



The Secretary of Energy

Washington, DC 20585

April 22, 2022

Mr. Darren W. Woods
Chair
National Petroleum Council
1625 K Street, NW, Suite 600
Washington, DC 20006

Dear Mr. Woods:

Adoption of ambitious emissions reduction targets is increasing among governments and private-sector entities around the world. The United States has its own emissions reduction targets, including a 50 to 52 percent reduction in greenhouse gases (GHG) from 2005 levels by 2030 and net zero emissions economy-wide by 2050. It is important to note that over 70 percent of National Petroleum Council (NPC) members' companies or organizations have initiatives or commitments to reduce Scope(s) 1, 2, and, in some cases, 3 GHG emissions and/or investments in clean energy technologies. U.S.-produced natural gas is an abundant resource that plays an essential role in energy security. U.S.-produced natural gas can continue to provide reliable and affordable energy, both domestically and abroad, if its emissions are reduced and, ultimately, eliminated or offset by the asset owners and operators.

An NPC study assessing GHG emissions reduction plans and potential across the U.S. natural gas value chain can provide numerous insights for the Department of Energy, as well as other government agencies, industry, technology innovators, commercial vendors, and standards setting organizations. Understanding, quantifying, and tracking GHG emissions is an essential component of measuring our progress in meeting emissions reduction targets. Addressing methane is of particular importance—the Global Methane Pledge, announced at COP26 in November 2021, requires signatories to collectively reduce global methane emissions by 30 percent from 2020 levels by 2030. Going forward, there will be many options for reducing GHG emissions, including methane, based on technology, policy, and other factors. Accordingly, I request that the NPC undertake a study that defines pathways and prioritizes options for GHG emissions reduction across the U.S. natural gas value chain, placing particular emphasis on those having the potential to contribute to the achievement of the Global Methane Pledge and U.S. emissions reduction targets.

A study on the path forward for U.S.-produced natural gas should include the following:

- Characterization of the state of GHG emissions and emissions reduction plans and programs across the U.S. natural gas value chain, including extraction, processing, transport, storage, liquefaction, and distribution.

- Identification of the highest-emitting value chain segments and those initiatives that can offer the most impactful, cost-effective, and achievable GHG reduction opportunities.
- Exploration of options on how detection of GHG emissions from U.S.-produced natural gas can be characterized by employing both direct detection via terrestrial, airborne, and space-based monitoring, and indirect detection via emissions coefficients and proxy values, to provide useful information for public- and private-sector decision makers, as well as other stakeholders, recognizing potential variability due to different technologies, sources of supply, and end uses.
- Discussion of modeling frameworks that are utilized for lifecycle emissions analysis and can provide results of consequences regarding the impacts of natural gas relative to other energy sources, both domestically and internationally.
- Discussion of potential tradeoffs of low- and no-emissions natural gas, including energy and economic security, environmental justice, the carbon intensity of the products resulting from its use, e.g., heat, power, and chemicals, and other environmental impacts.
- Evaluation of the feasibility and effectiveness of different approaches, individually and in combination, to reduce and/or offset GHG emissions across the existing and evolving natural gas value chain. Approaches may include technology investments, market mechanisms, and policy and regulatory measures.

For the purposes of the study, I am designating Deputy Secretary David Turk to represent me. As my designee, in coordination with you, as the NPC Chair, he can approve the establishment and membership of subcommittees or working groups, as well as designate Government employees as Cochairs for any subcommittees or working groups, as required. The Assistant Secretary for Fossil Energy and Carbon Management will work with Deputy Secretary Turk to identify Government Cochairs.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Granholm', with a stylized, cursive script.

Jennifer Granholm