INNHOLD

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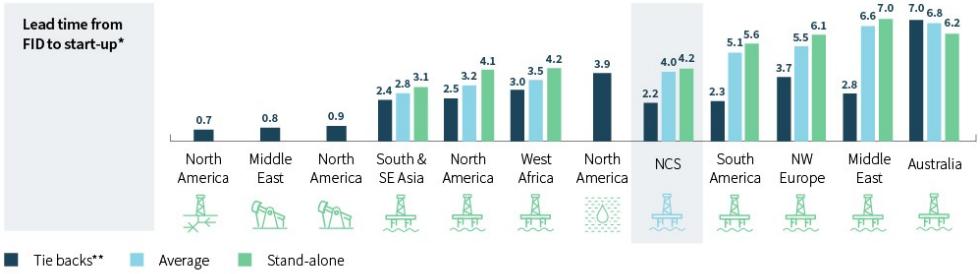
Reduction of lead time increasingly important

The lead time, measured as time from investment decision to production starts, is an increasingly important parameter when sanctioning new investments. Shorter lead times reduce uncertainties related to product prices, costs for emitting GHG gases, and policy development.

Onshore developments within conventional and shale stand out as the projects with the lowest lead times. The NCS is on the average compared to other offshore provinces on this metric. However, tie-backs to hubs, which is a very important field development solution on the NCS, compare very favorable to other offshore regions.

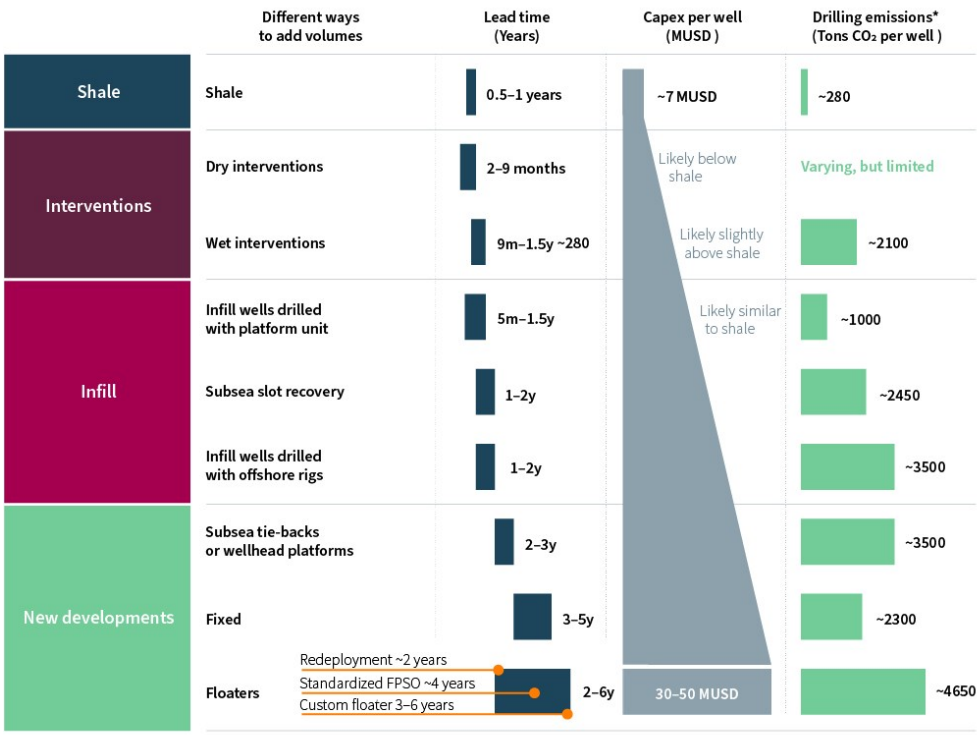
Figure 39. Lead times from investment decision to production start-up for O&G regions (Rystad Energy, 2021)



** Lead time from FID to production start-up. Fields with start-up from 2015 – 2020 are included. Error margin of +/- 0.5 years. Weighted average*
*** Tie-backs includes subsea tiebacks, wellhead platforms and extended reach.*

Some field development methods on the NCS offer lead times that are at par with the best industry performance. Well interventions and infill wells are examples that provide volumes with lead times ranging from months to less than 2 years.

Figure 40. Some field development methods provide competitive volumes at low cost and with short lead times (Rystad Energy, 2021)



When considering new technology, the ability of the new technology to reduce lead time and accelerate production should be included.

→Forrige side
→Neste side