

PROJECT
CANARY

PROJECT CANARY

CASE STUDY

SHOWCASED CLIENT: PENNENERGY RESOURCES



**Validating
PennEnergy's
Commitment to ESG
Values.**



ABOUT

Based in Pittsburgh, Pennsylvania, PennEnergy Resources (PennEnergy) is an oil and gas company working to develop unconventional shale resources in the Appalachian Basin. Founded in 2011, PennEnergy is backed by Encap Investments, LP, and had 378 wells producing 700 MMcfe/d from across 200,000 gross acres in Southwest Pennsylvania as of the end of 2021.

THE CHALLENGE



PennEnergy has had community safety and environmental stewardship baked into its mission from the outset. To ensure the highest standards were met on the well pads they intended to build, they hired their head of Health, Environmental & Safety (HES) over a year before active drilling operations even began.

As members of the community in which they operate, HES has been a core program for PennEnergy. From the outset, production facilities were designed to minimize environmental impact, going above and beyond current regulatory requirements. Additionally, new facility design is a continually evolving concept and improvements are made with every pad – such that PennEnergy considers its most recent pads as flagship models for the industry. Elements such as air emissions controls are integral to current design (and always have been). Acquired assets developed by prior operators presented new challenges in that many required retrofits to bring these facilities up to PennEnergy’s operational and environmental standards (again, reiterating that these standards are higher than any regulatory requirements).

Utilizing metrics such as regulatory annual air emissions inventories (ex. methane at the state and federal level) has been instrumental in measuring the success of these environmental programs and have demonstrated continual success and improvement. With the advent of reputable independent third-party assessors and programs in the Environmental, Social & Governance (ESG) realm by 2021, PennEnergy became increasingly interested in engaging with such entities to further validate the company’s best-in-class operational practices and efforts.

SOLUTION

PennEnergy chose to work with Project Canary for an environmental assessment of their producing assets and monitoring of methane emissions. The integrity of Project Canary's engineers and independent assessment combined with innovative emissions detection technologies provided a turnkey solution for PennEnergy and allowed Project Canary to take a holistic approach to rating the company's HES program. Looking at management systems, operations, compliance, and over 600 unique data points, Project Canary engineers audited over 100 distinct sites and reviewed over 5,800 records provided by the PennEnergy team covering documents, reports, processes, and procedures. After a thorough review, PennEnergy achieved a platinum rating on the majority of its wells through Project Canary's TrustWell certification, placing them in the top 10% of all companies in environmental stewardship across water, air, land, and community.

PennEnergy has also installed Project Canary methane sensors (Canary X units) on demonstration pads. Equipped with this data, PennEnergy has been able to further validate that their operational planning such as the use of air-driven pneumatic controllers and the installation of vapor control devices has paid off, with fugitive methane emissions remaining low.

DATA / STATS

- Majority of wells achieved platinum rating (top 10% of companies)
- As a result of earning Project Canary's top "Gold" and "Platinum" ratings on 375 of its 378 wells producing at the end of 2021, nearly all of PennEnergy Resources' production is certified "Responsibly Sourced Gas" (RSG), a differentiated classification of natural gas produced in the most environmentally responsible manner.
- Over 5,800 records reviewed
- Over 100 well sites evaluated

CONCLUSION

Project Canary certification and monitoring have provided PennEnergy with third-party validation of their ESG program, allowing them to further validate and demonstrate the success of their environmental commitment to both investors and the community in which they operate. Additionally, the ratings they achieved may provide future commercial opportunities by providing PennEnergy with an opportunity to enter the quickly developing RSG market. Not satisfied by being the best, PennEnergy Resources strives to continue to enhance its practices, and lead the way in demonstrating that necessary shale resources can continue to be developed in an environmentally responsible manner.

GET IN TOUCH WITH US

PROJECT
CANARY

Denver-based Project Canary is a SaaS-based data analytics company that provides environmental assessments and continuous monitoring solutions at the facility level to enable companies to measure and improve their operations and emissions profiles. The firm's solutions enable users to assess factors such as methane, water, and other climate-related energy supply chain risk factors, allowing commodity buyers to track the environmental performance for intensive industries.

CASE STUDY

CONTACT US

1200 17TH STREET, FL 26

DENVER CO 80202

+1 (303) 968-1702

INFO@PROJECTCANARY.COM

PROJECTCANARY.COM

