State Utility Regulators Explore Methane Emissions Reduction Tools in Colorado

A group of state utility regulators and regulatory staff visited Denver, Colorado, from March 25 to 27 for a series of tours and discussions focused on approaches being taken to reduce greenhouse gas emissions from the natural gas sector. The event was made possible by the U.S. Department of Energy (DOE)-NARUC Natural Gas Partnership, a collaborative effort to provide technical assistance resources for NARUC's membership of state public utility commissions.

Earlier in the month, NARUC released a report under the DOE-NARUC Natural Gas Partnership titled <u>Certified Natural Gas: Primer, Regulatory Landscape, and Contributions</u> <u>Toward a Low-Carbon Future</u>. With growing interest among policymakers, regulators, utilities, and stakeholders in reducing emissions associated with natural gas, certified natural gas (CNG) has grown to cover approximately one-third of U.S. production. To be considered CNG, independent certifiers verify that methane monitoring and emissions reduction approaches have been used in the natural gas supply chain, in addition to other environmental, social, and governance practices. NARUC facilitated this site visit to further explore CNG and its potential growth into the regulated gas utility market, as well as other technological and regulatory strategies to reduce methane emissions.

The tours began with a visit to bpx's Denver headquarters overseeing bp's U.S. onshore oil and gas business. Staff from bpx provided a virtual tour of the company's Permian and Haynesville Basin production assets and discussed the growing use of electrification in the field to reduce methane emissions from natural gas production. Commissioners and commission staff also learned about bpx's vapor recovery strategies and its partnership with independent certification firm MiQ to certify all Texas and Louisiana production as low-methane intensity.

The group then traveled north to Colorado State University (CSU) in Fort Collins to tour the Methane Emissions Technology Evaluation Center (METEC). METEC is an innovative research and test site for emissions leak detection and quantification technologies, with support from DOE, industry, and the university. Commissioners and commission staff received a firsthand look at a wide range of technologies to find and measure methane leaks from



natural gas production and pipeline infrastructure, while peppering METEC's director with questions.

On the final day of the visit, commissioners and commission staff heard from Colorado officials, certification providers, regulated utilities, and other stakeholders on a variety of topics related to achieving methane reductions in the natural gas sector. MiQ and Project Canary offered an overview of the growing national and international certification markets and considerations for state regulators. Speakers from RMI, CSU, and Black Hills Energy explored the evolving role of natural gas in the energy portfolio of Colorado and the Western region. Colorado State Senator Chris Hansen joined officials from the Colorado Energy and Carbon Management Commission and Colorado Energy Office to discuss Colorado's use of policy and regulatory tools to reach emissions reduction targets.

"We appreciate the hospitality of bpx and METEC for hosting our group to illuminate stateof-the-art technologies to reduce methane emissions from the natural gas supply chain, and we thank the many experts who participated in discussions with state regulators and staff regarding natural gas emissions reduction," said Kiera Zitelman, technical director at NARUC's Center for Partnerships and Innovation. "We are grateful for the U.S. Department of Energy's support of NARUC's work to keep state public utility commissions up to date on the latest tools to improve sustainability in the utility sector."

To learn more about the DOE-NARUC Natural Gas Partnership, please visit https://www.naruc.org/core-sectors/gas/.