



Methane to Markets

Partnership Overview

1st International Oil and Gas
Workshop

October 6-7, 2005
Bogota, Colombia





Overview

- Why Methane?
- Methane to Markets International Partnership Goals
- Methane to Markets Timeline
- EPA / US Government Involvement
- Partnership Outreach and Communication
- Next Steps



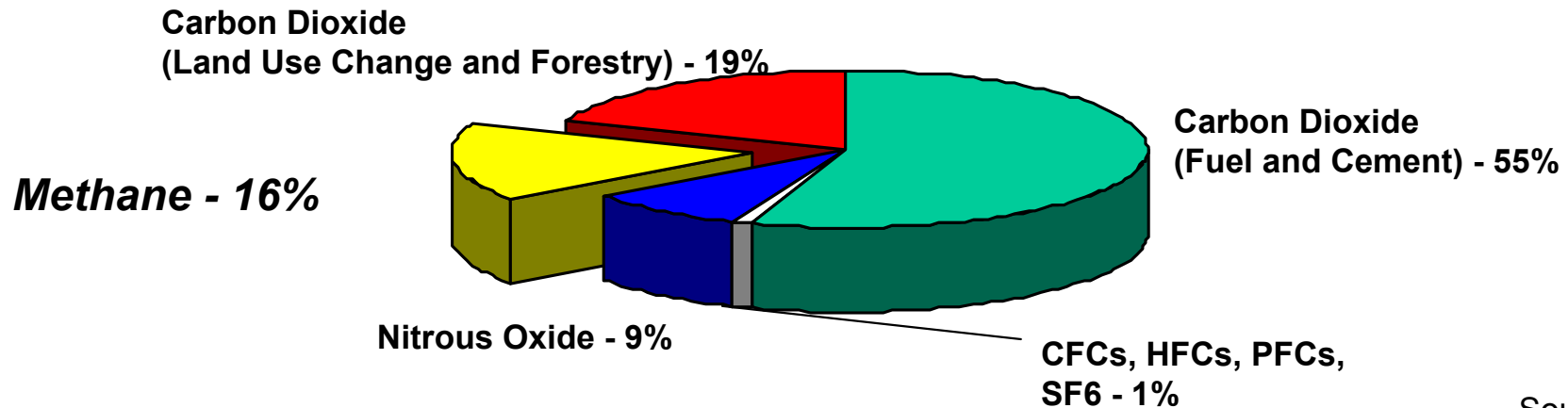
Why focus on Methane?

A potent GHG (100-year GWP of 23; atmospheric lifetime of ~12 years)

The 2nd most important GHG accounting for ~16% of total climate forcing

A primary constituent of natural gas and a valuable, clean-burning energy source

Global Greenhouse Gas (GHG) Emissions in 2000 = 40,702 MtCO₂e



Source: US EPA



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Cost-Effective Projects Recover and Use Methane

Coal Mines



Oil and Gas Systems



Landfills

Livestock Waste



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Benefits of Methane Recovery and Use Projects

- Important local energy source
- Improved industrial safety and productivity
- Improved air quality and reduced odors
- Reduced greenhouse gas emissions
- Progress toward sustainable development goals
- Economic growth and energy security
- Reduced waste of a valuable fuel



Barriers to Methane Recovery

- Lack of awareness of emission levels and value of lost fuel
- Lack of information on and training in new technologies and practices
- Traditional industry practices
- Regulatory and legal issues
- Limited methane markets and infrastructure
- Uncertain investment climate



M2M Purpose and Goals

- ***International Framework*** -- to advance the recovery and use of methane as a valuable clean energy source
- ***Cost-effective and Near-term Focus*** – on facilitating methane recovery and use projects in developing countries and countries with economies in transition
- ***Private Sector Involvement*** – involve private companies, multilateral development banks and other relevant organizations in M2M implementation and activities through the project network
- ***Key Methane Sources*** -- Natural gas & oil; Coal mines; Landfills; (Agriculture under consideration)



Methane to Markets Activities

- Action oriented – focus on project development
- Developed countries commit to assist developing countries and countries in transition in undertaking the activities listed above



Methane to Markets Activities

- Participating countries and Project Network members work collaboratively to:
 - Build on inventory systems to quantify methane emissions
 - Identify cost-effective opportunities for capturing methane emissions for energy production
 - Conduct training, technical exchange, and demonstrations to support project development
 - Identify and remove legal, regulatory, financial, and other barriers to the profitable capture and use of methane
 - Develop sector-specific action plans and a process for evaluating their implementation



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Partner Countries

- Argentina
- Australia
- Brazil
- Canada*
- China
- Colombia
- India
- Italy
- Japan
- Mexico
- Nigeria
- Russia
- South Korea*
- Ukraine
- United Kingdom
- United States



Signing Ceremony, November 16, 2004



Project Network is a Key to Success

- Approximately 150 organizations have joined the Project Network since the November Ministerial
- Project Network members include leading private sector (project developers, equipment manufactures, oil/gas and coal producers, etc.), financing, and other organizations worldwide.



M2M Progress is Measurable

- By 2015 potential reductions of up to 50 MMTCE annually (~500 billion cubic feet (Bcf) of natural gas)
 - Equivalent to eliminating emissions from fifty 500 MW coal-fired power plants
 - Assumes significant global participation (65% of global CH₄ emissions – current partner base represents 57%)
- Emissions reductions and energy generation can be easily measured and quantified
- USG is developing mechanisms to track activities and project accomplishments



US Government Commitment

- U.S. Government committed up to \$53 million over the next five years
- Resources will:
 - Facilitate USG leadership and participation in Partnership
 - Support development and implementation of methane projects in Partner Countries
 - Assist EPA in exporting and implementing key components of our successful domestic voluntary methane programs



Conclusions and Next Steps

- Methane to Markets goals:
 - Near-term
 - Voluntary
 - Public-private partnership
 - Multiple benefits (energy, economic, and environmental benefits)
- Industry and other governments:
 - Develop and implement action plans to advance global project development



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Contacts

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