



TotalEnergies E&P UK

Darren Jones MP
Chair
Business Energy & Industrial Strategy Committee
House of Commons
London
SW1A 0AA

19th December 2022

Dear Mr Jones,

Evidence for the inquiry on The Decarbonisation of Power Sector

Thank you for your letter dated 29th November, addressed to Mr Dave Cranfield our General Manager for TotalEnergies Gas & Power, which is one of the leading energy suppliers to industrial, commercial, and business customers within the UK.

However, I write as the Managing Director of TotalEnergies E&P UK Limited, and UK Country Chair.

In your letter you asked a number of questions, the answers to some of which are confidential and commercially sensitive, and so I have dealt with them separately. On the following questions (copied in italics), I have provided answers immediately below them:

- *The International Energy Agency has said that if the world is to get on a net zero pathway, beyond projects already committed as of 2021, there is no need for new oil and gas fields. Do you accept this, and if so, will Total Energies be following the IEA's recommended pathway?*

Our analysis of the IEA's NZE (Net Zero Emissions) by 2050 scenario, which aims at limiting global warming to below +1.5° in 2100 compared to the pre-industrial era with no or limited overshoot, can be found in our Sustainability & Climate 2022 Progress Report (March 2022), page 08-09 accessed from the following link:
[Sustainability Climate 2022 Progress Report EN 0.pdf \(totalenergies.com\)](#).

Whilst we share the "normative" scenario's vision for the energy mix in 2050, the trajectory mapped out for demand between 2020 and 2030 does not reflect current trends. You will find at this link [TotalEnergies Energy Outlook 2022](#) a presentation on the Company's Energy Outlook scenarios.

TotalEnergies has produced a clear picture of what an energy transition leader would look like, and what can be achieved together with society inspired by the IEA's Net Zero vision for 2050.

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In line with that vision for 2050;

- Around half of the energy produced by TotalEnergies in 2050 would be renewable electricity with corresponding storage capacity, or around 500 TWh/year. This would require developing around 400 GW of renewable capacity.
- Decarbonized molecules would account for around 25% of the energy produced by TotalEnergies, equivalent to 50 Mt/year, in the form of biogas, hydrogen, or synthetic liquid fuels from the following circular reaction: $H_2 + CO_2 \rightarrow \text{"e-fuels"}$.
- TotalEnergies would produce around 1 Mb/d of hydrocarbons (or close to four times less than in 2030, in line with the reduction outlined in the IEA's Net Zero vision) made up primarily of liquefied natural gas (around 0.7 Mb/d, i.e., 25 to 30 Mt/y).

Very low-cost oil would account for the rest of the Company's energy mix. This oil would be used, in particular, by the petrochemicals industry to produce around 10 Mt/year of polymers – of which two-thirds from the circular economy. These hydrocarbons would represent around 10 Mt CO₂e/year of residual Scope 1 emissions, including methane emissions close to zero (below 0.1 Mt CO₂e/year), which would be fully offset by nature-based carbon sink solutions. The Company will spend the next 10 years building the projects and skills needed to make TotalEnergies a net zero energy company by 2050, together with society.

This vision expresses an outcome TotalEnergies considers achievable, however the means to deployment do not depend solely on TotalEnergies. Achievement of the vision will depend on the investment climate, consumer behavior, along with the competitive and regulatory environment as we move forward to 2050.

- *Former COP26 President, the Rt Hon. Alok Sharma MP, called on oil and gas companies to set out their plans to invest in renewables quarterly to ensure adequate scrutiny. Will TotalEnergies publish this information quarterly going forward?*

TotalEnergies reports quarterly on its investments in renewable energy generation. The table in the appendix attached is taken from the published results for the third quarter of this year.

I trust that this answers your questions satisfactorily.

Yours sincerely,

Jean-Luc GUIZIOU Digitally signed by Jean-Luc
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Date: 2022.12.17 17:38:43 +01'00'

Jean-Luc Guiziou

Managing Director & UK Country Chair

3Q22	2Q22	3Q21	3Q22 vs 3Q21	Electricity & Renewables	9M22	9M21	9M22 vs 9M21
67.8	50.7	42.7	+59%	Portfolio of renewable power generation gross capacity (GW) ^{(1),(2),(3)}	67.8	42.7	+59%
16.0	11.6	9.5	+68%	o/w installed capacity	16.0	9.5	+68%
5.4	5.2	6.1	-11%	o/w capacity in construction	5.4	6.1	-11%
46.4	33.9	27.1	+71%	o/w capacity in development	46.4	27.1	+71%
33.9	26.8	26.6	+28%	Gross renewables capacity with PPA (GW) ^{(1),(2),(3)}	33.9	26.6	+28%
45.2	38.4	31.7	+43%	Portfolio of renewable power generation net capacity (GW) ^{(1),(3)}	45.2	31.7	+43%
7.4	5.8	4.7	+59%	o/w installed capacity	7.4	4.7	+59%
3.5	3.7	4.0	-12%	o/w capacity in construction	3.5	4.0	-12%
34.2	28.9	23.0	+49%	o/w capacity in development	34.2	23.0	+49%
8.5	7.7	4.7	+79%	Net power production (TWh) ⁽⁴⁾	23.7	14.5	+64%
2.4	2.5	1.7	+42%	incl. power production from renewables	7.1	4.9	+45%
6.3	6.2	6.0	+5%	Clients power - BtB and BtC (Million) ⁽³⁾	6.3	6.0	+5%
2.8	2.7	2.7	+1%	Clients gas - BtB and BtC (Million) ⁽³⁾	2.8	2.7	+1%
12.1	12.3	11.7	+3%	Sales power - BtB and BtC (TWh)	40.7	40.5	+1%
14.2	19.1	13.2	+7%	Sales gas - BtB and BtC (TWh)	68.3	70.0	-3%
460	462	291	+58%	Proportional adjusted EBITDA Electricity & Renewables (M\$) ⁽⁵⁾	1,097	946	+16%
120	131	104	+15%	incl. from renewables business	341	334	+2%

⁽¹⁾ Includes 20% of Adani Green Energy Ltd's gross capacity effective first quarter 2021.

⁽²⁾ Includes 50% of Clearway Energy Group's gross capacity effective third quarter 2022.

⁽³⁾ End of period data.

⁽⁴⁾ Solar, wind, biogas, hydroelectric and combined-cycle gas turbine (CCGT) plants.

⁽⁵⁾ TotalEnergies share (% interest) of EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) in Electricity & Renewables affiliates, regardless of consolidation method.