

Unpacking the UK's CCUS ambitions





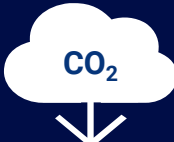

Mhairidh Evans, Wood Mackenzie

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UK energy investment in the 2020s will be huge – and unrecognisable from before

Sector	New upstream developments	Upstream decommissioning	Upstream electrification	Offshore wind developments	CCUS	Hydrogen production
						
No. of projects in the pipeline	40	138	6	76	44	47
Capital spend to 2030	£23 billion	£14 billion	£5 billion	£60 billion	£37 billion	£33 billion

Source: Wood Mackenzie Lens Upstream, Lens Power and Energy Transition Service

Notes: Project pipeline = all visible pre-FID projects, unrisken view. Decomm. = number of fields expected to start ABEX before 2030. Capital spend = Wood Mackenzie estimates. CCUS = capture projects and transport and storage, excludes DAC and blue hydrogen. Hydrogen = low carbon (green and blue) production projects and spend only. Blue hydrogen includes associated CCS spend. Spend for offshore wind based on expected capacity build, CCUS and hydrogen based on 2030 pipelines,

Is the UK a good place to build a business in CCUS?

Ingredients of a successful CCUS market

CO₂ emissions: capturable, long-life, of scale, ideally clustered together



CO₂ destinations: accessible storage hubs and/or commercial use cases



Government position: ambitious net-zero goals, supportive CCUS policy, robust regulation



Industry position: corporate collaboration and a strong supply chain



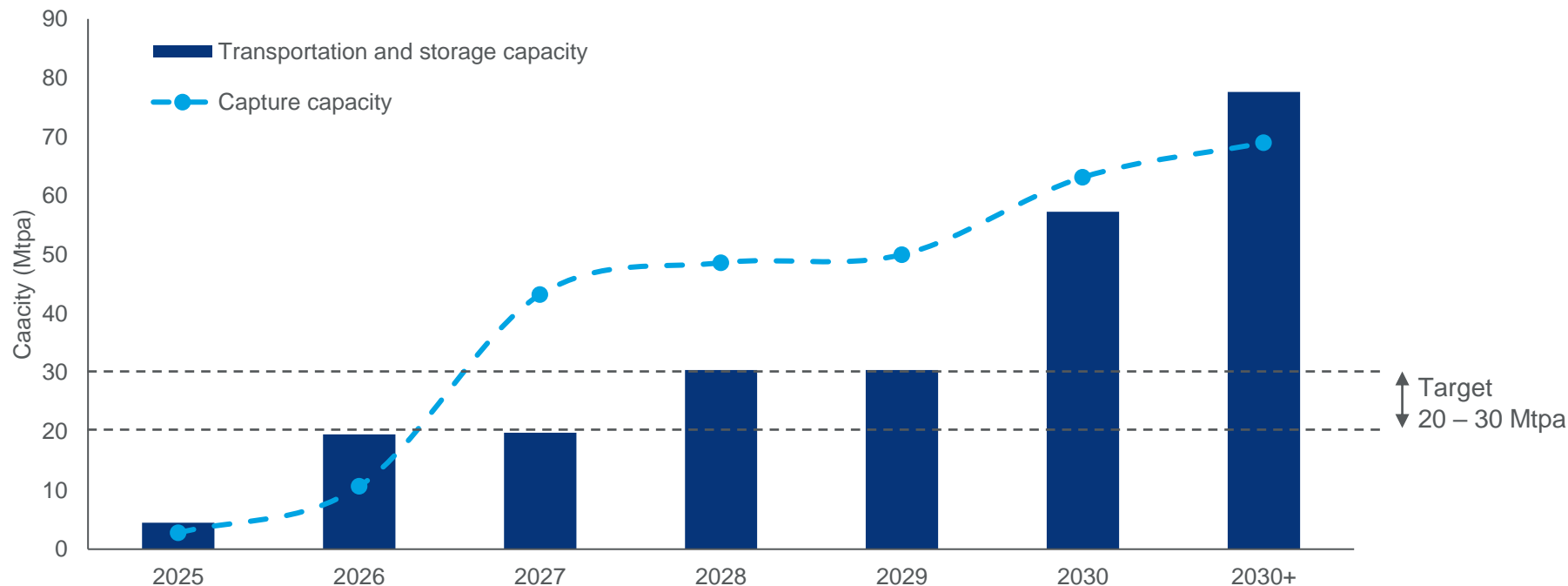
Cost competitiveness: for industry, consumer and taxpayer



CCUS ambitions are high – and will need to be carefully managed

Industry faces a CCUS execution problem, with more demand than projected supply in the 2020s

Announced UK CO₂ transport and storage capacity vs. capture capacity from known UK hub-users



To sum up...

Investment surge

Future energy spend profile looks very different from before – including CCUS and new energies

UK benchmarks well

UK will be one of the leading CCUS countries in the 2020s

Execution pace

Hurdles to overcome in creating the market at the right pace to avoid execution issues



Mhairidh Evans

Head of CCUS Research

Biography

Mhairidh provides insight and strategic analysis to companies looking to understand opportunities in emerging energy transition technologies.

Her specialism is in carbon capture, utilisation and storage and she leads Wood Mackenzie's global research on the topic. Mhairidh and her team provide intelligence on the CCUS landscape to project developers, technology providers, investors and governments. Her work includes cost assessments, economic modelling, market and policy tracking.

Mhairidh previously spent seven years as a lead analyst in Wood Mackenzie's upstream oil and gas division, focusing on the offshore supply chain and the North Sea region. She is an alumni of Scotland's Future Industry Leaders Programme and enjoys engaging with the wider industry.

Before joining Wood Mackenzie in 2014, Mhairidh started her career in the subsea oil and gas sector with various roles in commercial and project management.

Mhairidh holds a BEng(Hons) in Biochemical Engineering from University College London and an MSc from the University of Strathclyde Business School.



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- Acquired Genscape, MAKE and Greentech Media (GTM)
- Leaders in the energy transition and cross-commodities
- Over 600 sector-dedicated analysts and consultants globally
- Located close to customers and industry contacts



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