewable energy

• Even a “low carbon” future entails substantial challenges in bringing new gas to Europe

Source: JCR European Commission 2009
The upstream gas challenges

• Timing

• The industrial task

• The significant investments
Industry Lead times

Pre-Discovery (4 years)
- Lease sale assessment
- 3-D Seismic/Processing/ Evaluation
- Appraisal & Conceptual Studies

Discovery!
- Prospect award/purchase

Lead Time (10 years)
- Concept Selection
- Project Sanction
- Start-up

FEED/EIA
- Detail Eng./Construction/ Commissioning

Access to exploration acreage in 2010 ➔ Production capacity in 2020-25
Norwegian continental shelf

- Opened for petroleum activity
- Not opened for petroleum activity
- Activity limited to existing licences
- Exploration drilling in reservoirs not permitted between 1 March and 31 August
- No petroleum activity will start during the term of the present Parliament
- Assumed maximum extent of sedimentary rocks that may contain petroleum
Industrial challenges in Russia

- Present gas production complex
- Replenish declining production with Ob Taz Bay fields
- Develop Yamal reserves
- Extend UGS to Yamal
- Further development of Yamal/Kara Sea
- Increase export through new export options (pipelines and LNG)

How to prepare for these challenges?
Should the Task Force contribute?

- The challenges recognized?
- Consequences of “failure”
- How to contribute?