

## Education key for gas cost recovery: Panel

13 Apr 2023 14:58 (-06:00 GMT)

Savannah, 13 April (Argus) — Natural gas suppliers need to work closely with utilities to recover the costs associated with gas that meet certain lower-emissions standards.

Large US natural gas producers have worked to cut the emissions inherent in their operations, using third-party monitoring and certifiers to validate their results. Those efforts, which can help producers and end-users achieve environmental goals, often come at a cost.

Project Canary, which helps companies measure and reduce emissions to meet environmental goals, estimates that 25pc of US production is certified.

Producer certified natural gas will fetch a premium of about 5c/mmBtu over conventional gas output, according to Mark Aufmuth, managing director of low carbon and cross-commodity origination at BP, said today at the Southeast LDC Gas Forum in Savannah, Georgia, noting that the market for this certified gas is nascent but growing.

Education is key to recovering those costs, said Liz Arthur, senior director for growth for Project Canary.

That requires companies to work with regulators to understand the environmental benefits of certified gas before utilities can pass through those costs, she said.

By Jason Womack

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