Who we are

RISC is a truly independent advisory firm. We provide impartial advice to a broad range of clients in the oil and gas industry, enabling them to make their business decisions with confidence.

We work in partnership with our clients to support their interests in the oil and gas industry, offering a broad and innovative perspective on oil and gas projects around the world.

- We have many years of practical experience.
- We provide insightful views on technical, commercial and strategic issues.
- We help our clients understand the uncertainties and risks associated with the oil and gas industry.
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Martin Wilkes M.Eng. C.Eng. C.Env. M.I.ChemE.
As a home owner Solar Power is one of the best investments you can make in WA...
Solar Panel example Rates of Return on investment

Comparison of Return on investment over Time

- New NPV10
- New NPV5
- Old NPV10
- Old NPV5
- On Mortgage NPV10
- On Mortgage NPV5

IRR
- Old Feed in 9%
- Current 20%
- Financed 180%
But renewables are not the panacea for power generation

Notional Daily Demand

- Demand
- Coal
- Gas
- VRES

Power required, %age of daily maximum
2016 Domgas Market Study Summary

- No driver for significant demand growth in the WA domestic market
  - Opportunity for new supplies due as NWS project declines
- A contractual supply gap post 2020
  - Plenty of gas to fill the gap
- Heavily influenced by LNG
- Prices anticipated in the range $5-8/GJ

Significant changes since 2016

- Woodside
  - Scarborough via expanded Pluto
  - Pluto domgas 10-25TJ/d plus LNG trucking
  - Browse to NWS KGP
  - WEL Pluto – NWS interconnect pipeline
  - GSA with Perdaman Group for 125TJ/day
- Chevron
  - Clio/Acme gas via Scarborough and interconnect to NWS KGP
  - Gorgon Phase 2 includes the 2nd domgas train
- Santos
  - Quadrant Energy acquisition ~40% of WA domgas market
- Beach take out Origin (Lattice) and Mitsui take out AWE
  - Waitsia 2 development delay
- Western Gas acquired the Equus from Hess
  - Initial domgas focus, but now LNG?
Domgas is well supplied – existing suppliers and future projects

- If anticipated projects proceed there is excess supply capacity
  - Downward pressure on prices
  - New domgas demand stimulated
Domgas market in Context

- WA Gas production is ~8 times the size of the Domgas market
- LNG Export projects have years of remaining reserves.
  - NWS is 30 years old, has another 20 to go.
  - Gorgon, Wheatstone, Scarborough, Browse likely to be producing beyond 2060
- Ullage in NWS LNG facilities in early 2020’s
The Global LNG Market has changed...is LNG a commodity?

Sources: GIIGNL, BP and Shell
Changes in export and import countries....

![Map showing changes in FLNG exporters and importers in 2000.](image-url)
Changes in export and import countries....

2020 (projected)

- **FLNG Exporter**
- **FLNG Importer**
- **FLNG Importer & Exporter**