



# A better and balanced energy system for all

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## Introduction

Hello everyone.

Thank you, Jason.

And thank you, IADC.

For all the fantastic work you have done over the past 80 years.

And for what you continue to do for this sector.

It's great to be here today.

Just three days ago, I was working for a world leading solar company.

And now here I am, humbled to be leading a world class wells organisation, talking to all of you, the best in the business.

As energy transitions go, that's quite a big one!

But actually, I've spent most of my career in wells.

It's where I learned to cut my teeth at bp.

I've worked both offshore and onshore.

All around the world.

It's a great industry.

And a million miles away from the life I thought possible when I was growing up.

My earliest memories of energy and power were about not having enough of it.

I grew up in a small council house in a beautiful part of north Wales.

Well-paid work was hard to find, and we didn't have much money.

If we wanted gas and electricity, we had to top up our 'pay-as-you-go' cards at our local Spar shop.

Our 'gas and leccy cards' as they were known back then.

They looked like small blue paper tickets with values of £5 or £10.

We put one in our gas meter and one in the electric meter.

And they had countdown clocks.

The numbers would go down every time you used either your gas or electricity.

And when they got to zero, the lights would go out.

There would be no more hot water.

And no more heat.

We'd try as a family to ration the energy and power.

Try and make it last until somebody in the house got paid again.

But it wasn't easy.

And we weren't alone.

Many people - maybe some of you here today - lived this way too.

If you did, you'll understand how frustrating it was.

It taught me the importance of having access to energy.

And how much it costs.

And it's ultimately why I joined this industry.

I wanted to find solutions to energy challenges.

I was fascinated by engineering, science and exploration.

Mostly due to wanting to be an astronaut, truth be told.

But I realised they were skills that would be suited to the energy sector.

And so, I studied hard.

Got into Oxford to study physics.

And that's led me to where I am today.

But there's a bigger point to this story.

## Energy trilemma

This idea about where energy comes from.

And the cost of it.

This is something that everyone thinks about now.

Why?

The global energy system is more fragile than many people thought.

We saw that last year after Russia's invasion of Ukraine.

The sudden loss of even a relatively small amount of oil and gas caused havoc.

With skyrocketing energy prices, a cost-of-living crisis and fears about being able to keep the lights on.

It showed, more than ever, how important energy is.

And that, actually, the world wants three things from its energy.

It wants it to be secure, affordable and lower carbon.

This is what we might describe as the energy trilemma.

And solving it, we believe, needs two things to happen.

It needs a rapid investment in growing lower carbon energies.

Vital if the world is to reduce emissions and meet climate change objectives.

And.

It needs to ensure that transition is implemented orderly. that its fair.

And that requires investment in today's energy system, which is mostly oil and gas.

It's an and not or approach.

Invest in the energy transition.

And.

Invest in oil and gas.

## Why we need oil and gas

Now, as you know, some people in society question why the world needs oil and gas.

The simple truth is, we already don't have enough energy in the world.

I talked about my family's lack of energy when I was growing up.

But its much worse for many people around the world.

Today, almost a billion people don't have any access to energy.

If, like me, you believe access to energy is a human right, then this is a problem.

And stopping investment in oil and gas would mean a hugely disruptive energy shortfall for the world.

Not only today, but for many years to come.

We asked bp's economic team to run some numbers on this.

They estimate that the world currently uses around 100 million barrels of oil a day.

With no investment to offset reservoir decline, production falls to about 40 million barrels a day in 2030.

That's 35 million barrels fewer than the International Energy Agency (IEA) says the world needs in 2030.

And that is in the IEA's Net Zero scenario.

It's a similar story for gas – and we all saw what happened last year.

Russia's actions saw a drop of around 3% in global gas supplies.

And yet gas prices rocketed tenfold.

So, a balanced and better energy system must deliver on both counts.

Rapidly scaling low carbon.

And - not or.

Keeping energy flowing today through oil and gas.

## bp's plans

bp is helping to support this balanced approach to energy.

We are investing up to \$8 billion more by 2030 into what we call our transition growth engines.

Bioenergy, EV charging, convenience, hydrogen, renewables and power.

And we are matching that by investing up to \$8 billion more this decade in the energy system of today.

That's investment into oil and gas, to keep energy flowing where it is needed.

## What this means for wells

And on both these points...the energy transition...and keeping energy flowing to where it's needed.

This industry has a huge and exciting role to play.

Not only is the industry responsible for producing oil and gas.

But that energy will also help fund the transition to lower carbon energy.

And there are areas where we can all work together to get the best out of our industry.

First and foremost, we all have to keep improving safety.

Make sure everyone gets to go home to their families every day.

bp strives to be a leader in safety.

But that doesn't mean beating the competition.

Leading in safety is about making each other as safe as we can be.

Working together with rig contractors, operators and manufacturers.

To come up with solutions to safety challenges such as dropped objects and well control.

Using technology such as intelligent automation and red zone management to keep crews out of harm's way.

And improve the efficiency of the operations.

And when it comes to technology, we should be open to new ways of working.

Be drillers driven by digital.

Like at our Argos platform in the Gulf of Mexico, which features our digital twin software.

Linking complex data to a virtual replica of the platform, allowing operators to access and make decisions remotely and in real-time.

That reduces personal risk.

It increases efficiencies.

And it's also pretty damn cool.

And that's important because to attract the right talent, we need to feel like an exciting industry to work for.

I don't believe any other industry works with both mother nature and technology like we do.

So, if we achieve all that I just set out, then we have a brilliant future ahead.

## Conclusion

This industry provided me with a bright future.

It can continue to do the same for many people.

Those who work in it.

And those who depend on the energy from it.

We should therefore feel proud of what we do.

I am proud to work in this industry.

Just as I was proud to work in solar.

I now have two children of my own.

Girls aged eleven and eight.

I'd be equally proud of them if they worked on a rig or in solar.

There is a bright future for both.

Many types of energy are needed to provide the secure, affordable and lower carbon energy the world wants and needs.

And that can only happen with the wells industry playing an active role.

So, I am delighted to be back in wells.

I'm excited for the future.

And I, and bp, look forward to working with you all to help create a better, more balanced energy system for all.

Thank you.