

Oil and Gas Climate Initiative

Catalysing actions to enable a low carbon economy

5 November 2019 – METHANE EMISSIONS MITIGATION ALONG THE
GAS VALUE CHAIN – THE ROAD AHEAD FOR A SUSTAINABLE FUTURE

OGCI & Role of Gas Workstream

History

- September 2014: Launch of OGCI at UN Climate week
- September 2019: 13 members, IOCs and NOCs, 30% of global oil & gas production (equivalent to 20% of energy needs)

Mission Statement

- CEO-led, voluntary, ambitious, additional
- Action oriented to accelerate development low carbon economy and support the Paris Agreement goals (reach net zero as early as possible).
- OGCI programs include exploring reduction on the energy value chain, acceleration of low carbon solutions and enabling a circular carbon model.
- Values and scales collaboration with external stakeholders



ExxonMobil



أرامكو السعودية
saudi aramco



Role of Gas Workstream Narrative

1. Focus

- Actions that help to **improve the climate performance of natural gas** across the gas value chain

2. Mission

- Optimize the ability of natural gas to play a **positive role in the energy transition**, in the short and long term

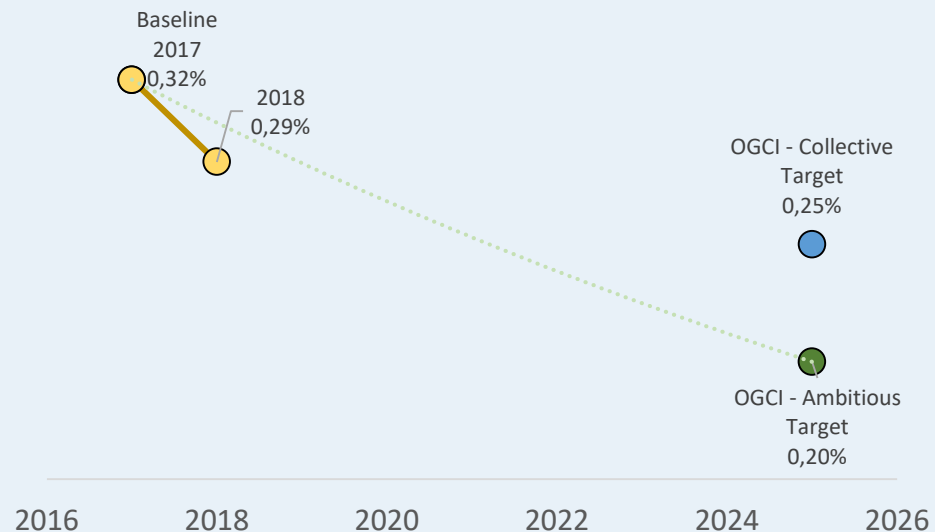
3. Why?

- Natural gas can **immediately lower greenhouse gas emissions** by replacing coal in the energy mix.
- It can **support intermittent renewables** by providing sufficient flexible and base-load power.
- Longer-term, it can be used as a **feedstock for zero-carbon hydrogen**, when combined with CCUS.

Methane emissions management – Priorities for 2019

1. Deliver the Methane Target internally

- Preliminary analysis on Routine Flaring Definition shows general alignment with the World Bank
- Reinforce engagement with non-operated & downstream via a collaboration with GIE/Marcogaz
- Supporting the EDF-UNE Methane science studies, the Global Methane Budget (Stanford) & the studies from Imperial College London



Upstream operated domain, 2018 emissions = 1.93 MtCH₄ (2.06 all domains)

2. Engagement with external stakeholders

- Collaboration with UNEP Global Methane Alliance
- Supporting UNECE - Methane Guidance on developing a report on methane best practices
- Aligning with the Methane Guiding Principles for coordinated action on downstream sector
- Sharing best practices and industry standards with the EU Commission

3. Climate Investment focus in new technologies



OGCI – Next steps

Continue to improve & disclose transparent and reliable methane emission inventory

Lead by example, demonstrate material mitigation action in its own operations and support technologies deployment

Support rest of the industry to improve methane reporting and mitigation

Engage & collaborate with institutions, NGOs, universities and government to improve knowledge and efficient methane mitigation mechanisms

Backup Slides

Towards a Circular Carbon Model

2019 workplan & announcements

1. We engage responsibly. Each member company values transparent and constructive dialogue with stakeholders
2. Continuing to make progress in reducing methane emissions in OGCI member companies' operations to near zero
3. Working on a target to reduce by 2025 the collective average carbon intensity of our aggregated upstream oil and gas operations emissions
4. Launching CCUS Kickstarter in 2019, a major new initiative designed to facilitate large-scale commercial investment in CCUS
5. Developing a strategic collaboration with the Clean Energy Ministerial CCUS Initiative
6. Actively exploring measures to catalyse natural climate solutions at scale, and supporting the Natural Climate Solutions Vision, convened by the World Economic Forum

