

Outgoing BP CEO warns of moving too fast on climate change



BP Plc's outgoing Chief Executive Officer Bob Dudley warned Big Oil of moving too fast on investing in new technologies to counter climate change, because their failure could lead to financial ruin.

"If you go too fast and you don't get it right you can drive yourself out of business," Dudley said in a Columbia Energy Exchange podcast with Professor Jason Bordoff.

Oil companies must retain a strong financial footing to be able to invest when game-changing technologies are developed, he said. In the early 2000s, before his tenure as CEO, BP invested heavily in solar technology only to write off much of the spending.

“If we understand where the technologies are going and we invest, the best thing we can do strategically is have a strong balance sheet. When it becomes really clear certain technologies are going to move very quickly and be profitable, then we’ll be able to make that shift.”

Here are other select quotes from the interview:

On Big Oil’s role in the energy transition:

BP, Exxon Mobil Corp., Royal Dutch Shell Plc, Chevron Corp and Total SA are “only responsible for producing about 8% of the world’s oil. If we were all driven out of business that oil would still be produced” by national oil companies and other countries.

“We want to be leaders in this and we do enormous amount as companies” such as in developing technology and reducing emissions from their own operations. But “we’re not the epicenter of these issues.”

On BP’s dividend:

“I meet with shareholders and they say ‘we would like you to move really quickly into renewables.’ I say, ‘we can do that, would you like us to cut the dividend?’ They go, ‘no, no, don’t do that.’ We’ve got to find the right balance and pace here.”