# Methane Reconciliation is Complex – and Critical

# Why OGMP 2.0 Level 5 reconciliation is harder than it looks — and how to get it right.

### OGMP 2.0 Level 5 (L5) reporting requires more than collecting emissions measurements.

It requires deliberate, evidence-based reconciliation between source-level and site-level data. Some operators assume this is a simple calculation. It is not.

#### "Reconciliation is more than just math — it proves you understand where your emissions are coming from."

Operator at an OGMP 2.0 Gold Standard company

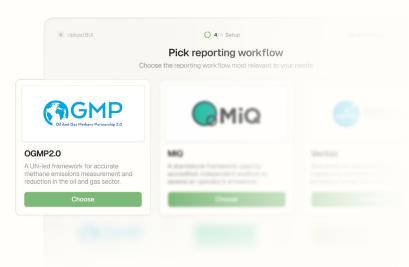
Reconciliation is a complex task involving data science, engineering, compliance, and operational expertise. Many companies struggle to do it correctly.

## Most Operators Face Challenges with Reconciliation

In 2023, 70% of assets that attempted L5 reporting failed to meet the standard due to inadequate, incomplete or unclear reconciliation.

Even experienced teams had difficulty – because each asset, measurement method, and data system is different.

To succeed, companies need an approach that reflects their facility mix – whether that involves Annualized or Instantaneous Reconciliation. Highwood has developed a standardized, flexible approach that enables Operators to reconcile credibly whether they operate hundreds or thousands of similar sites or individual complex facilities.



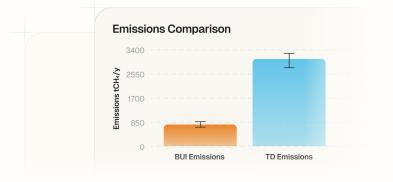
#### **Common Reasons Reconciliation Fails**

Even well-prepared teams often face challenges. These are the most common reasons why reconciliation efforts break down.

- Inconsistent Methods: Unit conversions and data processing are not standardized, which makes comparisons difficult.
- Unclear Logic: Without a common process, each team creates its own approach. This increases errors and makes results hard to verify.
- Poor Documentation: Justifications are often stored in files that are hard to access, especially if staff leave.
- No Clear Insights: Reconciliation should help operators identify unexpected or problematic sources of emissions, not just produce numbers for reports.
- Lack of Repeatability: Even if a company gets it right once, they may struggle to do it again next year.
- Lack of Follow-through: Companies often fail to act on the reconciled inventory by updating emissions totals and mitigation plans.

#### Why It Matters to You

Depending on your role, weak reconciliation can lead to different – but equally serious – risks for your organization.



#### Executive Leaders

Protect market access and demonstrate emissions performance to unlock capital.

- Regulatory Affairs & Compliance Audit failures, fines, and last-minute reporting problems.
- ESG / Sustainability
  Risk to reputation, ESG ratings, and investor confidence.
- GHG / Measurement

Time wasted on spreadsheets and uncertainty about on effective process.

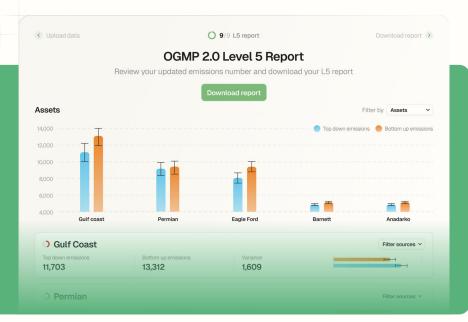
#### How Highwood Can Help

Highwood Emissions Intelligence Platform (EIP) is designed to manage the complexity of reconciliation:

- Automates the reconciliation process across all your assets
- Uses consistent rules and workflows for better comparability
- Saves your assumptions and justifications for future audits
- Helps you find real emissions problems not just meet reporting requirements

Highwood clients have a 100% success rate achieving OGMP 2.0 Gold Standard when supported by our team.

Diagnostics	
Total sites in asset	292
Total flaring (Incomplete Ombustion) Records in L4 BUI	292
Number of Source Sub-Categories 🛈	5
Site-Level Measurement Coverage 🛈	96%
Extrapolated Sites ①	4%
Proportion of Events in Flaring (Incomplete Combustion)	185/362



#### Be Proactive Don't Leave Reconciliation to Chance

Highwood helps you get it right – the first time, and every time.

Book a demo