

The International Gas Union (IGU) issues response to the Global Energy Monitor report titled, The New Gas Boom: Tracking Global LNG Infrastructure

Barcelona, 4 July 2019 - The natural gas sector has played and will continue to play a leading role in meeting the most pressing global energy and environmental challenges.

Natural gas has vital economic and environmental roles in the current and future energy systems, cleaning up urban air from toxic pollutants that stem from burning coal, wood, dung, and diesel, while significantly reducing CO₂ emissions.

Natural gas is a reliable tool, helping governments meet national and international climate targets, delivering energy system resiliency in severe weather when other technologies fail, enabling cleantech for all energy uses, all while ensuring energy remains affordable in the face of rising costs. It is also an indispensable power system flexibility provider, ensuring reliability that is so important nowadays to the proper functioning of our businesses and economies.

The recent Global Energy Monitor study misses all that. Worse still, its CO₂ emissions analysis, that serves as the base for the dismissal of gas, is incorrect. The analysis relies on a highly disputed methane emissions assessment study, which was based on data collected from a portion of the U.S. supply chain and relied on top-down methodology, that has been shown to overstate emissions, due to a temporal limitation in a recent comprehensive work published by the National Academies of Sciences (<https://www.pnas.org/content/115/46/11712>).

According to the latest analysis by the International Energy Agency, natural gas emits between 45% and 55% lower greenhouse gas emissions than coal when used to generate electricity. Going forward, technologies like carbon capture utilization and storage (CCUS), renewable gases and hydrogen can help further minimize carbon content of natural gas, by as much as 90%. Natural gas infrastructure for that matter will continue to serve as a reliable medium for transporting energy to where and when it is needed, thus nullifying the analogy with coal on stranded investments.

Furthermore, most recent energy outlooks, including the IEA's and BCG/IGU/Snam Global Gas Report, call for continued investment into natural gas infrastructure, in order to meet growing global demand for modern energy and meet the sustainable development goals.

Aside from the sizable GHG advantage over coal, natural gas is dramatically cleaner for the air quality, as it produces less than one tenth of sulphur oxides, nitrogen oxides, and the particulates – in simpler terms smog and soot – than coal.

Air pollution is the greatest environmental threat to health that kills around 7 million people each year, with almost 600,000 of them being children under the age of 5, according to the World Health Organisation. Using natural gas instead of coal to generate electricity and fuel industry has time and time again proved to significantly reduce air pollution. Furthermore, LNG used as shipping fuel helps to improve air quality on land and at sea, while also reducing GHG's.

All of that said, we aren't resting on our laurels in the gas industry and one small example is the work that we are involved in with the Methane Guiding Principles effort. Today, more than ever, the management of methane emissions is a top priority for us. It makes good commercial sense (methane is our product, after all) not to waste it. But beyond that, the industry considers this as an opportunity to actively contribute to solve the tough global policy challenges around emissions management, and achieve a sustainable energy future.

We firmly believe that natural gas will play a vital role in that future. In a world where almost a billion people have no access to electricity, and nearly three billion have to cook with fuels that most of us in the developed world only read about in history books, and which produce toxic fumes in their homes. In a world where even in the most developed countries, the affordability of clean energy is a growing political issue, abundant natural gas and the infrastructure that delivers it, offer an enormous opportunity for humankind. We at the IGU would welcome an occasion to engage with the Global Energy Monitor on all implications of that opportunity, including CO2 emissions.

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About The International Gas Union (IGU)

The International Gas Union (IGU) was founded in 1931 and is a worldwide non-profit organisation aimed at promoting the political, technical and economic progress of the gas industry. The Union has more than 160 members worldwide on all continents, representing approximately 95% of the world gas market. The members of the IGU are national associations and corporations within the gas industry worldwide. The IGU organises the World Gas Conference (WGC) every three years, with the forthcoming WGC taking place in Daegu, South Korea in June 2021. The IGU's working organisation covers all aspects of the gas industry from exploration and production, storage, LNG, distribution and natural gas utilisation in all market segments. www.igu.org