



PROJECT
CANARY

Path to Net Zero: Measuring Methane Matters

Will Foiles
COO & Co-Founder, Project Canary

ENERCOM DALLAS 2022

PROJECTCANARY.COM

Confidential

EMERGING FRAMEWORK

SEC Looks to Drive Accountability Emissions

“It’s also something investors want and since it’s the SEC, we are going to have to do it.”

Mr. Neal Fenwick, Chief Financial Officer, ACCO Brands

Wall Street Journal, March 22, 2022

☰ THE WALL STREET JOURNAL.

CFO JOURNAL

Companies Brace for Higher Compliance Costs as SEC Proposes Climate Disclosures

The proposal will be open for feedback for at least 60 days, after which the regulator will start crafting a final rule



The SEC on Monday proposed requiring companies to report estimates of their greenhouse-gas emissions.
PHOTO: ANDREW KELLY/REUTERS

By [Mark Maurer](#) and [Kristin Broughton](#)
March 22, 2022 5:30 am ET

Commission proposes new EU framework to decarbonise gas markets, promote hydrogen and reduce methane emissions

Page contents

- [Top](#)
- [Print friendly pdf](#)
- [Related media](#)
- [Press contact](#)

Today, the Commission has adopted a set of legislative proposals to decarbonise the EU gas market by facilitating the uptake of renewable and low carbon gases, including hydrogen, and to ensure energy security for all citizens in Europe. The Commission is also following up on the EU Methane Strategy and its international commitments with proposals to reduce methane emissions in the energy sector in Europe and in our global supply chain. The European Union needs to decarbonise the energy it consumes to reduce greenhouse gas emissions by at least 55% by 2030 and become climate-neutral by 2050, and these proposals will help to deliver that goal.

Executive Vice-President for the European Green Deal, Frans Timmermans, said: *“Europe needs to turn the page on fossil fuels and move to cleaner energy sources. This includes replacing fossil gas with renewable and low carbon gases, like hydrogen. Today, we are proposing the rules to enable this transition and build the necessary markets, networks and infrastructure. To address methane emissions, we are also proposing a solid legal framework to better track and reduce this powerful greenhouse gas, helping us to fulfil the Global Methane Pledge and tackle the climate crisis.”*

PROJECT CANARY

GLOBAL TRADE

Cross-Border Trade & Responsible Gas

“To address methane emissions, we are also proposing a solid legal framework to better track and reduce this powerful greenhouse gas, helping us to fulfill the Global Methane Pledge and tackle the climate crisis.”

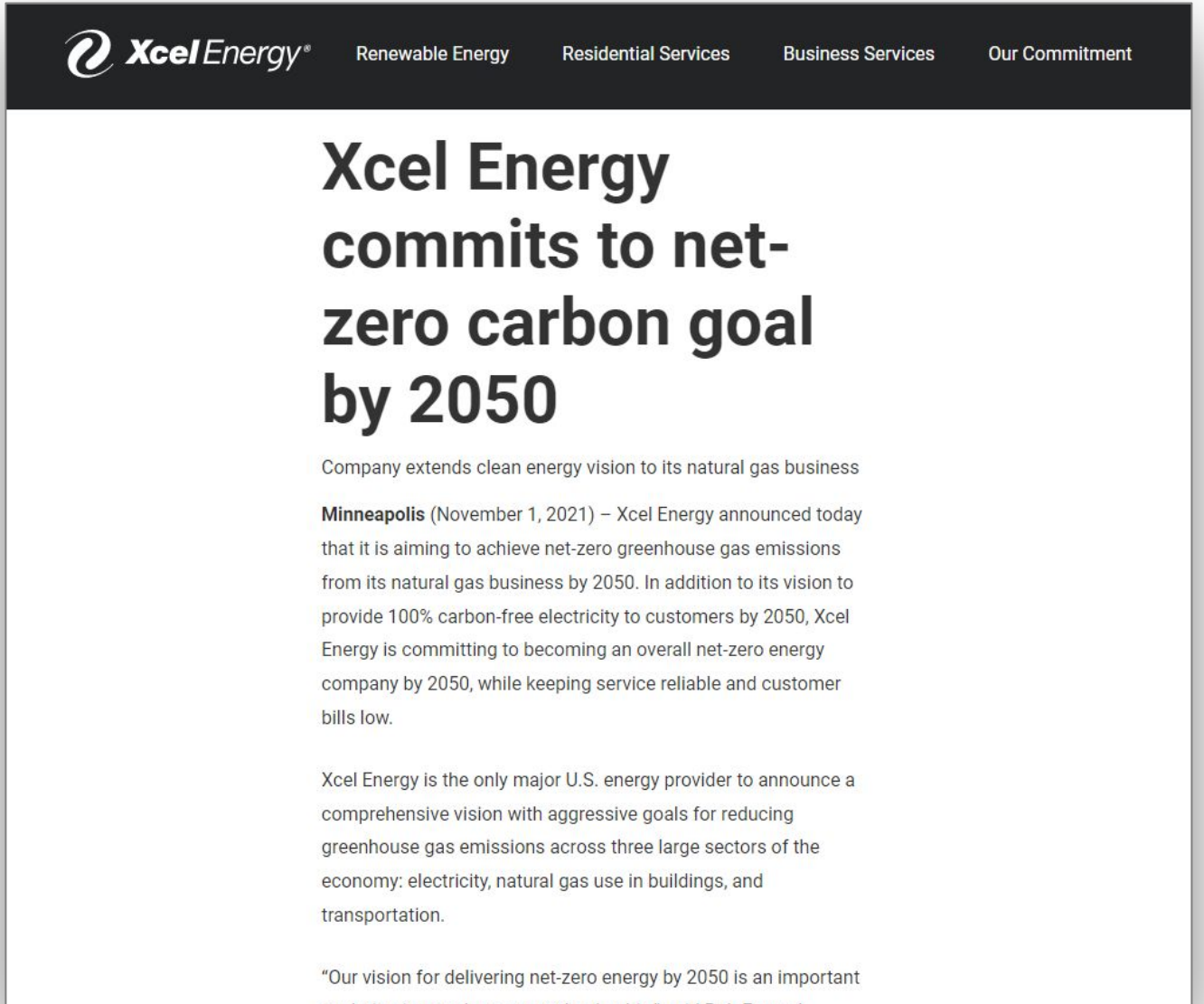
Frans Timmermans, Executive Vice President, European Green Deal, December 15, 2021

DOMESTIC TRADE

Public Utilities & Differentiated Gas

“Under its clean energy vision for natural gas, Xcel Energy will accelerate its plans for reducing methane emissions, including purchasing natural gas only from suppliers with certified low emissions and continuing to improve its natural gas delivery system to achieve net-zero methane emissions by 2030.”

Xcel Energy, November 1, 2021

A screenshot of a webpage from Xcel Energy. The top navigation bar is dark with the Xcel Energy logo and links for Renewable Energy, Residential Services, Business Services, and Our Commitment. The main content area has a white background with a large, bold headline: "Xcel Energy commits to net-zero carbon goal by 2050". Below the headline is a sub-headline: "Company extends clean energy vision to its natural gas business". The main text begins with "Minneapolis (November 1, 2021) – Xcel Energy announced today that it is aiming to achieve net-zero greenhouse gas emissions from its natural gas business by 2050. In addition to its vision to provide 100% carbon-free electricity to customers by 2050, Xcel Energy is committing to becoming an overall net-zero energy company by 2050, while keeping service reliable and customer bills low." A second paragraph states: "Xcel Energy is the only major U.S. energy provider to announce a comprehensive vision with aggressive goals for reducing greenhouse gas emissions across three large sectors of the economy: electricity, natural gas use in buildings, and transportation." A quote at the bottom reads: "Our vision for delivering net-zero energy by 2050 is an important..."

Xcel Energy
Renewable Energy Residential Services Business Services Our Commitment

Xcel Energy commits to net- zero carbon goal by 2050

Company extends clean energy vision to its natural gas business

Minneapolis (November 1, 2021) – Xcel Energy announced today that it is aiming to achieve net-zero greenhouse gas emissions from its natural gas business by 2050. In addition to its vision to provide 100% carbon-free electricity to customers by 2050, Xcel Energy is committing to becoming an overall net-zero energy company by 2050, while keeping service reliable and customer bills low.

Xcel Energy is the only major U.S. energy provider to announce a comprehensive vision with aggressive goals for reducing greenhouse gas emissions across three large sectors of the economy: electricity, natural gas use in buildings, and transportation.

“Our vision for delivering net-zero energy by 2050 is an important

NEW BENCHMARKING

S&P Announces Satellite-Based Index Measuring Methane Intensity



“In the case of S&P Global's satellite-driven dataset, although each basin has been triangulated to capture areas with heavy concentrations of gas wells, the satellite data does not differentiate between methane emissions resulting from gas production or other sources, like agriculture or industry.”

S&P Global, April 5, 2022



Methane Leaks in New Mexico Far Exceed Current Estimates, Study Suggests

An analysis found leaks of methane, a potent greenhouse gas, from oil and gas drilling in the Permian Basin were many times higher than government estimates.



Harvard John A. Paulson School of Engineering and Applied Sciences

Oil and natural gas production emit more methane than previously thought

Research finds EPA underestimates methane emissions from oil and gas production

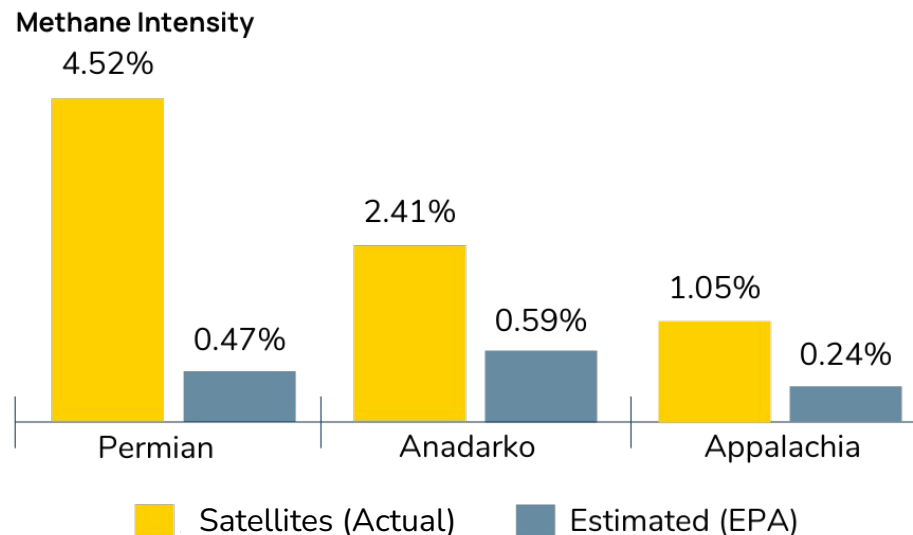
Bloomberg Green

Finance

Over 90% of Firms Aren't Measuring Emissions Correctly, BCG Says

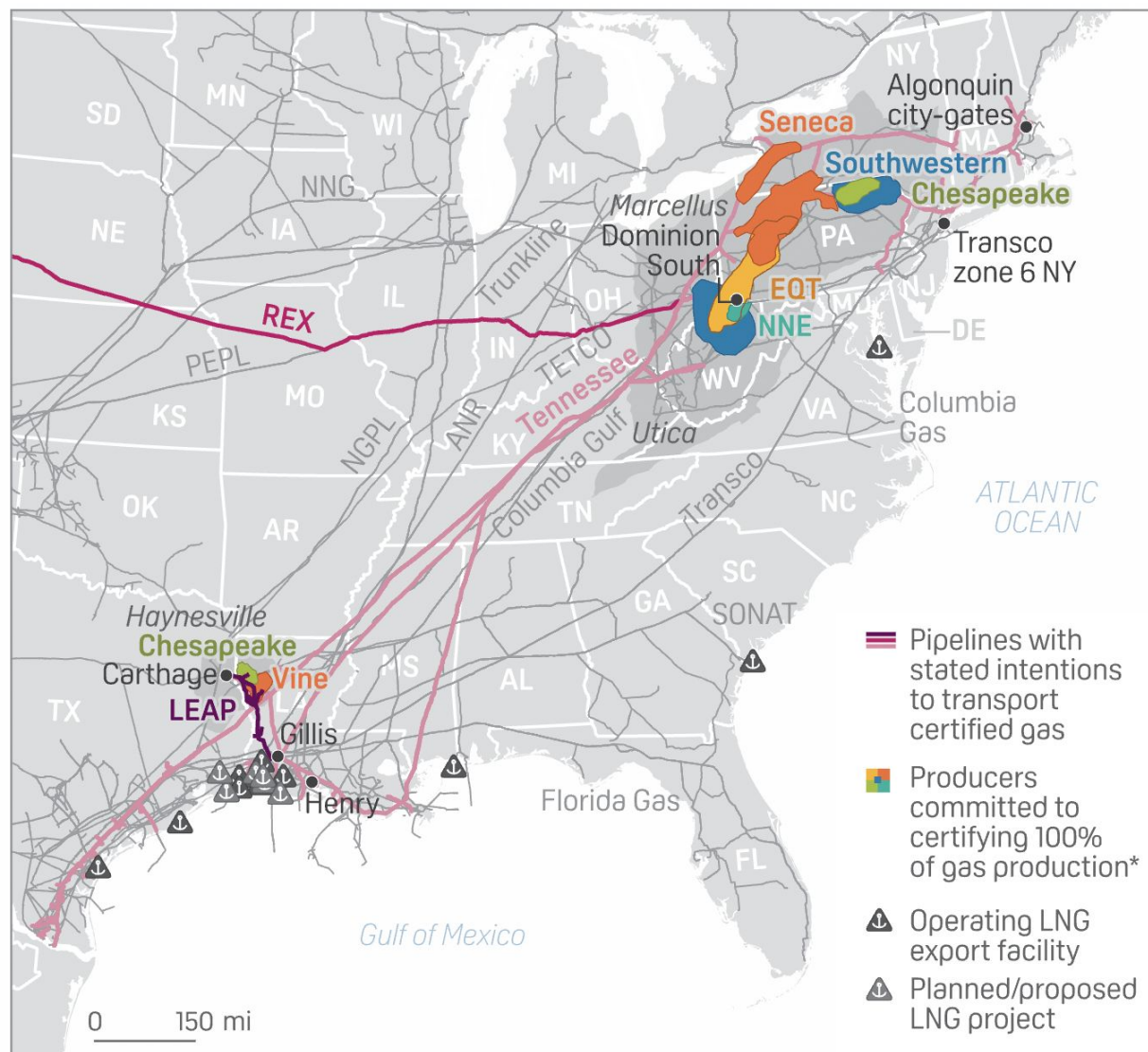
MEASUREMENT PROBLEM

Natural Gas Production Emissions: What Measurement Is Correct?



- ▶ Methane 86x more potent
- ▶ Actual emissions 10x higher than EPA estimates
- ▶ Emission leaks are preventable

MIDSTREAM COMPANIES JOIN CERTIFIED GAS MOVEMENT



*Not shown: Crestone Peak Resources in Colorado committed to certifying 100% of gas production; total volume undisclosed.

Source: S&P Global Platts Analytics, company websites

PROJECT CANARY

ENLIGHTENED OPERATIONS

Investment Follows Action

Methane emissions have emerged as a key performance metric for certified gas, with an emphasis on monitoring and measurement.

...interest in certified gas among producers has expanded to the Haynesville Shale with Chesapeake Energy and its pending acquisition of Vine Energy, and most recently, to the Permian Basin where ExxonMobil intends to certify a facility in New Mexico.

S&P Global, October 14, 2021

PROJECT
CANARY

Measure. Mitigate. Validate.

Measurement matters.

The measurement economy is here because you can't get to net-zero using estimates.

Leverage independent, verified environmental performance data to measure and certify the "E" in ESG.



PROJECT
CANARY

Thank you.



Will Foiles

COO & CO-Founder

 ProjectCanary1

 ProjectCanary

200 17th Street, Floor 26
Denver CO 80202

info@projectcanary.com

www.projectcanary.com