



# Deploying capital *where it counts*

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DIRECTOR  
JIM KIBLER  
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DOWN  
METHANE  
EMISSIONS.

Joseph Murphy

**ELIMINATING METHANE EMISSIONS** from the natural gas sector requires a single, unified standard for measurement, reporting and verification that is adopted globally, Jim Kibler, executive director of industry initiative ONE Future, tells Gas Pathways. And to achieve rapid and sustainable reductions in these emissions, he argues that operators need the flexibility to deploy their capital where it will be most effective.

ONE Future was established by seven US gas companies in 2014, with the goal of reducing their methane emissions intensity to 1% or less by 2025. Since then its membership has swelled to more than 50 firms across the gas value chain, from production, gathering and boosting, processing, to transmission, storage and distribution.

“One of our key principles is that the future of natural gas is dependent on the value chain being able to rapidly and sustainably reduce methane emissions,” Kibler says. “And I mean sustainably in both the environmental sense and the business sense.”

Kibler describes ONE Future’s approach as goal-driven rather than prescriptive, recognising that different operators will need to pursue different solutions to eliminate their emissions cost effectively.

“If you look at some regulatory schemes, they will prescribe the use of a certain widget or the use of a certain practice,” he says. “But as operators we know each of our systems are different. Regulation that does not incorporate performance standards, and which creates hurdles for innovation and technology, results in missed opportunities and unnecessary costs to consumers.”

## FOLLOWING THE SCIENCE

ONE Future based its 2025 target for methane intensity, which covers emissions from the drill bit to the customer metre, on an ICF study that concluded that for natural gas to contribute to tackling climate change, lifecycle emissions must be brought to lower than 1%.

The initiative’s members have consistently achieved a combined methane intensity of less than 1% over the years, but the challenge, Kibler says, is keeping emissions below this threshold even as new members are brought into the fold. In 2020, for example, the group’s methane intensity increased to 0.424%, from 0.334% the previous year. But the number of its members rose to 45, from 24.

Asked if ONE Future should raise its ambitions, Kibler says the initiative is instead focused on getting more companies to commit to the current goal.

“The way we’ve been successful is to bring in more participation from the value chain, and in the long run that is going to drive emissions reductions much faster, rather than simply setting an even more ambitious target for our already high performing members to reach,” he says.

## MEASURING METHANE

ONE Future has established its own protocol that sets out the techniques its members use to calculate their annual emissions intensity. These calculations are largely based on emissions factors used by the US Environmental Protection Agency, rather than



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ONE FUTURE EXECUTIVE DIRECTOR

the use of satellites, aircrafts, drones and cameras to quantify emissions at individual sites across a company’s portfolio. But ONE Future advocates for this data to be reconciled with direct top-down and bottom-up measurements, Kibler says.

This is where the Veritas initiative comes in, launched in September last year by non-profit GTI, with support from ONE Future and others. Veritas’ goal is to bring together data from emissions factors and direct measurements by satellites, aircrafts, drones and cameras, to create a standardised methodology for measurement, reporting and verification (MRV) of emissions.

“In what is now an increasingly global market for gas, there is a real commercial need for a standard that can be applied so that regulators and buyers, whether in Europe, US, or Asian markets, can be assured that they are getting gas with the low emission attributes that they are contracting for,” Kibler says.

With greater transparency and a standardised MRV methodology, Kibler believes it is inevitable that the market will differentiate gas supply based on its lifecycle emissions, whether that means cleaner gas fetching a premium, dirtier gas selling at a discount, or both.

As some municipalities in the US and elsewhere call for bans on new gas hook-ups, Kibler says that bringing more transparency and standardisation to emissions assessments will be critical to battling the narrative that “gas is simply bad.”

“Demonstrating that you can essentially decarbonise the natural gas distribution system at a lower cost to the consumer than electrifying everything would be a worthy pursuit,” he says. “If your goal is truly to reduce emissions, and with the least harm to the consumer, you should be fuel agnostic.”

## LEADING PRACTICES

Kibler sees great value in the Oil and Gas Methane Partnership 2.0, an initiative involving companies that comprise around half of global oil and gas production. The framework’s aim is to create a gold standard for accurately and transparently reporting oil and gas sector methane emissions. It is targeting a 45% reduction in the industry’s methane emissions by 2025, and a 60–75% cut by 2030. OGMP 2:0 members are graded at five levels according to how detailed their reporting is.

“The great promise of OGMP 2.0 is that it’s broad, it’s sweeping and it’s designed to encourage global adoption and participation,” Kibler says. “But it recognises that some participants in the value chain have a hard task ahead of them — either it’s the absence of environmental regulation, or some other factors in the countries that they operate. The framework recognises that it’s going to take those participants a very long time to reach the level.”

He notes that ONE Future members that have gone on to join OGMP 2.0 have typically found themselves already at or very near the highest two levels set out in the framework.

ONE Future is due to announce the winners of its inaugural awards round in November, where it will recognise individuals and companies that have made achievements in reducing emissions from the industry.

“What we’ve been frustrated by is that there is so much good work being done in our industry that goes under the radar, that isn’t recognised,” Kibler says. “There are significant contributions being made by individuals and companies in technology deployment or development, and work practice standards. They are out there doing terrific work that goes unsung, and ONE Future aims to change that.” •