Do Integrated Energy Companies need Integrated Information Systems?

Bernard Seiller, Past Chair SPE OGRC
Integrated Energy Companies

- Will look at Business Needs, Financial Reporting and Communication
- Final Investment Decisions are taken at ExCom level
- Decision gates are similar between O&G, R&M and Renewable Projects
  - Project Pipeline with gates
- Economical criteria are specific to each type of projects
- An example: Hurdle Rates:
  - Marketing 15%
  - Renewable 10%
  - Integrated Gas 12%
  - Chemicals 12%
  - Upstream 18%
Financial Reporting

Today Reporting depending on Business and Stock Exchange requirements

O&G: Reserves are a requisite (DD&A based on Reserves)
  - Resources may be published

No Requirement (yet) to communicate on Renewable resources
Integrated companies communicate significantly on Renewable to the Investors and Stakeholders (including governments)
  - To show they walk the talk

No homogeneity in data presented
  - Upstream O&G: production and Reserves / resources
  - Renewables: capacity installed or to be installed
  - Sometimes forecast in PJ for the future
Suggestions for Way Forward
Or how to convince IECs to adopt UNFC

- Convince Stock Exchanges to require Global resources
  - UNFC would be the ideal tool (the only one covering the full range)
  - BUT… may need simplification (2D versus 3D, …)

- Define a Common Communication Standard
  - Capacity is different from future production
  - Standard of conversion of direct products into comparable Unit to be developed

- An Integrated Information System will be needed at Corporate Level
  - To ensure Integrated Communication (now) and Financial Reporting (eventually)

- UNFC/UNRMS needs to be expanded beyond just Resources volumes
  - Need iso LTP data (profiles, costs,…)

Thank you! Merci!

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