

# Platts Methane Performance Certificates

## What are we publishing?

We are publishing a daily assessment of Methane Performance Certificates (MPCs), which is a certificate traded on the spot market that represents avoided methane emissions from the production of a specific volume of natural gas. We are publishing our daily assessment as both dollars per MPC (\$/MPC) and dollars per metric ton equivalent (\$/mtCO<sub>2</sub>e).

The Methane Performance Certificate (MPC) is traded separately from the physical natural gas, and will provide an additional way to generate capital through lower methane intensity in natural gas production. Natural gas produced with a methane emissions intensity below the Platts threshold of 0.10% will be eligible to be issued MPCs. We will review the methane intensity threshold annually, as new Subpart W data typically becomes available around the month of September and may modify the threshold at its discretion.

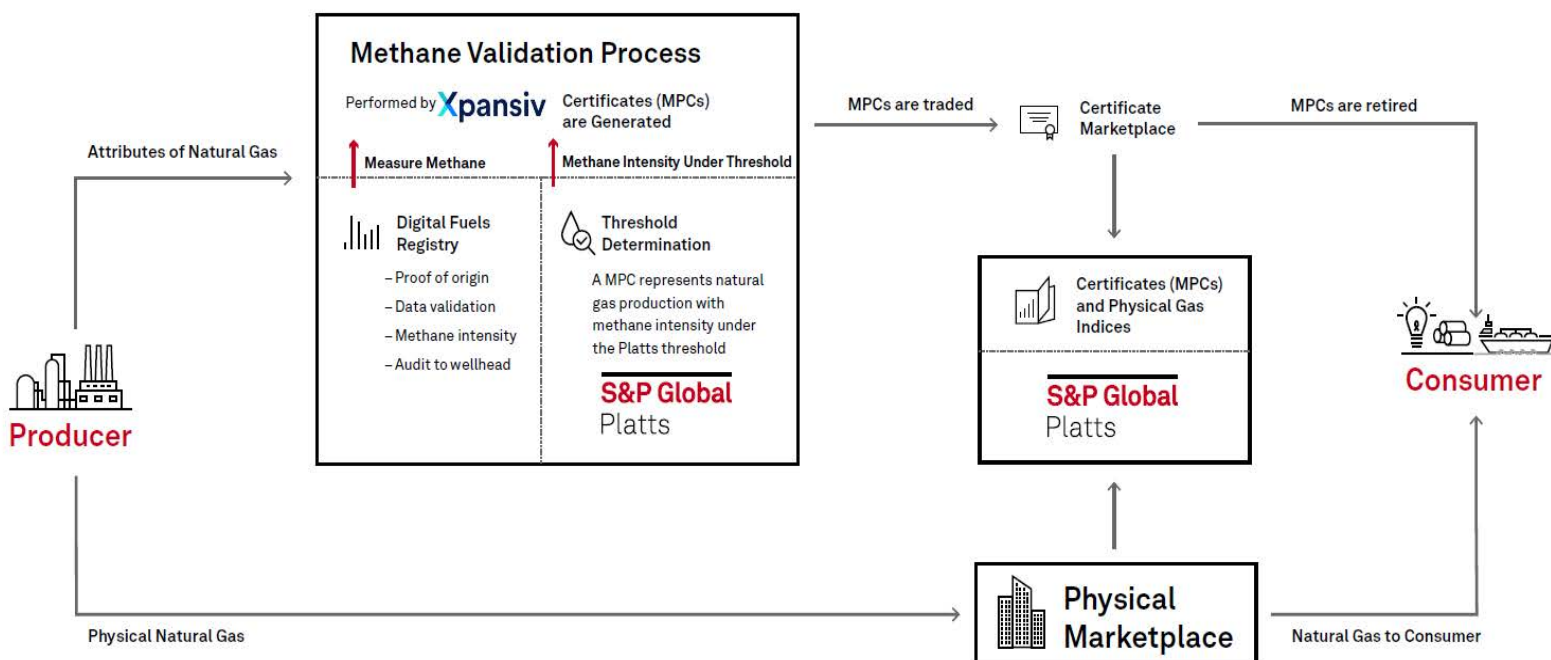
## What role does Xpansiv play in the market?

Xpansiv acts as both the issuer of MPCs and a platform on which they can be traded between market participants. Applying established third-party standards, protocols, and certifications to continuously metered data, Digital Natural Gas® (DNG™) units are registered to provide an immutable record to the source of production.

Each MPC is issued based on the methane performance of the DNGs, with participating gas producers able to transact their awarded MPCs on Xpansiv market CBL or bilaterally. MPCs are registered, issued, transacted, and retired in accordance with Xpansiv’s Digital Fuels Program.

The number of certificates per 1,000 MMBtu of production that a company receives represents the percent differential to the industry average methane intensity percentage. For example, a producer with a methane intensity 80% below the industry average will receive 800 MPCs per 1,000 MMBtu of production.

## Together, the full MPC market looks like this:



## Why are we focusing on methane in natural gas production?

Methane emissions have risen dramatically over the last several years and have become an even more significant contributor to global heating than Carbon Dioxide. The global warming potential of one metric ton of methane released unburned into the atmosphere can be anywhere from 28 to 36 times higher than one metric ton CO<sub>2</sub> over a 100-year period, and it is between 84 and 87 times more potent than CO<sub>2</sub> within the first 20 years of its life cycle in the atmosphere.

Managing methane emissions is one of the most effective ways to curb the acceleration of global warming, and achieving significant reductions today will have a significant effect on atmospheric warming potential over the next 10 to 20 years while the window to make the greatest impact is still open.

## How does this approach differ from other existing standards and certificates?

The MPC methodology is the first to utilize empirical process and emissions data collected directly from natural gas production facilities, rather than relying upon estimated subpart W data.

MPCs enable producers, commercial, industrial, and utility consumers to differentiate and accurately price cleanly produced, or responsibly sourced natural gas.

## Where can I find the MPC price assessments?

MPC assessments are published in the Gas Daily and Energy Trader publications and via a new market data category, MPC.

### North America

+1-800-PLATTS8 (toll-free)  
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