

# Accenture Services for the Gas Industry

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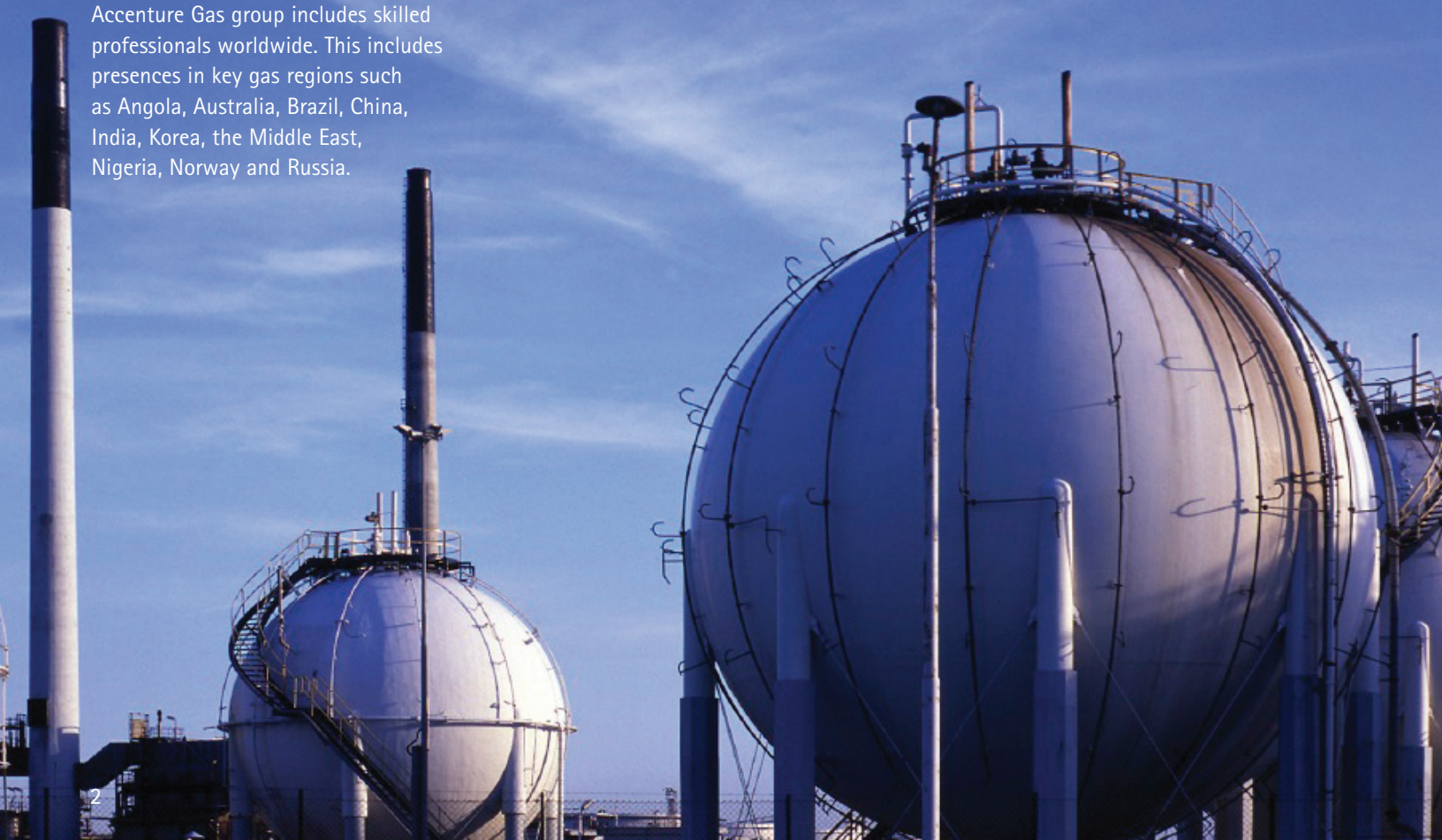


• Consulting • Technology • Outsourcing

The global gas industry is at an inflection point. Dynamics such as market drivers, advancing technologies and regulatory policies are forcing gas companies to adjust operating models to meet the new realities. The fact that gas is likely bound for more growth than oil and coal in the next decade illustrates the importance of strategic maneuvers to capture growth opportunities.

### **Did you know?**

To support natural gas clients, the Accenture Gas group includes skilled professionals worldwide. This includes presences in key gas regions such as Angola, Australia, Brazil, China, India, Korea, the Middle East, Nigeria, Norway and Russia.



# At Accenture, we see three key drivers changing the future of the energy system and shaping the business environment:

## Market

Consensus estimates indicate that gas demand will grow anywhere from 4 to 28 percent in the next 10 years, representing between 20 to 26 percent of the global energy mix. Supermajors are demonstrating through acquisition activity that gas is clearly part of their long-term future. Adding to the competition, a number of national oil companies (NOCs) are building significant positions in sectors like liquefied natural gas (LNG) and using gas to enter new markets around the world.

As a result of heightened interest in gas, significant investments are being made in the development of the LNG infrastructure which will provide new gas to the global market in 2015 and beyond. Although, we have seen that the capital-intensive nature of infrastructure investments is forcing the industry to use more joint venture and other partnering approaches, which adds a complicating element to operating models and governance.

Along with the LNG developments, the growth of pipeline networks will likely increase opportunities for greater market liquidity and interregional connectivity between the European, North American and Asia-Pacific gas markets. However, due to fundamental differences between the three key regional markets, the creation of a “truly global gas market,” functioning in a similar manner to the international crude market within the next decade remains unlikely.

Commercially, taking advantage of pricing differentials across different markets requires companies to constantly evaluate optimal ways to match supply and demand within their asset portfolios. Additionally, as companies seek to market and trade LNG cargoes or sell gas to end consumers in new markets, they are challenged to enhance trading and risk management capabilities.

## Technology

In the United States, hydraulic fracturing and lower-cost horizontal drilling have driven a revolution in shale gas production. As the country continues to have an abundance of potential reserves (or “sweet spots”), the continuing progress of these new technologies has launched shale gas as an increasingly important source of natural gas.

The technological experience gained in the United States is transmitting to other regions, as other countries now seek to tap their own unconventional reserves. As a result, the potential for shale gas development in China, Continental Europe and Africa could provide further competition for LNG supplies.

Other technologies, such as floating liquefaction platforms (FLNG), could also enable the development of remote offshore resources economically. One supermajor, for example, has announced the development of an FLNG unit, built without a dedicated field. Hence, it may work as a harvester of associated gas or on smaller fields in sequence.

## Policy

As concern around the environmental impact of hydrocarbon energy sources continues, the industry is experiencing a volatile policy landscape. Policymakers continue to be focused on making the shift to a low-carbon economy and, among the fossil fuels, natural gas has the lowest carbon intensity and is being positioned by some as a “bridge” to a low-carbon future.

Nevertheless, the regulatory environment is an ongoing challenge for any player in the gas market, particularly those with multinational interests whose business spans the gas industry value chain. Legislative and regulatory frameworks are largely regionalized. In addition, present legislation is only applicable to specific elements of the value chain—such as extraction, transmission and storage—leading to increased complexities for international gas and LNG players when navigating the entire regulatory landscape.

## Did you know?

Accenture spent approximately \$400 million on research and development in fiscal year 2010.

## Accenture can help

Gas companies, pipeline operators and LNG companies are challenged with identifying growth opportunities and strategizing changes to operating models within this dynamic new business environment. Accenture, via our suite of gas and LNG-specific offerings, is well-positioned to help clients overcome these challenges.

We draw on our deep industry experience to help executives develop innovative strategies, design and execute business processes, get the most out of information technology and maximize the talents of their people to support organization objectives.

In addition, Accenture has resources to provide a holistic view of the gas value chain—and is thereby able to assist and guide our clients in optimizing their value chains.

### Did you know?

Through innovative thinking and cutting-edge research, the Accenture Energy industry group helps our clients understand the energy industry landscape—what it looks like, what the future will look like and what they need to do to succeed.

A sample of our industry research and perspective papers includes:

- Understanding the Future Energy System.
- Charting Energy's Future to 2015—Achieving High Performance in the Future Energy Landscape.
- Review of Carbon Accounting and Reporting in the Oil and Gas Industry.



**Did you know?**

Accenture's clients span the full range of industries around the world and include more than three-quarters of the *Fortune* Global 500.

# Accenture services for the gas industry

The Accenture Gas group consists of 100 experienced professionals around the globe who offer a solid foundation of services for the gas industry:

## Gas business strategies

At Accenture, we guide our clients from strategy to execution. We conduct market analysis and team with gas companies to assess their operations. We evaluate the findings and formulate strategies for enterprise transformation, organization design, operating model design or benchmarking. Our evaluations can help gas companies optimize their asset portfolio and implement market-entry strategies necessary to link their producing asset to the end market.

## Gas operating model and business process design

Process excellence is a key success factor for high performance. The Accenture Business Process Model program for Energy provides a gas-specific business process model. We also help design and implement the commercial capabilities necessary for natural gas and LNG business operations, taking into consideration process, technology, governance and people aspects of the business. The scope of project activities includes all areas of the gas and LNG value chain from gas processing and liquefaction through regasification, pipeline transportation and marketing.

## Gas asset operations

Drawing on Accenture's experience around the world in energy asset operations, we apply leading approaches that optimize processing, liquefaction and regasification plant and pipeline operations. We have developed Accenture Plant and Automation Solutions, a suite of offerings that takes a holistic and strategic approach to investments and operations. This offering includes differentiated assets that draw on our knowledge of emerging technologies such as predictive analysis, real-time plant operations and intelligent field devices, including our "intelligent pipeline" offering. Our assets relevant to gas pipelines include predictive analytics for pipelines, and tools for health, safety and environment assessment.

## Gas trading, marketing and risk management

Accenture offers commodity trading and risk management services that include implementation of systems, middleware and data architectures—to help market participants improve the efficiency and the controls of their trading businesses. Our commodity trading and risk management services and assets help lower risk and accelerate the delivery of trading systems.

## Gas enterprise systems implementation

Accenture is a leading implementer of enterprise software, delivering projects that range from straightforward technical implementations to enterprisewide transformational change initiatives. The Accenture Advanced Enterprise Solution is a preconfigured SAP solution that uses leading practices, building blocks and implementation accelerators to provide flexible, predictable, high-quality implementations, reducing implementation time by as much as 50 percent.

## Outsourcing services

Accenture's worldwide network of outsourcing delivery centers enables us to bring quality, continuity, predictability and consistency to gas value chain processes. Through our application outsourcing services, we address technology, strategic alignment, integration, business processes and human performance to help companies create IT organizations that can control costs while keeping up with rapidly changing technologies. Our business process outsourcing offerings focus on processes such as finance and accounting, supply chain management, human resources and procurement, delivering high performance with measurable results.

## Did you know?

All of Accenture's top 100 clients in fiscal year 2010 have been clients for at least five years, and 92 have been clients for at least 10 years.

# Achieving high performance in the gas industry

The Accenture Gas group is part of the Accenture Energy industry group, which serves more than 150 energy clients globally, including major international, independent and national oil companies and midstream companies.

Additionally, our work with the gas industry is supported by insights gained from Accenture's High Performance Business research. This ongoing research looks at the nature of high performance, and the approaches and actions that businesses take to achieve high performance.

As your company addresses challenges and seizes emerging opportunities, we think in terms of helping clients become high-performance businesses—that can deliver sustained results and outperform peers over the long term, across business and economic cycles.

## Did you know?

Three Accenture nominees have been selected as chairs or panelists for the 20th World Petroleum Congress in Doha, Qatar (December 2011).

## Contact us

To learn how Accenture's global gas offerings can help market participants on their journey to high performance, contact:

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## About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with more than 215,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US\$21.6 billion for the fiscal year ended Aug. 31, 2010. Its home page is [www.accenture.com](http://www.accenture.com).

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