



**National Fuel®**

# Northeast Gas Association

Market Trends Forum – March 2022

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Production Certification  
RSG Responsibly Sourced Gas

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## What is differentiated or responsibly sourced gas?

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- ✓ Demonstrates reduced environmental impacts and implementation of best practices as it relates to Environmental, Social, & Governance (ESG) criteria.
- ✓ Three major certifications



EQUITABLE  
ORIGIN



A higher standard. A better choice.™

PROJECT  
**CANARY**



## Benefits of Certification



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- ✓ Validation of Effective Risk Management
- ✓ Verification of Responsible Practices through Rigorous Independent Audits
- ✓ Enhances Awareness & Creates Structure of Sustainability Throughout Company
- ✓ Market Recognition of Certified Product



# Equitable Origin



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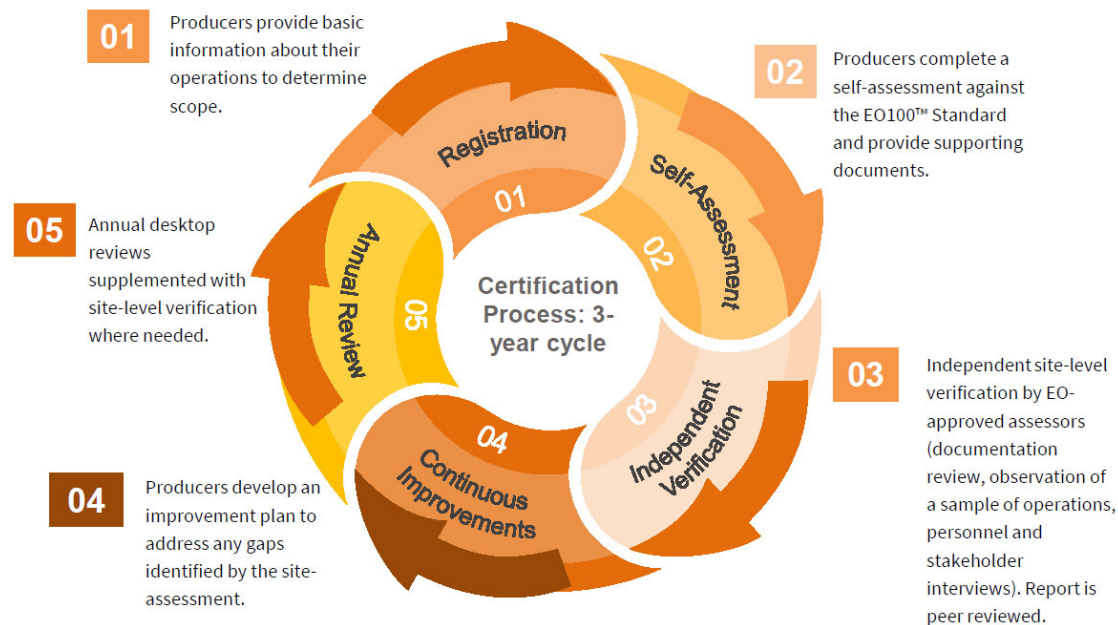
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- ✓ EO100™ Standard for Responsible Energy Development
- ✓ Comprehensive, ISO-like ESG Framework with Five Principles
- ✓ Requires Independent Verification and Commitment to Continuous Improvement



EQUITABLE  
ORIGIN  
CERTIFIED

## EO Certification Process



- ✓ Methane-Focused Standard with Three Criteria
- ✓ Requires Independent Verification



Grade	Score requirements		
	Methane Intensity	Company Practices (Improved Practice points)	Monitoring Technology Deployment
A	$\leq 0.05\%$	$\geq 12$	12
B	$\leq 0.10\%$	$\geq 8$	8
C	$\leq 0.20\%$	$\geq 4$	4
D	$\leq 0.50\%$	0	0
E	$\leq 1.00\%$	0	0
F	$\leq 2.00\%$	0	0



## Project Canary

- ✓ Four primary categories including air, water, land and community
- ✓ Certification is awarded at the well level
- ✓ Continuous Emissions Monitoring is required for Platinum certification



Canary X CH4 monitoring device



# Continuous Improvement

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## Equitable Origin

- ✓ Certification requires continuous improvement and progression on ESG efforts
- ✓ Certification is valid for three years, but progress must be demonstrated during annual desktop reviews

## MiQ

- ✓ Certification is valid for one year
- ✓ Ex-ante and ex-post audits are required to confirm methane intensity, company practices, and monitoring technology

## TrustWell by Project Canary

- ✓ Certification is valid for one year
- ✓ Certification report identifies actionable steps for continuous improvement



## RSG Marketing Transactions

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Certified gas transactions can be executed using a bilateral agreement between a buyer and seller

Registries such as MiQ and Xpansiv can also be used to perform certified gas transactions

- ✓ Real Data - Requires continuous production data collection at the unit level (e.g. MMBtu)
- ✓ No duplication - Secure registration, issuance, transfer, and retirement of digital assets (eliminating invalidation risk)
- ✓ Transparency - Enables end-users to get a certificate and review the data back to the point of production
- ✓ Reporting - Standardized reporting capabilities for retired ESG assets

