# **Energy Area Plan Collaboration**



#### **Project Value**

CAPEX >£500M CO<sub>2</sub>e Reduction 1,000,000te (1G te)

#### **Project Scope**

Spirit Energy is maturing plans for the conversion of its Morecambe Bay gas hub into a net zero cluster of national scale and importance. At its peak, the Morecambe Bay gas hub supplied 10% of domestic gas demand and played a big part in the UK's conversion from coal to gas. Today, the hub can still heat 1 million homes but is expected to reach the end of its gas production life in the mid-to-late 2020s.

The Spirit Energy team is working hard to ensure that the hub goes on to fulfil its potential as a very large carbon store. The capacity of the depleted South Morecambe and North Morecambe gas fields has been estimated at a massive 1 gigaton of CO<sub>2</sub> and the hub infrastructure includes offshore platforms, pipelines, and an onshore terminal and associated connection to the National Transmission System – all of which have reuse potential in a net zero future. The hub is located in an area with a diverse mix of energy producers and there are several adjacent opportunities which may integrate around carbon storage and blue hydrogen manufacture.

The opportunities under consideration expand well beyond that of a typical E&P operation and involve multiple area participants. Collaboration and integration with area stakeholders is essential to realising this opportunity, which would be strategic on a UK scale and hugely important to the area around Barrow-in-Furness in Cumbria.

### **Morecambe Hub**



Near large centres of population & industry



Existing infrastructure



Skilled workforce

World scale reservoirs



Proximity to renewable power



End of field life aligned to emerging opportunities

## **Opportunities**

Carbon capture & storage

Blue hydrogen manufacture

Integration of renewable and nuclear power generation

Green hydrogen

Hydrogen storage

LNG import

E-Fuels

#### **Good Practice:**

Morecambe Hub, operated by Spirit Energy, has started its net zero journey. We are working to align the ambitions of multiple area participants, with varying business objectives, to create an investable and sustainable net zero cluster centred around Barrow-in- Furness and the Morecambe Bay gas fields in the East Irish Sea.

Care - we have a long association with the Barrow area and we care about its future.

**Collaboration** – Spirit Energy has actively worked with diverse area participants, freely sharing data, decommissioning plans, and technical insight.

**Delivery** – Our team is able to respond in a timely manner and sustain channels of communication with multiple organisations.

**Proactivity** – Morecambe Hub has the potential to be a net zero hub of national importance with significant regional benefits. We have proactively engaged with local stakeholders to share our vision, understand the regional picture and gain support.

**Agility** – The energy transition is new territory with different business models and different players. Spirit Energy has set aside preconceptions and is open to unconventional ideas and opportunities.

Maintaining the above behaviours requires buy-in at all levels of every party involved, to align varying business objectives towards a common goal of making Morecambe Hub's net-zero ambitions a reality.

Asset Stewardship Task Force 1 of 1