Platts of S&P Global Commodity Insights Launches First-of-Type Daily Price Assessments for North America Renewable Natural Gas

HOUSTON, May 16, 2023 /PRNewswire/ -- Platts, part of S&P Global Commodity Insights, the leading independent provider of information, analysis, data and benchmark prices for commodities, energy and energy transition markets, has announced the launch of new first-of-type daily Platts North America Renewable Natural Gas (RNG) price assessments, with the aim of bringing price transparency to this emerging market. Renewable natural gas is methane-rich biogas emitted from sources such as animal manure, landfills and sewage that has been captured and processed to produce pipeline-quality natural gas.

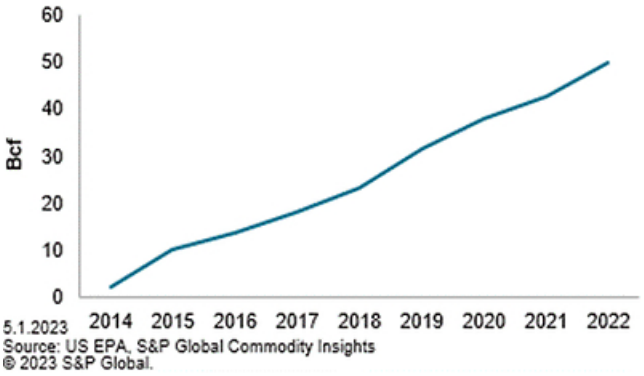
Production of US renewable natural gas has grown steadily since its inclusion in the federal Renewable Fuel Standard and interest in RNG will continue to expand as companies seek to reduce their carbon footprint. According to S&P Global Commodity Insights' Planning Scenario forecasts, renewable natural gas supply will grow threefold to 2030, and as much as fivefold, according to its more ambitious Fast Transition outlook to 2050.

California is the first state in the US to adopt a renewable gas standard and is a key consumer of renewable natural gas. The California transportation fuels market historically has been considered the market of choice for RNG sellers acrossNorth America, with the stacked combination of the state's Low Carbon Fuel Standard and federal Renewable Fuel Standard credits providing a "price to beat" for other buyers.

Platts has launched two RNG price assessments: One that reflects California transport fuels market incentives where the transacted gas is consumed within California, and another that reflects RNG supplied to consumers outside ofCalifornia and thus does not include those additional state-level incentives. The new Platts price assessments reflect the premium that pipeline quality RNG receives over pipeline-quality fossil natural gas, delivered on a spot basis in North America, with a pathway that has a carbon intensity (CI) of 45 *:

- **Platts North America RNG (California)** -- assessment reflects the price premium for renewable natural gas sold into and purchased in California
- **Platts North America RNG Premium (Excl. California)** – assessment reflects the price premium for renewable natural gas sold and purchased outside of California

US RNG transportation fuel production



Alan Hayes, Head of Energy Transition Pricing, S&P Commodity Insights, said: "We believe our new Platts RNG assessments bring much needed price transparency to this nascent and growing market, and we see the demand for renewable natural gas pricing information continuing to grow, as RNG becomes ever more important as a component of the energy transition."

Platts will also publish the North America renewable natural gas carbon intensity value per point, which represents the change in value of the North America RNG Premium based on a one-point decrease in the carbon intensity of the production pathway.

Mark Callahan, Director Americas Natural Gas Pricing, S&P Commodity Insights said: "Renewable natural gas is one of the solutions market participants have to reduce methane emissions and carbon intensity. Having this new price information will allow companies to better value their RNG portfolios on a daily basis regardless of production pathway or location."

The assessments may be found in S&P Global Commodity Insights products and services, including:*Platts Gas Daily*, *Americas Natural Gas Alert* pages, *Platts Dimensions Pro*, and in the Platts price database.

*The CI of 45 was chosen to reflect a typical CI for landfill-derived RNG, the most commonly available type of RNG currently on the market

Media Contacts:
Americas: Kathleen Tanzy + 1 917-331-4607, kathleen.tanzy@spglobal.com
EMEA: Paul Sandell + 44 (0)7816 180039, paul.sandell@spglobal.com
Asia and India: Melissa Tan + 65-6597-6241, melissa.tan@spglobal.com

About S&P Global Commodity Insights
At S&P Global Commodity Insights, our complete view of global energy and commodities markets enables our customers to make decisions with conviction and create long-term, sustainable value.

We're a trusted connector that brings together thought leaders, market participants, governments, and regulators and we create solutions that lead to progress. Vital to navigating Energy Transition, S&P Global Commodity Insights' coverage includes oil and gas, power, chemicals, metals, agriculture and shipping.

S&P Global Commodity Insights is a division of S&P Global (NYSE: SPGI). S&P Global is the world's foremost provider of credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help many of the world's leading organizations navigate the economic landscape so they can plan for tomorrow, today. For more information visit https://www.spglobal.com/commodityinsights.

S&P Global
Commodity Insights

SOURCE S&P Global Commodity Insights

---

https://press.spglobal.com/2023-05-16-Platts-of-S-P-Global-Commodity-Insights-Launches-First-of-Type-Daily-Price-Assessments-for-North-America-Renewable-Natural-Gas