



- Home
- What we do
- Members & signatories
- Reporting to CDP
- Reports & data
- Our partners
- News & events
- My CDP

Search Results

Respondent CDP 2008: Anadarko Petroleum Corporation

General Information

It is not a requirement of the CDP questionnaire to give an introduction to your answer, but if you would like to do so, please give it here in the text box below or attach a document.

NOTE FROM CDP: This response was submitted as a Word / PDF document and is attached in full to this introduction section. Where possible the data has been inputted into the online system but where the response does not match the question we have left the box blank. Please check the full response in Word / PDF to see the complete answer from this company.

Download attachment

Where available please can you provide the following identification numbers for your primary listings/ordinary shares and information for your company:

Company Turnover (also known as sales) in millions of US\$

ISIN number

CUSIP number

SEDOL number

1 - Risks and Opportunities

Question 1(a)(i) Regulatory Risks

How is your company exposed to regulatory risks related to climate change?

We consider our company to be exposed to regulatory risks because...

Anadarko's primary commercial risks are regulatory. The scope of proposed state, regional,

and nation-wide legislation mandating limits on greenhouse (GHG) emissions indicates that Anadarko's operations will somehow be impacted. Similar to Anadarko's comments on regulatory risk for CDP5, for its hydrocarbon exploration and production (E&P) activities, the risk lies in uncertainty around what emission sources will be regulated (essentially, whether or not the financial burden presented by regulation will be imposed on the production of a resource or the end use of that resource). Anadarko has heightened its involvement and concern over how potential regulation will impact its business due to increased legislative activity.

Anadarko assesses potential regulatory risk related to climate change primarily through policy analysis and financial modeling. Because uncertainty exists over when and if legislation will be signed into law, Anadarko continues to assume that regulation may be promulgated at any point. Therefore, Anadarko is actively participating in various trade associations to communicate our position on legislative proposals in order to create fair and effective regulations addressing climate change.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 1(a)(ii) Physical Risks

How is your company exposed to physical risks from climate change?

We consider our company to be exposed to physical risks because...

Anadarko has physical risks to its operations in the offshore Gulf of Mexico and other areas. These risks are primarily related to extreme weather events (e.g., hurricanes) which research indicates may increase in intensity in accordance with a warmer climate. The 2005 hurricane season in the Gulf of Mexico demonstrated the potential damage and business impact that severe weather can have on the oil and gas industry. Anadarko had a strong environmental, health and safety record that season, with no injuries to its employees and relatively minimal risk to its platforms and the environment. Consistent with activities last year, Anadarko continues to analyze data from that season to better prepare for future weather events.

Anadarko also has minimal risk pertaining to onshore operations from tornado activity in Kansas, Oklahoma and Texas and operational shut-ins due to extreme cold in Utah, Colorado, and Wyoming. At this time, these risks are hard to assess. Overall, severe weather is most likely to affect offshore operations, but we are aware that onshore weather patterns may also change in ways that affect our operations.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 1(a)(iii) General Risks

How is your company exposed to general risks as a result of climate change?

We consider our company to be exposed to general risks because...

Shifting consumer attitude and demand for hydrocarbons present some broad risks to the industry as a whole. Anadarko's portfolio of strong North American assets, including large volumes of natural gas and enhanced oil recovery (EOR) projects that sequester carbon dioxide, positions the company well to anticipate changing consumer awareness and preferences in the U.S. energy markets. Anadarko anticipates natural gas demand to increase and the demand for more carbon-intensive crude oil may decrease, particularly as end users recoil from rising prices and refining demand lowers. Anadarko's commitment to apply best practices and high environmental standards across all of its operations, both at home and abroad, is in keeping with its desire to be a responsible operator.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 1(a)(iv) Risk Management

Has your company taken or planned action to manage the general and regulatory risks and/or

adapt to the physical risks you have identified?

We have taken or planned action.

Anadarko is heavily involved in the debate surrounding legislative attempts to address climate change, by providing comments on potential regulation, and assessing how various legislative proposals may impact Anadarko's business. Anadarko believes that any legislation passed into law should apply to all sectors of the economy and be uniform at the local, state and federal levels. Anadarko favors proposals designating the point of regulation as close as possible to the point of emission in order to more effectively drive consumer choice. Additionally, in the case of international agreements, Anadarko believes that U.S. and U.S. businesses should not be treated disproportionately. Lastly, Anadarko hopes that future regulations will recognize early voluntary action to reduce GHG emissions, particularly emissions reduced through valid carbon sequestration projects. Additionally, Anadarko believes that any legislation passed into law should recognize natural gas as a "clean fuel" alternative.

Anadarko has continued its EOR operations and associated carbon sequestration. The emission reductions generated by these projects have been verified and banked as a means of preparing for and getting involved in carbon markets.

Finally, Anadarko's portfolio is relatively balanced between oil and natural gas, so risks are spread among higher and lower carbon intensity fuels. Anadarko has limited exposure to risks associated with emissions limits or efficiency standards within its operations and seeks to minimize those risks through voluntary participation in programs such as U.S. EPA Natural Gas STAR and API Climate Action Challenge. In 2008, Anadarko joined The Climate Registry as a Founding Reporter, and we will verify and disclose our corporate 2008 GHG emissions. Our involvement in this nation-wide registry will prepare us for mandatory reporting brought forth by legislation and identify us as an informed and well-positioned E&P company.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

No

Question 1(a)(v) Financial and Business implications

How do you assess the current and/or future financial effects of the risks you have identified and how those risks might affect your business?

We assess current and/or future financial effects by...

Anadarko has begun assessing potential impacts of legislative proposals on a net-asset-value (NAV) and net-present-value (NPV) basis. Anadarko is interested in the potential cost of carbon, and has incorporated this cost into its decision-making processes for the Salt Creek and Monell EOR projects.

As a provider of natural gas, Anadarko has been assessing the financial implications of producing cleaner-burning fuels; in all carbon modeling performed, the costs to both Anadarko and the consumer are considered.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 1(b)(i) Regulatory Opportunities

How do current or anticipated regulatory requirements on climate change offer opportunities for your company?

We consider that current or anticipated regulatory requirements offer opportunities because...

Anadarko continues to seek long-term regulatory opportunities in coupling of carbon sequestration and EOR. Anadarko's highly successful Salt Creek project in Wyoming sequesters anthropogenic carbon dioxide to produce oil from a 100-year-old field, thus representing increased production and decreased GHG emissions. Anadarko has partnered with research entities (e.g. the Rocky Mountain Oilfield Test Center) to provide data to assist in scientific research validating geologic sequestration of carbon dioxide. Anadarko continues to evaluate additional opportunities to apply the lessons learned at Salt Creek to create "win-win" situations for both its business and the environment. We hope that the verified emissions reductions (VER) generated by these projects will allow us to meaningfully participate in carbon markets as they develop through regulatory regimes.

Additionally, proposed legislation provides an opportunity for emitters to standardize how GHG emissions are reported and disclosed. Anadarko has become a Founding Reporter of The Climate Registry in order to take advantage of a voluntary program that is

progressively providing consistency on how GHG emissions should be reported, in addition to providing protocols and reporting standards that may be useful templates for future regulation.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 1(b)(ii) Physical Opportunities

How do current or anticipated physical changes resulting from climate change present opportunities for your company?

We do not consider that current or anticipated physical changes offer opportunities because...

Due to a lack of data on how physical impacts of climate change may positively impact the oil and natural gas industry, potential opportunities have not been considered at this time.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 1(b)(iii) General Opportunities

How does climate change present general opportunities for your company?

We consider that climate change offers opportunities because...

Anadarko continues to see a primary long-term opportunity to supply the U.S. market with clean-burning natural gas fuel. Anadarko's Eastern Gulf of Mexico projects account for approximately two percent of the nation's overall supply of natural gas. As consumers seek to shift to less carbon-intensive fuels, Anadarko believes that its ability to deliver this resource will serve it well under a carbon-constrained regulatory environment. Like risks, opportunities are assessed through financial modeling that considers Anadarko assets and how legislative proposals may impact our business.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 1(b)(iv) Maximizing Opportunities

Do you invest in, or have plans to invest in products and services that are designed to minimize or adapt to the effects of climate change?

Climate change has led to investment or planned investment in order to maximise climate change opportunities.

Anadarko continues to primarily invest in climate change activities with its Salt Creek and Monell EOR projects. Rather than venting carbon dioxide after use, more than 30 million tons of CO₂ over the lifetime of these projects will be sequestered.

Additionally, we continue to invest in research and the development of natural gas production, as we see ourselves as a major supplier of natural gas, a low-carbon fuel, in future years.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 1(b)(v) Financial and Business Implications

How do you assess the current and/or future financial effects of the opportunities you have identified and how those opportunities might affect your business?

We assess current and/or future financial effects by...

Opportunities are assessed through financial modeling that considers Anadarko assets and how legislative proposals may impact our business. The benefits of our EOR projects, both increased production and the generation of VERs, are considered, in addition to potential carbon costs. The production mix of natural gas versus oil is considered, as a carbonconstrained world will demand more natural gas as consumer attitudes shift.

We are a leader in carbon capture and storage (CCS) technology and employing carbon sequestration in tandem with EOR; many of our peers lack this experience. Additionally, our unique positioning as a major provider of domestic natural gas creates an opportunity for us to fill a growing demand in a carbon-constrained environment to which our competitors may be less adaptable.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

2 - Greenhouse Gas (GHG) Emissions Accounting

Question 2(a)(i) Reporting Boundary

Calculation tools that will assist companies in calculating GHG emissions from particular activities, such as the combustion of fuels, production processes, etc can be found at: <http://www.ghgprotocol.org/calculation-tools/all-tools>. Companies new to emissions reporting are strongly recommended to use these tools to assist them in their calculations. If you have used a calculation tool, please list it under the question on methodologies.

Please indicate the category that best describes the company, entities or group for which your response is prepared:

Companies over which operational control is exercised.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Yes

Anadarko reports GHG emissions on an operated control basis. All international assets are joint ventures that fall under equity control or do not meet operational control definitions and requirements. GHG emissions are reported and broken out into upstream and midstream assets.

Question 2(a)(ii) Reporting Year

Please explicitly state the dates of the accounting year or period for which GHG emissions are reported.

Start date: 01 January 2006

End date: 31 December 2006

Financial accounting year: 01 January 2006

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Yes

Anadarko completed its first global corporate-wide GHG emissions inventory on a calendar year basis in 2004. The 2005 GHG emissions inventory was completed by the same process. The calendar year 2006 inventory, however, has been designated Anadarko's baseline GHG emissions inventory due to the acquisitions of Kerr-McGee Corporation (Kerr-McGee) and Western Gas Resources, Inc. (Western), completed in August 2006. This CDP6 response includes 2006 calendar year GHG emissions. The chosen reporting period conforms to the financial reporting year.

Question 2(a)(iii) Methodology

Please specify the methodology used by your company to calculate GHG emissions.

Please select the methodology that you have used using the radio buttons.

If you have used the GHG Protocol or ISO 14064-1, please also give references to any calculation tools that you

have used or an explanation of any calculation methods that you have devised yourself. Please explain the data sources of the Global Warming Potentials and emission factors used in your calculations. If you cannot find a reference for them within a supplied calculation tool, please contact the provider of the calculation tool for the information.

If you have used a methodology that you have devised yourself, please would you explain your methodology, including methods of calculation, and the data sources of the Global Warming Potentials and emission factors.

Other

Anadarko's methodology for calculating GHG emissions is consistent with established industry guidelines found in the IPIECA/ API/ OGP Petroleum Industry Guidelines for Reporting Greenhouse Gas Emissions, and standards set by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI) Greenhouse Gas Protocol. Additionally, Anadarko's calculation methodologies have been cross referenced for consistency with The Climate Registry General Reporting Protocol. Anadarko has adopted the SANGEA GHG Emissions Estimation System for its corporate reporting and evaluation of emission reductions from its EOR operations. The version made available by API is designed to facilitate corporate reporting to API's GHG Benchmarking Program, a part of API's Climate Greenhouse Gas Estimation & Reporting Challenge, in which Anadarko participates.

Anadarko uses the SANGEA system in accordance with the petroleum industry GHG reporting guidance described in the aforementioned protocols. In SANGEA, the user may specify which global warming potentials (GWP) to use: values designated in either the 2nd or 3rd IPCC Assessment Report. Anadarko uses the GWPs from the 2nd IPCC Assessment Report. Anadarko uses the default emission factors built into SANGEA; these factors are referenced from the API Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Gas Industry.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 2(b)(i) Scope 1 and Scope 2 of GHG Protocol

Are you able to provide a breakdown of your direct and indirect emissions under Scopes 1 and 2 of the GHG Protocol and to analyse your electricity consumption?

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 2(b)(i)(y) Scope 1 and Scope 2 of GHG Protocol - Year 1 answers

Please enter the dates for the reporting period that you specified in (answer to question 2(a)(i)) , and then answer the questions for that period. By selecting the "Add Additional Year Figures" button at the end of this webpage, you can repeat the process for the previous reporting period, and then for the reporting period before that, and so on. If possible, please give data going back to the reporting period ending in 2004. You do not have to enter historical data if you have already reported this information in response to previous CDP questionnaires.

Please enter the accounting year used to report GHG emissions details below.

Start date: 01 January 2006

End date: 31 December 2006

Scope 1 Direct GHG Emissions: Please provide:

a. Total global Scope 1 activity in Metric Tonnes CO₂-e emitted.

7575357 CO₂e metric tonnes

b. Total Scope 1 activity in Metric Tonnes CO₂-e emitted for Annex B

countries.

7575357 CO2e metric tonnes

By country - Scope 1 activity in metric tonnes of CO2-e by individual country

Using the same methodology please state your emissions per country. NB : If it is not practical for you to list emissions on a full country by country basis, please list here countries with significant emissions in the context of your business and combine the remainder under "rest of world". If you already have this information in another format (e.g Excel) please attach it.

Country **Scope 1 Emissions**
(metric tonnes CO2-e)

Scope 2 - Indirect GHG emissions: Please provide:

c. Total global Scope 2 activity in metric tonnes CO2-e emitted

744823 CO2e metric tonnes

d. Total Scope 2 activity in metric tonnes CO2-e emitted for Annex B countries

744823 CO2e metric tonnes

By country - Scope 2 activity in metric tonnes of CO2-e by individual country

Country **Scope 2 Emissions**
(metric tonnes CO2-e)

Electricity consumption

e. Total global MWh of purchased electricity

760087 MWh

f. Total MWh of purchased electricity for Annex B countries

760087 MWh

By country – MWh of purchased electricity by individual country.

Country

g. Total global MWh of purchased electricity from renewable sources

0 MWh

h. Total MWh of purchased electricity from renewable sources for Annex B countries

By country – MWh of purchased electricity from renewable sources by individual country.

Country

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Yes

Scope 1 Direct GHG Emissions

a. Total global Scope 1 activity in metric tonnes CO₂-e emitted.

E&P Operations: 3,542,690 metric tons CO₂e

Midstream Operations: 4,032,667 metric tons CO₂e

Total: 7,575,357 metric tons CO₂e

b. Total Scope 1 activity in metric tonnes CO₂-e emitted for Annex B countries.

E&P Operations: 3,542,690 metric tons CO₂e

Midstream Operations: 4,032,667 metric tons CO₂e

Total: 7,575,357 metric tons CO₂e

Scope 2 Indirect GHG Emissions

c. Total global Scope 2 activity in metric tonnes CO₂-e emitted.

E&P Operations: 628,418 metric tons CO₂e

Midstream Operations: 116,405 metric tons CO₂e

Total: 744,823 metric tons CO₂e

d. Total Scope 2 activity in metric tonnes CO₂-e emitted for Annex B countries.

E&P Operations: 628,418 metric tons CO₂e

Midstream Operations: 116,405 metric tons CO₂e

Total: 744,823 metric tons CO₂e

Question 2(b)(ii) Scopes 1 and 2 of GHG Protocol

If you are unable to detail your Scope 1 and Scope 2 GHG emissions and/or electricity consumption, please report the GHG emissions you are able to identify together with a description of those emissions. If you have answered 2(b)(i), please go to question 2(c)(i).

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 2(c)(i) Other Emissions – Scope 3 of GHG Protocol

How do you identify and/or measure Scope 3 emissions?

Please provide where possible:

a. Details of the most significant Scope 3 sources for your company.

b. Details in metric tonnes CO₂-e of GHG emissions in the following categories:

i Employee business travel.

ii External distribution/logistics

iii Use/disposal of company's products and services.

iv Company supply chain.

c. Details of the methodology you use to quantify or estimate Scope 3 emissions.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Yes

Anadarko is primarily an upstream E&P oil and natural gas company that explores for and produces crude oil and natural gas. Anadarko does not operate refineries or petrochemical plants. Products are sold shortly after production to transporters or commercial end users for fuel and raw materials.

The expected Scope 3 emissions pertaining to oil and gas production are small. These emissions include the carbon footprint of production of all purchased materials necessary for Anadarko operations, transportation of those items to operating sites, and waste disposal from operating sites. Any GHG emissions pertaining to contractor-related activities like drilling and employee business travel (corporate jets, contractor, and personal vehicles) are Scope 3 emissions as well. Also included in Scope 3 emissions are the emissions associated with product use, which is probably the largest contributor to Anadarko's Scope 3 emissions. We have conducted some financial modeling concerning the use and disposal of our products to determine potential impacts, but Anadarko believes the GHG emissions associated with these activities should be estimated and disclosed by those consumers. Additionally, while the carbon intensity of our products can easily be calculated, it is not typically disclosed. Large-scale users of fuels produced by Anadarko, particularly refiners and marketers of fossil fuels, disclose the GHG emissions associated with their energy use, which is of great interest to a variety of stakeholders.

Question 2(d) External Verification

(i) Has the information reported in response to Questions 2(b)- (c) been externally verified or audited or do you plan to have the information verified or audited?

No (Please go to question 2 (e))

(ii) If your answer to question 2d(i) is Yes, please provide or attach a copy of the audit or verification statement or state your plans for verification.

(iii) Please specify the standard or protocol against which the information has been audited or verified.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Yes

The GHG emissions inventory is currently only internally audited; however, Anadarko's GHG emission reductions resulting from EOR-related carbon sequestration projects have been externally audited and verified. As a Founding Reporter of The Climate Registry, Anadarko's GHG emissions inventory in 2008 and future inventories will be verified by a third party against The Climate Registry General Reporting Protocol.

Question 2(e) Data Accuracy

Does your company have a system in place to assess the accuracy of GHG emissions inventory calculation methods, data processes and other systems relating to GHG measurement? If so, please provide details. If not, please explain how data accuracy is managed.

Yes, we do have a system.

Anadarko's Corporate GHG Protocol specifies procedures to ensure data accuracy and

quality assurance of the GHG emissions inventory. This document specifies the methods for conducting Anadarko's corporate GHG inventory; the quality of Anadarko's inventory is dependent on adherence to these methods for GHG emissions estimation and reporting. Supporting documents include the IPIECA/API/OGP Petroleum Industry Guidelines for Reporting Greenhouse Gas Emissions, The Climate Registry General Reporting Protocol, and the API Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Gas Industry, all of which provide methodologies for calculating GHG emissions relevant to Anadarko's business.

The data used to conduct the inventory are integral to the quality of the results. This does not mean that all activity data or emissions sources are metered, but the best data available are used for estimating emissions. This is especially true for the larger emissions sources, as they have the greatest effect on the overall accuracy of the reported emissions. Anadarko primarily uses IPIECA Tier B calculation methodologies and considers its resulting GHG emissions inventory to be accurate.

The acquisition and maintenance of data required to calculate GHG emissions are the responsibility of EHS personnel conducting the inventory. Documentation pertains both to the input data used in conducting the inventory and to the inventory results. While the quality of the Anadarko corporate inventory is currently assured only by periodic selfverification,

3rd party verification will be executed for the first time on the 2008 GHG emissions inventory in accordance with The Climate Registry General Reporting Protocol. Currently self-verification includes reviews to ensure:

Inventory completeness—material emissions sources are included, consistent with corporate guidance;

Data gathering and input—appropriate data (in the correct units) are gathered and input into the SANGEA system for calculating emissions;

Data documentation—appropriate references are kept regarding the sources of activity or emissions data; and

Emissions calculations—while use of the SANGEA system minimizes the need for the checking of calculations, selected calculations are checked to ensure that SANGEA is configured properly and to ensure that any calculations made to produce needed inputs are executed correctly.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 2(f) Emissions History

Do the emissions reported for your last accounting year vary significantly compared to previous years? If so, please explain reasons for the variations.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Yes

Although GHG emissions inventories have been completed for previous years, they are not comparable due to the acquisitions of Kerr-McGee and Western in August 2006. Further, throughout 2007 Anadarko divested itself of certain properties to pay down the debt associated with those acquisitions, all of which have had significant impacts on the GHG emissions inventory. The calendar year 2006 inventory has been designated Anadarko's baseline GHG emissions inventory.

However, Emissions Intensity (see Question 3.b.) from Anadarko operations significantly decreased from 2006, without taking into account emission reductions. This significant decrease is due to the acquisition of less energy intensive properties and the divestiture of higher energy intensive properties in 2006-2007.

Question 2(g) Emissions Trading

i) Does your company have facilities covered by the EU Emissions Trading Scheme?

If so:

a) Please provide details of the annual allowances awarded to your company in Phase I for each of the years from 1 January 2005 to 31 December 2007 and details of allowances allocated for Phase II commencing on 1 January 2008.

In all cases, please enter whole numbers without punctuation, For example, enter 2000 instead of 2,000.

Please enter allowance in Metric Tonnes of CO2:

1 January 2005-31 December 2005

1 January 2006-31 December 2006

1 January 2007-31 December 2007

b) Please provide details of actual annual emissions from facilities covered by the EU ETS with effect from 1 January 2005.

Please enter emissions in Metric Tonnes of CO2.

1 January 2005-31 December 2005

1 January 2006-31 December 2006

1 January 2007-31 December 2007

Phase II annual allowances

1 January 2008 – 31 December 2008

1 January 2009 – 31 December 2009

1 January 2010 – 31 December 2010

1 January 2011 – 31 December 2011

1 January 2012 – 31 December 2012

c) What has been the impact on your company's profitability of the EU ETS?

ii) What is your company's strategy for trading or participating in regional and/or international trading schemes (eg: EU ETS, RGGI, CCX) and Kyoto mechanisms such as CDM and JI projects? Explain your involvement for each of the following:

EU ETS

CDM/JI

CCX

RGGI

Others

As a U.S. company with no EU-based operations, Anadarko does not qualify to participate in the E.U. ETS. However, Anadarko is investigating its options and has entered into private transactions in the U.S. market for VERs from its EOR operations.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Yes

Anadarko understands that, should legislation regulating GHG emissions be passed, its involvement in trading schemes will be a key component of compliance. Therefore, Anadarko is proactively verifying emission reductions resulting from its EOR projects and annually banking those credits for future use. While Anadarko does not currently participate in any trading schemes, by being a Founding Reporter with The Climate Registry, Anadarko is showing its commitment to reporting GHG emissions in a standardized fashion in order to be prepared for future involvement in carbon trading schemes.

Question 2(h) Energy Costs

i) Please identify the total costs in US \$ of your energy consumption eg from fossil fuels and electric power.

If you want to enter a number less than 1, please ensure you use a decimal point (e.g. 0.3) and NOT a comma (e.g. 0,3)

ii) What percentage of your total operating costs does this represent?

iii) What percentage of energy costs are incurred on energy from renewable sources?

More details

Anadarko purchases electricity from a variety of energy providers in regions in which it operates. The grid from which it purchases electricity has many different sources of electricity feeding into it, including renewable sources such as hydropower and wind power. Therefore, some percentage of energy costs Anadarko pays are provided by renewable

sources; at this time, however, no specific data are available.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Yes

As an E&P or energy supply company, the commodity price is one factor that affects Anadarko's profitability. The energy used to fuel E&P operations is provided in many forms, including natural gas, electricity, and liquid hydrocarbons. The price and volume of energy consumption is unique to each operation and specific data are viewed as confidential business information.

3 - Performance

Question 3(a) Reduction Plans

i) Does your company have a GHG emissions reduction plan in place? If so, please provide details along with the information requested below. If there is currently no plan in place, please explain why.

No, we do not currently have a plan in place for the following reason(s):

At this time, although Anadarko does not have a finalized GHG emissions reduction plan, we are continually looking for innovative ways to minimize the overall environmental impacts of our activities, including reduction of GHG emissions. As a member of the U.S. EPA Natural Gas STAR program and the API Climate Action Challenge, Anadarko is committed to reporting reductions in methane emissions, considering cost-effective ways to reduce GHG intensity, and developing ideas to reduce, sequester, and offset GHG emissions. Additionally, because the baseline was revised to be aligned with the 2006 emissions inventory following the acquisitions of Kerr-McGee and Western, Anadarko now has plans to evaluate the role of emission reduction targets. The evaluation of different projects is currently being evaluated via financial modeling.

ii

ii) What is the baseline year for the emissions reduction plan?

If you want to give further information or describe a rolling target, please do so here.

iii) What are the emissions reduction targets and over what period do those targets extend?

iv) What activities are you undertaking to reduce your emissions eg: renewable energy, energy efficiency, process modifications, offsets, sequestration etc? What targets have you set for each and over what timescales do they extend?

Anadarko operates two EOR projects that sequester carbon dioxide in Wyoming. The emissions reductions generated by these projects are currently being verified and banked on an annual basis. Additionally, Anadarko is constantly seeking ways to enhance efficiency and bolster production, commonly leading to subsequent reductions in emissions.

v) What investment has been or will be required to achieve the targets and over what time period?

Continued investment in carbon sequestration technology will be necessary to continue funding emissions reductions from Anadarko's EOR projects. Anadarko has retained these projects with the understanding that these are long-term projects providing longterm emissions reductions.

vi) What emissions reductions and associated costs or savings have been achieved to date as a result of the plan?

For the two EOR projects mentioned, the following emissions reductions have occurred:

Year GHG Emission Reductions (metric tons/CO2e)

2007** 2,397,713

2006** 1,101,253

2005* 2,035,886

2004* 1,280,159

*Registered on the Canadian Standard Association GHG Reductions Registry©

**Registered on the Environmental Resources Trust GHGRegistry®

The 2006-2007 emission reductions have been third-party audited and verified.

Associated costs and savings are not available for public disclosure.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 3(b) Emissions Intensity

i) What is the most appropriate measurement of emissions intensity for your company?

Other

Since Anadarko is involved primarily in the production of oil and gas, GHG emissions intensity is best represented as metric tons CO2 equivalent per unit of production, typically thousand barrels of oil equivalent (MBOE). For midstream operations, GHG emission intensity is best represented as metric tons CO2 equivalent per unit of throughput, MBOE.

Please give your company's emissions intensity figure for the measurement given above.

If you want to enter a number less than 1, please ensure you use a decimal point (e.g. 0.3) and NOT a comma (e.g. 0,3)

ii) Please state your GHG emissions intensity in terms of total tonnes of CO2-e reported under Scope 1 and Scope 2 per US \$m turnover and EBITDA for the reporting year.

Scope 1/ US\$millions turnover

Scope 2/ US\$millions turnover

Scope 1/ EBITDA

Scope 2/ EBITDA

iii) Has your company developed emissions intensity targets?

No, we have not developed emission intensity targets for the following reason(s):

Anadarko is reviewing how best to set goals for and achieve voluntary emissions intensity reductions. Key targets are being evaluated in alignment with other strategic climate change activity pertaining to Anadarko's involvement in The Climate Registry.

a) If the answer to part (iii) above is yes, please state your emissions intensity targets

b) If the answer to part (iii) above is yes, please state what reductions in emissions intensity have been achieved against targets and over what time period.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Yes

For an E&P company, it is more applicable to report intensity MBOE. Therefore, emissions intensities for upstream and midstream components of Anadarko's operations are as follows:
E&P Scope 1 and 2: 22.2 tonnes CO₂e/MBOE produced
Midstream Scope 1 and 2: 23.0 tonnes CO₂e/MBOE throughput

Question 3(c) Planning

Do you forecast your company's future emissions and/or energy use?

No, we do not (Please take the opportunity to explain why not and then go to question 4 a)

At this time, Anadarko is evaluating the potential impact of future climate change legislation as it pertains to Anadarko's oil and gas activities. Publicly available studies are being used to estimate the cost of emissions under a cap and trade system and potential savings from various carbon sequestration projects are also being evaluated. While Anadarko is continually conducting financial impact assessments of various legislative proposals and evaluating changing economic conditions due to shifts in fuel demand, forecasting information is unavailable.

i) Please provide details of those forecasts, summarize the methodology used and the assumptions made.

If you are able to give quantified forecasts of Scope 1 and Scope 2 emissions and/or electricity consumption, you can enter numerical data on the next page.

ii) How do you factor the cost of future emissions into capital expenditure planning?

iii) How have these considerations made an impact on your investment decisions?

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 3(c) (i) Planning - Forecasted emissions/electricity use - Year 1 answers

This page gives you the opportunity to give numerical forecasts for emissions and electricity use. If possible, please provide emissions forecasts for the next five reporting periods. Use the "Add additional year figures" button at the end of the page to enter emission forecasts for successive reporting periods. Note: Please enter whole numbers without punctuation. For example, use 2000 instead of 2,000

Please enter the accounting period used to report GHG emissions details below.

Dates not selected.

Forecasted Scope 1 Direct GHG Emissions: Please provide:

a. Forecasted Total global Scope 1 emissions in Metric Tonnes CO₂-e.

b. Forecasted Total Scope 1 emissions in Metric Tonnes CO₂-e for Annex B countries.

By country - Forecasted Scope 1 emissions in Metric Tonnes of CO2-e by individual country

Using the same methodology please state your emissions forecasts per country. NB : If it is not practical for you to list emissions on a full country by country basis, please list here countries with significant emissions in the context of your business and combine the remainder under "rest of world". If you already have this information in another format (e.g Excel) please attach it.

Country **Scope 1 Emissions**
(metric tonnes CO2-e)

Scope 2 Indirect GHG emissions: Please provide:

c. Forecasted total global Scope 2 emissions in Metric Tonnes CO2-e

d. Forecasted total Scope 2 emissions in Metric Tonnes CO2-e for Annex B countries

By country - Forecasted Scope 2 emissions in Metric Tonnes of CO2-e by individual country

Country **Scope 2 Emissions**
(metric tonnes CO2-e)

Forecasted electricity consumption

e. Forecasted total global MWh of purchased electricity

f. Forecasted total MWh of purchased electricity for Annex B countries

By country – Forecasted MWh of purchased electricity by individual country.

Country

g. Forecasted total global MWh of purchased electricity from renewable sources

h. Forecasted total MWh of purchased electricity from renewable sources for Annex B countries

By country – Forecasted MWh of purchased electricity from renewable sources by individual country.

Country

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

4 - Governance

Question 4(a) Responsibility

Does a Board Committee or other executive body have overall responsibility for climate change? If not, please state how overall responsibility for climate change is managed. If so, please answer parts (i) and (ii) below.

Yes, an executive body does have overall responsibility for climate change.

i) Which Board Committee or executive body has overall responsibility for climate change?

The Board of Directors' Nominating and Corporate Governance Committee and the Climate Change Committee have overall responsibility for climate change. Additionally, there is a corporate risk management process that considers climate change and is actively modeling current public policy and legislative proposals for how they will impact our business now and in the future.

ii) What is the mechanism by which the Board or other executive body reviews the company's progress and status regarding climate change?

The Climate Change Committee, composed of employees representing disciplines across Anadarko, continues to organize, evaluate, and advise on climate change and GHG issues within the Company. The Committee meets, in full or in part, on a quarterly basis or more frequently, as necessary. The Committee reports annually through executive management to the Board of Directors' Nominating and Corporate Governance Committee.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 4(b) Individual Performance

Do you assess or provide incentive mechanisms for individual management of climate change issues including attainment of GHG targets? If so, please provide details.

Yes, we do.

Anadarko indirectly provides incentives to prudently managing GHG emissions; since methane is the major component of natural gas, it is inherently in Anadarko's best interest to capture the gas produced for sale in lieu of emissions. Utilizing best management practices and partner related opportunities provided by the U.S. EPA Natural Gas STAR program, Anadarko reports methane reductions achieved annually, which are indicative of additional profits for the business units.

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 4(c) Communications

Please indicate whether you publish information about the risks and opportunities presented to your company by climate change, details of your GHG emissions and plans to reduce emissions through any of the following communications:

i) the company's Annual Report or other statutory filings

Yes

The 2007 Annual Report discusses the sale of emission reduction credits derived from carbon sequestration associated with the EOR projects in Wyoming. While SEC filings do not specifically address climate change or GHGs, their costs and potential burdens are indirectly included within environmental liability language comments.

ii) formal communications with shareholders or external parties

iii) voluntary communications such as Corporate Social Responsibility reporting

Yes

Anadarko chooses to use its public website and the CDP as a venue for disclosure concerning its GHG emissions and climate change activities.

Anadarko's publicly available climate change information may be found on its website at the following link:

http://www.anadarko.com/community_environment/climate_change.asp

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

Question 4(d) Public Policy

Do you engage with policymakers on possible responses to climate change including taxation, regulation and carbon trading? If so, please provide details.

Yes

Anadarko actively participates on climate change legislative proposals at the local, state, and federal levels, through industry groups and lobbying with federal legislators. Through its participation, Anadarko is communicating its concerns on a variety of climate change topics and initiatives at both the regional and federal levels included in the decision making process. Examples of this include involvement in the Western Climate Initiative and The Climate Registry. Anadarko actively comments on protocols managing GHG emissions accounting, inventory management, GHG emissions reduction, and verification procedures. Additionally, Anadarko frequently comments on legislative proposals (e.g. Anadarko commented on the proposed revision to the FTC Guides for Environmental Marketing Claims). We feel it is crucial to be informed and comment, where appropriate, on any legislative proposals or regulatory initiatives (including regulatory rulemaking and guidance document development or revision).

Would you like to provide any additional information relating to this question that you have not provided elsewhere?

We have upgraded our website login. If you have registered to view CDP responses before December 23, please re-register and we will issue new login details.



Connect with us

Newsletter

[Contact Us](#) | [Jobs](#) | [Staff](#) | [Trustees & Advisors](#)
[Accessibility](#) | [Terms & Conditions](#) | [Privacy Policy](#) | [Cookie Policy](#)

© 2015 CDP Worldwide, Registered Charity no. 1122330.
A company limited by guarantee registered in England no. 05013650

