Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

June 17, 2022

RE: The Enhancement and Standardization of Climate-Related Disclosures for Investors,
File No. S7-10-22

Dear Secretary Countryman,

I am pleased to submit comments in response to the Request for Public Input on Climate Change Disclosure on behalf of MiQ. Methane emissions from the Oil and Gas sector play an enormous role in climate warming experienced to date, as well as a significant opportunity for mitigation of climate risk. The goal of methane emissions disclosure proposed within the SEC framework is a valuable first step. However, it should be recognized that methane is a very unique greenhouse gas such that:

(1) A majority of these odorless and colorless emissions are from ***unintended*** sources, and not fully accounted for in traditional greenhouse gas or pollutant inventory methods;
(2) Emissions should be near-zero as the venting or accidental release of methane is not an inherent or required function of operations, as is CO_2, for combustion;
(3) Methane is a short-term climate pollutant, and unless it is cataloged, benchmarked and targeted for reductions against a meaningful 20-year global warming potential (GWP) of 86x[1], and/or disaggregated separately from CO_2, a large potential opportunity for reductions and risk mitigation will be lost.

GHG Metrics
Extensive studies have demonstrated the enormous discrepancy and under-reporting between inventoried and actual methane emissions[2] [3] [4] [5] [6], as also outlined in other comments by Methane Detection companies.

As a result, the SEC must consider industry-specific metrics for methane accounting for the oil and gas sector which overcome the significant blindspot of unintended emissions and inaccurate inventory methods (ie., the use of emissions factors). These can be achieved in the following way:

- Incorporate reconciliation of top-down or facility-wide emissions from enhanced quantification surveys;
- Work towards component-level, site-level and facility-scale measurement utilizing measurement-specific protocols like OGMP2.0 and GTI's Project Veritas;
- Combine preventative practices with enhanced detection methodologies which lead to immediate mitigation or repair.

All metrics (and associated methodologies) must be properly referenced, published, calibratable, and replicable by an outside and independent third party or verification body; recognize and report uncertainty associated with the method; and report whether they are an aggregation of emission factors, engineering calculations, process

[1] IPCC AR6 https://www.ipcc.ch/assessment-report/ar6/
[2] https://www.nature.com/articles/s41467-021-25017-4
[3] https://pubs.acs.org/doi/10.1021/acs.est.1c06458
[4] https://www.pnas.org/doi/full/10.1073/pnas.1522126112
[5] https://pubs.acs.org/doi/10.1021/acs.estlett.1c00173
[6] https://pubs.acs.org/doi/abs/10.1021/acs.est.6b04303

simulations, direct measurement tools, or indirect measurement tools. All enhanced methodologies must be tested and calibrated and associated capabilities held against the criteria of a published and industry-recognized yardstick.

The MiQ Standard for Methane Performance and differentiated gas recognizes the enormous opportunity that new methane detection technologies play today in allowing for increasingly precise emissions tracking through direct and/or indirect quantification and measurement. MiQ has created a framework that enables the disclosure of measured emissions for operators. While these technologies are already being deployed, MiQ predicts that US operators will have access to these tools with great scalability between 2023 and 2025.

Verification
As prescribed by the Greenhouse Gas Protocol (GHGP), third party verification must be a required tool for methane disclosures. Consistent with other accepted auditing procedures across a variety of sectors, a data collector must not also serve as a third-party verifier of said data. By definition, self- auditing necessarily represents a conflict of interest. Use of independent, financially unconflicted, and accredited auditors are necessary in all methane reporting procedures.

Disaggregation of CH4 in GHG reporting
Methane reporting of CO_2e is a valuable metric for combined climate risk of any corporation. However, Methane is a short-term climate pollutant which is believed to be responsible for as much as 40 percent of climate warming experienced to date according to the IPCC[1]. This is the case, even though, by mass, methane represents only a fraction of the total greenhouse gas (GHG) emissions each year. MiQ firmly recommends adoption of the 20yr global warming potential (GWP) for methane of 86x to estimate CO_2e in any aggregated sense. This more accurately estimates the role of the methane in future societal and environmental impacts. Current inventory methods that only recognize the 100yr GWP of 34x[1] are inaccurately weighing the climate risk of methane.

Targets
Methane emissions from the oil and gas sector are a unique opportunity for rapid climate reductions in the very near term. Mitigation of methane emissions does not interfere with day-to-day operations, nor does it require significant infrastructure modifications or changes to corporate practices. Significant reductions can be achievable over a one-to-three year basis. As a result, these reductions should be recognized as an opportunity for shorter and actionable targets in the context of broader goal setting.

As outlined above, current methane inventory methods are inaccurate and result in an underreporting of methane emissions. Emissions baselines utilizing current emissions factor-based methodologies will also be inaccurate. Future industry-specific targets should include goals towards absolute intensities or emissions goals, as they approach near-zero, utilizing only methodologies described above. Emission reductions performance targets (%) that are set against a baseline can only be compared like-to-like and thus must incorporate enhanced, open-source methodologies, with recognition of uncertainty values in any metric or tool.

Sincerely

Lara Owens, PhD
Director of Science and Technology
MiQ