

PROJECT BRITANNIA

Investor Pitch Deck

Turning North Sea Liabilities into Long-Life Energy Assets

A Decommissioning Liability Offset Platform

Concept by David Waugh – Retired UK Gas Engineer

Slide 1: Investment Thesis in One Sentence

Decommissioning costs are sunk; Britannia turns them into revenue.

- UKCS operators face £40-80bn decommissioning liabilities, with ~470 UK platforms and ~1,500 total offshore installations/structures.
- Britannia converts selected late-life platforms into nuclear-powered hydrogen and oxygen plants, creating income-generating assets instead of scrap.

Slide 2: The Problem: Decommissioning is a Pure Cost

Facts (conservative wording):

- NSTA and government estimates: UK decommissioning costs in the tens of billions of pounds over coming decades.
- Many platforms are structurally sound but no longer economically viable for oil & gas.
- OSPAR Decision 98/3 sets a presumption in favour of full removal of offshore installations, but its framework includes defined derogation routes for certain large steel jackets and gravity-based structures. Any Britannia repurposing would need to be justified within these existing pathways.

Pain point for operators:

- No revenue, no upside, no flexibility. Just a fixed (and often accelerated) cost on the balance sheet.
- Shareholders and auditors increasingly scrutinise how these liabilities are managed.

Slide 3: The Britannia Solution: Liability Offset Platform

Concept:

- Convert selected end-of-life platforms into offshore SMR-powered hydrogen production hubs.
- Use existing jackets, topsides footprints, and subsea connections where feasible.

For investors & operators:

- They defer or partially avoid full removal costs.
- They gain exposure to a regulated, long-duration hydrogen / energy infrastructure asset.

Slide 4: Why This is a Decommissioning Play (Not Just "Green H₂")

- **Traditional green H₂ pitch:** Capex-heavy, market risk, grid bottlenecks.

Britannia pitch:

- Start from the liability: decommissioning budget already allocated in operator planning.
- Re-purpose a share of that pre-committed spend to:
 - Make the structure safe and re-certify it.
 - Install advanced UK SMR technology (e.g. Rolls-Royce design, once licensed).
 - Build desalination, electrolysis, compression, export systems.

"You will spend billions anyway; Britannia lets part of that spend buy a 40+ year cash-generating asset."

Slide 5: Scale: The Addressable Asset Base

Order-of-magnitude, UK-focused:

- ~470 offshore production platforms in the UK sector of the North Sea.
- ~1,500 total offshore installations and subsea structures (jackets, subsea templates, manifolds, etc.).
- Only a fraction are suitable for Britannia (structural condition, location, depth, logistics), but even:
 - 10-20 platforms converted = a material portfolio.

First wave concept:

- Target 3-5 platforms in strategic locations (e.g. Tees/Humber/Aberdeen corridors) as a demonstrator portfolio.

Slide 6: Unit Economics (Indicative, Conservative)

Keep ranges broad; investors will run their own models.

Per-cluster (illustrative only, not promises):

- SMR: 300–350 MWe class (e.g. Rolls-Royce SMR when licensed).
- Hydrogen production: order-of-magnitude 40,000–50,000 tonnes H₂ per year per SMR-powered cluster (exact per-platform split depends on final configuration and utilisation).

Revenue levers:

- Indicative long-term H₂ offtake in the order of £5–7/kg (subject to market support, policy, and detailed project economics), plus potential oxygen sales where there is local demand.
- Oxygen sales to industry or medical/industrial gas market (bonus revenue).
- Optional: brine for de-icing/chemical feedstock/concrete curing/fish farms (conceptual upside, not core to base case).

Liability offset:

- Full removal of a large offshore platform can run into hundreds of millions per asset.
- Britannia aims to reduce immediate removal spend and instead:
 - Redirect part of that spend to conversion capex.
 - Stretch remaining decommissioning over a longer period and/or negotiate OSPAR derogations.

Slide 7: Risk & Mitigation: Technical / Regulatory / Market

Technical:

- Use advanced SMR designs with strong UK PWR heritage (e.g. Rolls-Royce SMR once licensed), incorporating passive and active safety features as defined in their safety case.
- Conservative layout: 1 Power Hub + 4 satellite production rigs in a cluster, typically spaced 2–5 km apart to isolate reactor, hydrogen processing, export, and support functions.

Regulatory:

- Work within existing UK nuclear regulation and OSPAR frameworks, seeking derogations where justified.
- Engage early with ONR, HSE, NSTA, and OSPAR commissions.

Market:

- Anchor industrial offtakers (steel, chemicals, refineries, power) on 20+ year contracts, de-risking price/volume.

Slide 8: Investment Structure Proposal

- **Vehicle:** UK-registered Britannia Infrastructure SPV or series of SPVs per cluster.

Capital stack (indicative):

- **Equity:** institutional infrastructure investors, possibly strategic oil & gas partners.
- **Debt:** project finance backed by long-term offtake contracts and, importantly, recognised decommissioning cost savings.

Operator-side benefit:

- Operators contribute platforms + part of their decommissioning budget as "in-kind" or cash equity.
- They receive:
 - Reduced headline decommissioning obligation.
 - Equity / revenue share in the converted asset.

Slide 9: Why Now?

- Decommissioning wave is accelerating in the 2030s.
- SMR designs are moving through licensing processes globally; first-of-a-kind builds are targeting this decade.
- UK industrial decarbonisation targets (steel, chemicals, heavy transport) require firm, low-carbon hydrogen by 2030–2040.

Slide 10: Ask

Short-term ask:

- Fund a detailed pre-FEED + regulatory engagement study across 2-3 candidate platforms (e.g. £3-5m class).

Medium-term vision:

- Establish Britannia Decommissioning Offset Fund, targeting a multi-asset portfolio of converted platforms over 10-15 years.

Slide 11: Human & Social License Story

(Optional, but Powerful)

- Childhood in 1980s mining towns; watching families lose everything.
- Project Britannia is about not repeating that mistake offshore:
 - Preserve and reskill existing offshore workforce.
 - Keep jobs in Aberdeen, Tees, and Humberside.
 - Deliver genuine "just transition," not just a slide in a strategy document.

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