

# Competitive Subsea Developments in a Transitioning Energy Landscape

David O'Connor, Head of global projects, Upstream, BP

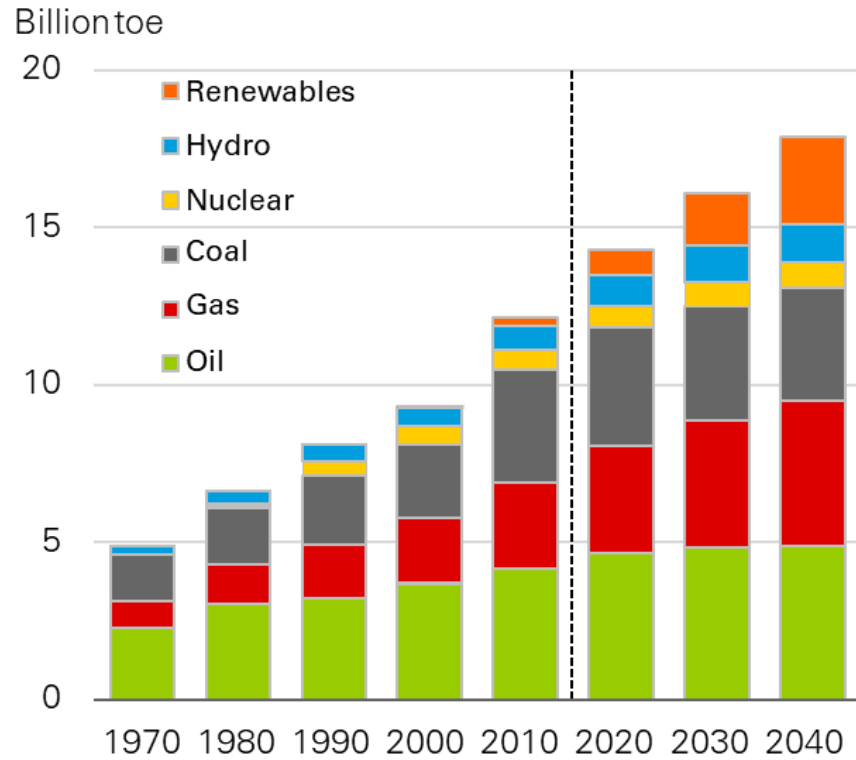


# The dual challenge

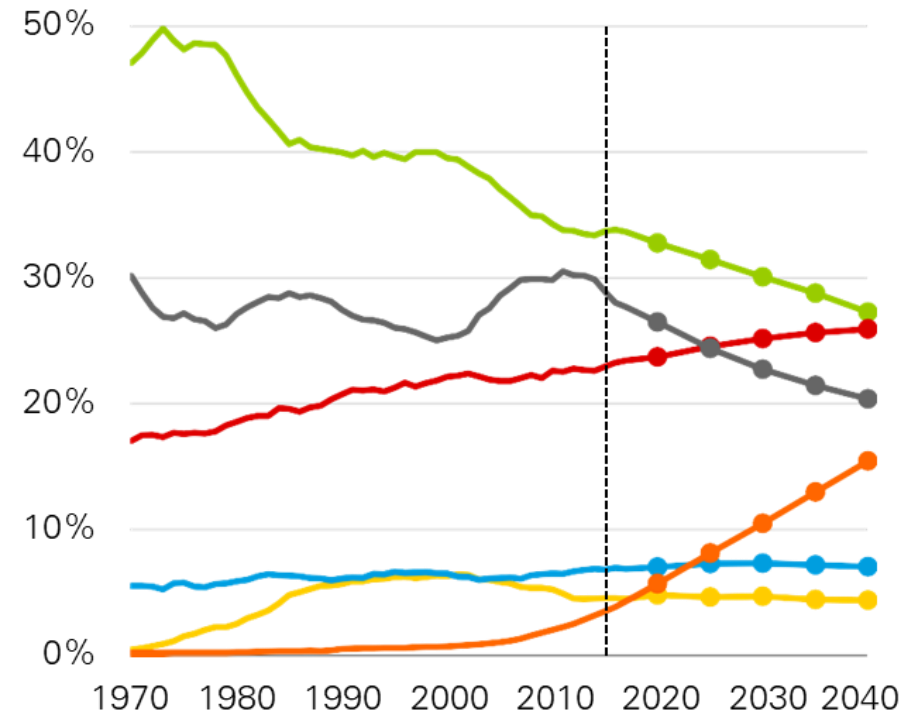


# Global energy by fuel type

Primary energy consumption by fuel



Shares of primary energy

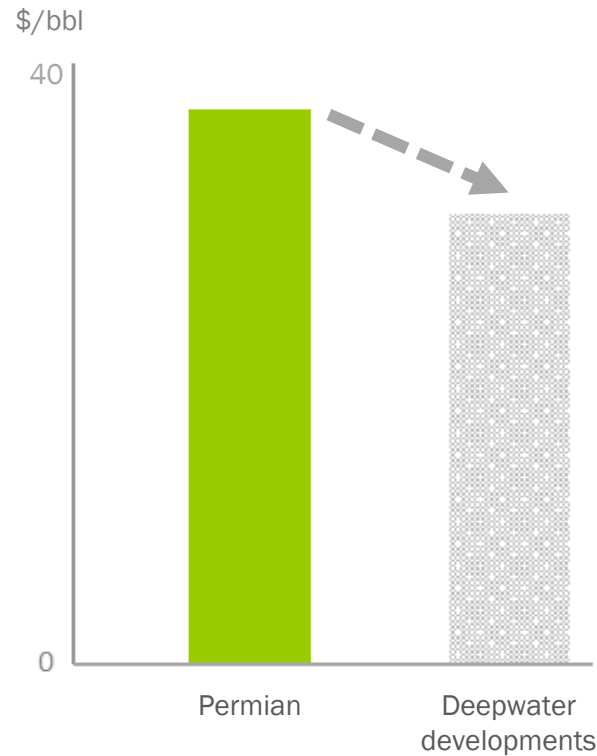


2019 BP Energy Outlook  
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# Subsea vs. onshore

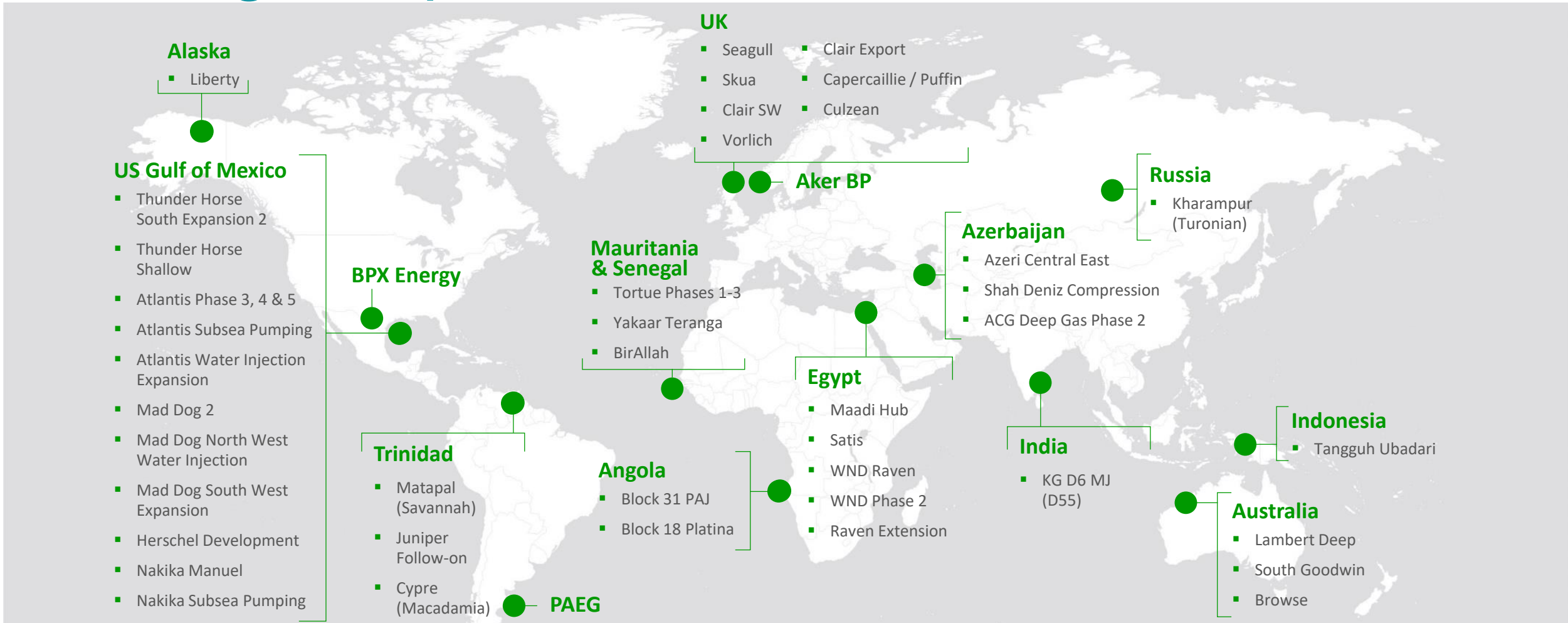
- Onshore wells like those in the Permian are prized with competitive breakeven pricing
- Deepwater developments are inherently riskier and capital intensive but provide larger volumes compared to onshore
- Investments can only remain competitive with continued innovation, simplification and standardization

Average breakeven oil price



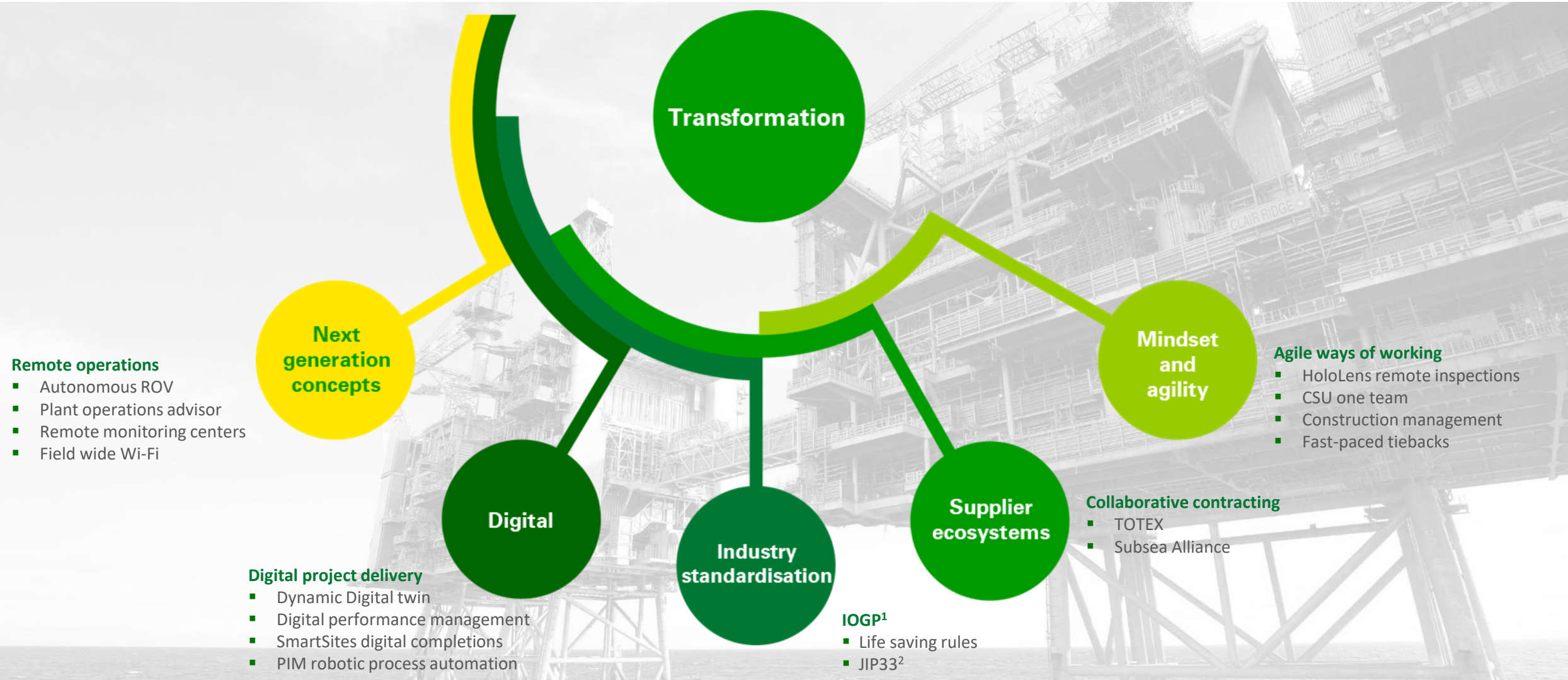
Source: 2018 Bloomberg New Energy Finance

# BP future growth options



Over 90% of our future projects have a material subsea scope

# Modernize and transform to continue to compete



# Closing

- Demand for energy continues to grow
- Advantaged oil and gas are still a part of that supply
- Deepwater and subsea developments need to compete to succeed
- Modernizing and transforming how we do our subsea business can create advantages

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