

Remarks by John Kingston

IAEE 2015 Journalism Award Winner

Pittsburgh North American Conference, October 27, 2015

I went to my first IAEE meeting back in Orlando in 1999. Two things about that event have stuck with me ever since, and they say a lot about this organization.

The first is that Mike Lynch, whom I had known for several years and who at that time was President of the U.S. chapter, invited several of us to his suite one evening. As President, he got this gigantic suite. In fact, I think that the reason he's not here at this meeting is because he's still in that suite and refuses to leave.

That evening, the guests Mike brought up started talking about energy. I don't remember any of the specifics that we talked about, though I do remember that at that entire meeting, there had been a lot of talk about soaring oil prices, having come off their lows of earlier that year. By the time of the meeting in Orlando, they were all the way up to about \$23.

I remember sitting in that room listening to all these brilliant people talking energy. And I felt flattered to have been invited by Mike to join in such a conversation, and it gave me my first real taste of just how many smart, engaged, people there were at IAEE meetings.

Later in that meeting, the lunch speaker was Bob Campbell, the CEO of Sunoco, which was a major oil refiner at the time. Bob goes through his speech about needing to change with the economic trends and then he opens the floor up to questions. So one person in the room, maybe an academic with a futuristic view of the world, asked Bob: "Has your company done anything with carbon sequestration?" And Bob Campbell, a CEO of a very big oil processor replied: "We might, if I knew what the hell it was."

And I've thought about that exchange often, because there isn't a single person in the energy business today who doesn't know what carbon sequestration is. But back then, there was a CEO who didn't know what it was, and he ran into somebody at an IAEE meeting who did.

That said a lot about this organization and why it's important to journalists who cover the industry.

We always spend so much time focusing on the obvious stories. What's OPEC going to do? What's the breakeven price of shale? Is Keystone XL going to get approved?

And then you come to a meeting like this, you hear papers presented on perspectives that just leave you shaking your head in awe at the brainpower and the insight, and it makes you realize that there's just so much more out there to really understand where this industry, this sector, is going in the future.

So that's why I'm so honored to receive this award from a group that is so forward looking, so engaged and so visionary. And I receive it at a time when what is going on in energy is as intriguing as it ever has been.

Technological advances are upsetting every apple cart. The cost of generating a watt of electricity from solar panels or wind turbines is plummeting, only to run smack into a wave of natural gas generated by new technology that was never, ever planned when analysts would look out 10 years ago or so and figured by now, those alternate technologies would be able to stand on their own two feet in gaining market acceptance. And yet, it still hasn't happened.

The apple cart knew that U.S. production was going to decline and that U.S. was going to be importing lots of LNG and the last barrier that stood in the way of renewables' dominance was coal. And instead coal gets blindsided by a product that was supposed to soar in value.

And I think back to that gentleman in Orlando who asked Bob Campbell about carbon sequestration and I'd have to say to him: there's been a lot of technical advances. But some of them haven't really happened. So batteries aren't that much better. It's still virtually impossible to produce cellulosic ethanol competitively and commercially, and no, carbon sequestration really hasn't been the solution to reducing a carbon footprint.

But I have a feeling that if those things happen, they may very well happen with the involvement of somebody in this room, in this organization either nationally or internationally having some kind of role. Because it's a visionary group and that's the kind of thing they do. Sometimes they'll be wrong. And sometimes they'll be right. But I know they will never stop thinking about what lies ahead.

So I want to thank a few people by name. I want to thank some of my great Platts colleagues over the years: Joe Link, who has had as much impact on the course of Platts as anybody I worked with; the late Onnic Marashian, who also won this award, Margaret McQuaile and Neil Fleming, who also both won this award, and those other recipients who at one time or another had Platts on their resume. I also want to thank David Knapp and Maureen Lorenzetti, who may have thrown my name into this ring. And I want to thank Dave Williams for all the work he does putting on meeting after meeting all around the world.

I'm very honored to receive this award, and I thank all of you.