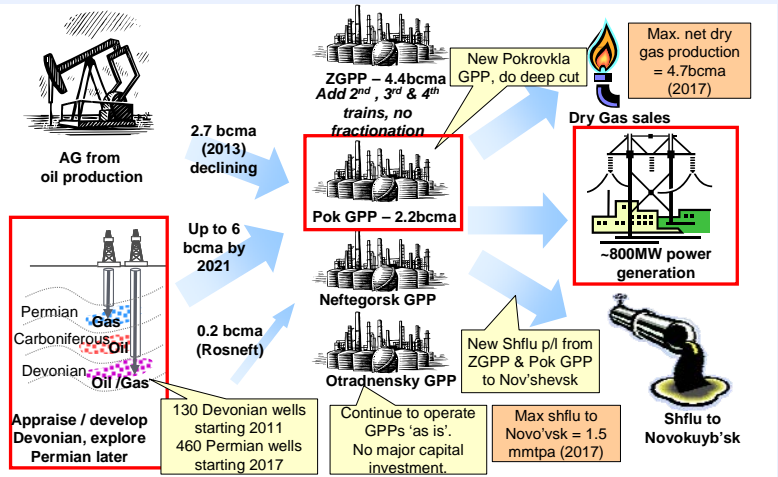


# Strategy Support: Creating a Gas Business Strategy for a Large Upstream Company Unfamiliar With the Sector

## Definition of One of Hybrid Strategies



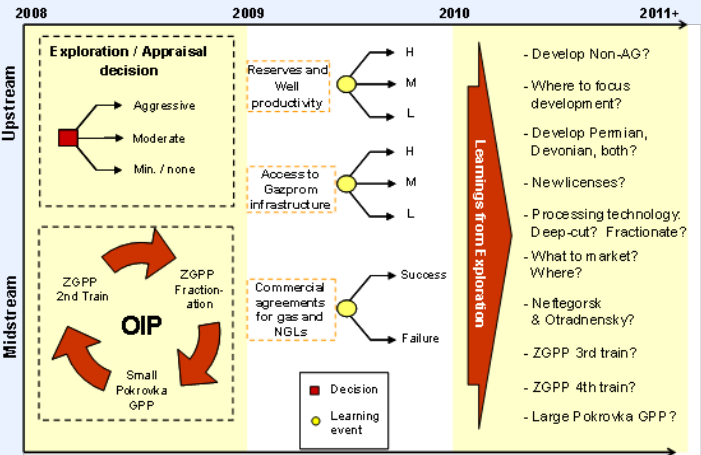
## Challenge

While it had regional gas assets in the Russian Federation, a large upstream company did not have extensive experience in the regional gas business. The client needed to develop a business strategy that considered the regional gas gathering, compression and processing infrastructure.

## Solution

IHS developed seven distinct strategic alternatives for the regional gas business and implemented rigorous risk economic evaluations. Our consultants identified internal gas transfer price issues and opportunities between upstream and midstream as well as opportunities to invest in a new gas processing plant and expand its current facility. The key insights we provided extended from reservoir to downstream and included the identification of high-value horizons, regional pipeline infrastructure and seasonality studies, gas-to-power options and an exploration program.

## Simplified Decision Roadmap



## Results

With the IHS study, the client was able to achieve full alignment between its regional business unit and corporate headquarters. It made the decision to invest in the identified opportunities and developed and implemented a gas exploration program.