



## **Climate Change and the American Exploration & Production Council: An Important Issue Demanding Serious Consideration and Appropriate Action**

Climate change has become the subject of important public policy debate.

The American Exploration & Production Council (AXPC), representing the largest US independent natural gas and oil exploration and production companies, believes that a number of principles should guide future climate change policy action. Those principles are discussed here.

Scientific, technical and economic research should continue on the contribution of human activities to climate change. This research will continue to provide policymakers and stakeholders with information that will assist in the development of policy and regulatory initiatives that are based on sound science and consideration of economic consequences.

On a per-unit of energy basis, greenhouse gas emissions resulting from the combustion of natural gas are the lowest of any fossil fuel. Therefore natural gas will be a critical component of any climate change policy.

AXPC supports sharing of best management practices and the careful consideration of any policy or regulatory actions regarding climate change so as to ensure that:

- the inevitable increase in natural gas demand can be met by exploration and production companies, in a stable investment environment that includes access to North America's large natural gas resources, both offshore and onshore;
- any climate change policies are economically transparent and rely on market forces to efficiently encourage conservation by consumers, development of alternative energy sources, and use of carbon capture and sequestration;
- application and enforcement applies appropriately to all sectors of the economy and is uniform at local, state, national and international levels;
- any programs are based on efficient reporting, and on reliable, available and economic technology;
- early voluntary actions\* to reduce greenhouse gas emissions are credited in any future rule or regulation; and,
- funding is provided for research and development of low carbon technology.

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AXPC companies and others have been active in voluntarily reducing methane emissions, including through programs like EPA's Natural Gas STAR. Methane emissions in natural gas systems in 2006 were 17.9% below 1990 levels indicating that voluntary programs can be effective at reducing GHG emissions. Source: *Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2006* (EPA 4/15/2008)