

Consultation on costs of implementing MRV regulation based on OGMP

Fields marked with * are mandatory.

This questionnaire follows from the Open Public Consultation (OPC) on legislation to measure and mitigate methane emissions in the energy sector which was held between 5 February and 1 May 2021.

We note that in response to the OPC questionnaire, all oil and gas federations in unison are supportive of transposing the Oil and Gas Methane Partnership (OGMP) 2.0 framework into a regulation on measurement, reporting and verification (MRV) of methane emissions.

In this questionnaire, we would like to ask you some more detailed questions related to the costs and administrative burden of implementation of requirements on methane measurement, reporting and verification in line with OGMP, including also reporting to relevant national Member State authorities before the information is passed on to UNEP to allow the International Methane Emissions Observatory (IMEO) to perform its analysis on the reported information.

Are you responding on behalf of ...

- a company
- an industry association
- other

* Organisation name

IOGP Europe

Country

BE - Belgium

First name

François-Régis

Surname

Mouton

* Email

frm@iogp.org

Individual responses to this questionnaire will not be published. Results will be used in aggregated form without identification of specific respondents only.

* Data protection

- I agree with the [personal data protection provision](#)

What proportion of your membership has joined OGMP? Please also provide the absolute number of companies.

20% (11 out of 57 member companies)

Taking into account overall costs to your company/membership of implementing EU level and EU national regulations as well as all other voluntary initiatives that your company/ies have signed up to, how would you qualify the anticipated **additional costs** of implementing the requirements on methane measurement, reporting and verification in line with OGMP (including also reporting to the relevant national Member State national authorities before the information is passed on to UNEP and the IMEO for final verification)?

- No additional cost
 Negligible additional cost
 Not negligible but not significant additional cost
 Significant additional cost

Taking into account overall costs to your company/membership of implementing EU level and EU national regulations as well as all other voluntary initiatives that your company/ies have signed up to, how would you qualify the anticipated **additional administrative burden** of implementing the requirements on methane measurement, reporting and verification in line with OGMP (including also reporting to the relevant national Member State national authorities before the information is passed on to UNEP and the IMEO for final verification)?

- No additional administrative burden
 Negligible additional administrative burden
 Not negligible but not significant additional administrative burden
 Significant additional administrative burden

Please qualify your answers for the previous two questions. Examples could for instance be because your organisation is already signed up to OGMP and/or is already delivering company level data in the context of national GHG inventories.

It is difficult to assess what the term “regulation in line with OGMP” means.

Signing up to the OGMP 2.0 framework is a commitment to achieve level 4 reporting standards with an aspiration to achieve level 5. Technically, the OGMP 2.0 reporting framework does not require that companies conduct measurements to meet the gold standard (level 4). To reach level 5, measurement at the site level is necessary, and according to the framework, measurement conducted as part of 3rd party studies on own sites or sites representative of own sites can be utilized. So based upon the letter of the framework, a company could reach gold standard level 4 without conducting measurement and demonstrate level 5 reporting (in theory) for many assets using the results of measurement campaigns that the company has not initiated themselves. If the requirement of site-level measurement is implemented in more restrictive terms of technology and frequency, the additional costs may increase very sharply.

Depending upon the interpretation of the framework, the additional cost can vary from limited to very significant depending on a range of factors, including operating partner compliance desire, technological availability and asset-specific requirements, reconciliation requirements. Depending on emission mitigation potential the relative additional costs may not be justified. MRV GHG emissions must be below the abatement potential on the production site. The implementation of LDAR requirements may also lead to significant cost increases, depending upon the requirements set in terms of technology and frequency.

Potential drivers of significant cost and administrative burden could relate to non-operator joint venture (NOJV) compliance; third-party verification procedures and reconciliation obligations.

Given the importance of this issue, the industry believes that the benefits of this MRV outweigh the proportionate extra cost and administrative burden.

Do you have estimates or survey data available about how much signing up the OGMP would add to your members' regulatory implementation costs?

- Yes
- No

How important would you describe the benefits of signing up to OGMP to your company/member companies?

	Not at all important	Not very important	Neutral	Important	Very important	No opinion
Benefits in terms of visibility of corporate environmental responsibility	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Economic benefits from MRV contributing to better emission mitigation and recovery of sellable gas	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Benefits in terms of increased capacity /knowledge of methane emissions management gained from working with peers and learning from one another	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other benefits (please specify below)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Please specify if you selected other benefits

1. Comment for 'benefits in terms of visibility of corporate environmental responsibility: The answer is notwithstanding members having signed or not, the OGMP 2.0 reporting framework will become more visible once publication by UNEP becomes available.

2. Other benefits: Public confidence - very important.

Overall, would you consider that the benefits of implementation of MRV requirements in line with OGMP (though including reporting to the relevant national Member State authorities before the information is passed on to UNEP and the IMEO for final verification) will likely outweigh the costs to your company /member companies of doing so?

Yes, it will reinforce public confidence in the sustainability of the EU's gas system. We believe that continuous improvements regarding measurement technology will further enable more consistent and repeatable results for emissions at the site level as required under OGMP 2.0 level 5. Roles and responsibilities between reporting parties, national authorities, UNEP, and IMEO should be clear from the start.

Contact

ENER-METHANE@ec.europa.eu