



Methane to Markets

**Oil & Gas Technical Subcommittee
Development of Country Strategies**

Rome

May 19-20, 2008

Overview

- Review the charge from the Steering Committee
- Oil & Gas Subcommittee Objectives
- Strategic Plan Development

Steering Committee Charge

- Steering Committee met October 31, 2007 in Beijing
- Discussed a need to develop country-specific plans to identify methane emission reduction related activities most suitable for each country
- Individualized plans to account for each country's unique available resources, access to infrastructure and existing support network
- Collectively, Country specific plans will identify individual and collaborative opportunities

Oil & Gas Subcommittee Objectives

- International M2M Partnership launched November 2004
 - Seeking to champion cost effective methane emission reduction opportunities globally
- “The main purpose of Oil and Gas Subcommittee activities is to **locate** and **promote** methane emissions **reduction** and **utilization projects** in the oil and gas sector”
- Current Subcommittee member states include Kyoto and APP signatories

Strategic Plan Development

- Must identify achievable objectives
- Outcome of this session must be an awareness of:
 - Understanding of the diverse and potentially differing drivers influencing our respective domestic agendas & policies (Kyoto or EU compliance, economics, etc.)
 - The individual complementarities of our respective domestic activities to the M2M objectives
 - The individual contributions (knowledge, technology, R&D, project funding, access to participant facilities, etc.) we can make within our network that will support our stated M2M project objectives

Strategic Plan Development

- Identify existing programs or activities which are project ready and have resources in place
 - Existing research programs
 - Ongoing or emerging capital projects such as inventory turnovers
 - Existing platforms for information or technology transfer (e.g., annual conferences or workshops)
- Identify the necessary project network membership skills and assets required to implement projects
 - Domestic or international industry practitioners
 - Equipment developers
 - Carbon credit financiers
 - Research organizations

Next Steps

- Integration of individual strategic plans to identify collective Subcommittee opportunities for project support and facilitation
- Develop near term Subcommittee project objective to report to Steering Committee

M2M Project Example (China)

- Chinese Government has announced it will legislate energy efficiency targets
- Under the M2M Partnership, evaluation methods developed in Canada were used to identify energy efficiency and emissions reduction opportunities
- Collaborative project co-funded by:
 - Canada (PERD)
 - US EPA
 - China National Petroleum Company (CNPC)

M2M Project Example (China)

- Initial results presented at the Beijing Project Expo November 2007
- Generated significant interest by carbon credit financiers
- Current plans are to extend the Project to more Chinese UOG facilities

M2M Project Opportunities

- M2M funding available for collaborative projects in certain jurisdictions
- Increasing importance for development of creditable emissions reductions
 - Significant need for approved methods development
- Emerging regulatory development in certain member jurisdictions will require implementable solutions