



Brussels April 1st 2020

Equinor input to the European strategic plan to reduce methane emissions in the energy sector.

Equinor supports the Paris agreement and a net zero target for society. We have already brought our CO₂ emissions in the oil and gas production process down to industry leading levels, and we continue develop oil, gas, wind and solar energy in more than 30 countries worldwide. In February 2020 we presented our new Climate Roadmap, with the ambitions of reducing the net carbon intensity (from initial production to final consumption) of energy produced by at least 50% by 2050, growing renewable energy capacity tenfold by 2026, strengthening our industry leading position on carbon efficient production and aiming to reach carbon neutral global operations by 2030.

Equinor is the largest gas producer on the Norwegian Continental Shelf (NCS), and the second-largest gas supplier in Europe. The combined gas volumes from Equinor and SDFI (the Norwegian state's gas volumes) constitute more than 20% of the gas market in Europe. We have estimated Equinor's methane intensity for the upstream and midstream parts of the value chain that we control to be as low as approximately 0.03%¹. It is our ambition to maintain this very low methane intensity. We will continue to develop and implement technologies and procedures to detect and reduce methane emissions, participate in industry efforts to reduce methane emissions across the oil and gas value chain, as well as increase the quality and transparency of reported data. We support the development of sound methane policies and regulations and welcome the opportunity to share our experience and the Norwegian best practice as input to the upcoming European methane emissions strategy for the energy sector.

A successful methane policy stimulates immediate action and fosters long term continuous improvement aiming to reduce methane emission globally. Policy mechanisms that drive the implementation of work process standards, improved equipment design as well as the implementation of leak detection programs can rapidly deliver tangible reductions. The development of a Monitoring, Reporting and Verification (MRV) standard will provide the necessary basis for sustained emission reduction also in the long-term and unlocks opportunities for policy measures, such as the establishment of emission intensity ambitions or standards.

The NCS' approach to MRV is based upon a rigorous process of identifying all potential emission sources. The most appropriate emission quantification methodologies have been determined based upon the emission source inventory, which provides a reliable overview of relevant known sources. Monitoring of unknown sources (leaks) is undertaken through a variety of means, including continuous leak monitoring using stationary detectors. The probability of high emitting sources is thereby significantly reduced. Smaller or diffuse leaks are monitored through physical inspections multiple times a week and annually with the use of Optical Gas Imaging technologies. An independent 3rd party has been used for establishing the methodology and the reported emission data are verified by an independent auditor. In addition, the industry is supporting

¹ Equinor [sustainability Report 2019](#)

measurement campaigns, such as the Climate and Clean Air Coalition methane science studies. Under the auspices of the United Nations Environment Program, academia, NGO's and industry undertake studies where different methane emission measurement technologies are tested, with the aim to reduce the methane data uncertainty.

Based on the NCS experience, effective methane emission reductions start with good business practices and a solid MRV standard established in cooperation with the authorities and the industry. The European Commission's suggestion to establish an independent verification institute could indeed provide additional credibility, enhance trust in methodologies and it can be a driving force to harmonize and underpin existing efforts. The Oil and Gas Climate Initiative (OGCI) has set a target to reduce by 2025 the collective average methane intensity of its aggregated upstream gas and oil operations to below 0.25%, with the ambition to achieve 0.20%. OGCI's target can serve as a basis and inspiration for the development of European emission intensity ambitions or standards, for upstream gas production with the potential to extend them to the entire gas value chain.

Equinor highly appreciates the inclusive approach by the European Commission and we remain at disposal for further questions or clarifications.

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