PARTNERSHIP NEWS

GREATER HOUSTON PARTNERSHIP

Accenture presents at first Partnership Energy Council of 2015

The Partnership held its first 2015 Energy Council on April 28 in the Partnership board room. Partnership Vice President of Communications Clint Pasche welcomed Council speakers James Bogues and Ben Carey, both Managing Directors at Accenture. They discussed how U.S. exploration and production companies can reduce their cost base while maintaining or improving asset reliability, integrity, and safety to navigate the crude oil cycle.

"Amid volatile oil prices, exploration and production companies are facing strong headwinds," said Bogues. "Learning from past cycles, it is likely the leaders will position themselves to win not by slashing costs across the board but by finding judicious ways to maximize production while bending down the cost curve."

The speakers outlined 10 strategic actions (below) for US exploration and production energy companies, including turning core suppliers into business partners and harvesting data to improve production. Overall, they emphasized strategic cost reduction versus a slash-and-burn approach.

Despite current price volatility, the speakers maintain that North America has still "won the lottery." Bogues described the current energy landscape as a great opportunity for those who will emerge stronger.

1. Turn core suppliers into business partners
2. Obtain more favorable terms with non-core suppliers.
3. Maximize capital efficiency through workovers and targeted investments.
4. Flex your acquisition muscle.
5. Harvest data to improve production.
6. Make scale a genuine advantage.
7. Restructure functional operating models for long-term advantage.
8. Modify headcount with a scalpel, not an axe.
9. Upgrade your planning processes.
10. Zero in on value.