

**Responses of David Lawler,
Chairman and President, bp America Inc.,
to Questions for the Record for the
Subcommittee on Oversight and Investigations
hearing held on April 6, 2022**

The Honorable Frank Pallone, Jr. (D-NJ)

1. Since Russia's invasion of Ukraine, BP has committed to exiting its investments and joint ventures in Russia. I commend BP's commitment to responding to Russia's unprovoked invasion of Ukraine, but I am concerned about how this move might impact BP's commitment to the energy transition and a low-carbon future. Will BP's decision to exit its investments and joint ventures in Russia affect its ability to invest in low- and zero-carbon energy?

Russia's aggression against Ukraine has brought tragic humanitarian consequences for the region, and on February 27, 2022, the bp board announced bp would exit its 19.75% shareholding in Rosneft. bp remains committed to being net zero by 2050 or sooner and does not believe that the decision to exit the Rosneft shareholding will hamper its ability to deliver on this ambition.

2. BP has a stated goal of reaching net zero emissions by 2050 or sooner, which will require substantial investments in clean energy and technology to lower emissions. BP has seen soaring profits since 2021, putting the company in a position to increase its investments and reach net zero before 2050.
 - a. Does BP have any plans to increase its investments in the energy transition to reach net zero before 2050?
 - b. If so, please describe what new investments is BP making to achieve net zero before 2050. If not, why not?

bp has specific aims directed at increasing its investments in the energy transition and is already in the process of increasing those investments. In 2020, bp invested more than \$750 million in low-carbon energy sources, roughly 50 percent more than 2019. In 2021, that number increased to \$2.2 billion. By 2025 the company is targeting to grow its low-carbon investments to \$3 to 4 billion per year. By the end of the decade, bp aims to invest \$4 to 6 billion per year in low-carbon energy.

As of the end of 2021, bp has quadrupled its global renewables development pipeline since the end of 2019, from 6GW to 24.5GW. By 2030, bp aims to develop around 50GW of net renewable generating capacity – a 20-fold increase from 2019.

bp is making investments in a diverse and growing portfolio of renewable energy projects in the U.S., including a \$1.1 billion investment in offshore wind projects off the East

Coast and a \$220 million purchase of 9GW of solar development projects. Lightsource bp, a 50:50 bp joint venture, brought 616MW of solar projects online in 2021.

3. Like its peers, BP is investing in electric vehicle charging infrastructure. I commend this move as it will make it easier for Americans to make the switch to cleaner electric vehicles.
 - a. Does BP plan to increase its investment in electric vehicle charging infrastructure? If so, please describe BP's plans for new electric vehicle charging infrastructure.
 - b. Has BP invested in low- or zero-carbon energy generation to help power its electric vehicle charging infrastructure? If so, please describe these investments and whether BP intends to increase its investments in clean energy sources for charging infrastructure.

By 2030, bp plans to grow its global network of electric-vehicle ("EV") charging points from around 11,000 today to more than 100,000 across the world and is investing in new forms of infrastructure and technology such as ultra-fast charging. Fleet charging is a key part of bp's electrification strategy, and in the U.S., bp announced in December 2021 its acquisition of EV fleet-charging provider AMPLY Power. bp has also invested in FreeWire Technologies, Inc., a domestic manufacturer of mobile EV rapid-charging systems.

bp has invested and continues to invest in low- and zero-carbon energy generation projects across the country, including in markets where bp plans to deploy EV-charging infrastructure.

4. As a major producer of petroleum products, BP is well positioned to help reduce the downstream emissions of its products by formulating low carbon fuels. As we transition to a carbon free future, moving to low carbon fuels will be an essential step to continue reducing emissions. Would BP support a low-carbon fuel standard to help reduce emissions?

bp believes that the deployments of lower-carbon fuels, such as biofuels, will play a significant role in reducing carbon emissions. bp aims for its global bioenergy production to rise from 22,000 barrels per day in 2020 to more than 100,000 barrels per day in 2030. The company is already investing in producing lower-carbon fuels at its refineries, and most recently undertook a significant project to enhance the production of renewal diesel fuel at the Cherry Point Refinery.

bp views carbon pricing as the most economically efficient policy mechanism to promote efforts to reduce carbon emissions, although the company also recognizes that other sectoral-specific approaches may be appropriate in some circumstances.

The Honorable Diana DeGette (D-CO)

1. During the hearing, you testified that your company is undertaking efforts to ensure cleaner operations. I would like to understand more about these efforts. For each of the following technology areas, how much has your company invested annually for the past ten years, and how much does it plan to invest annually for the next ten years? Please respond with both the dollar amounts and the percentage of your company's gross sales.
 - a. Innovative methane waste prevention technologies
 - b. Carbon capture, utilization, and storage (CCUS) with enhanced oil recovery (EOR)
 - c. CCUS without EOR
 - d. Direct air capture (DAC) and sequestration of carbon dioxide
 - e. Gray hydrogen
 - f. Blue hydrogen
 - g. Green hydrogen
 - h. Wind
 - i. Solar
 - j. Geothermal
 - k. Hydro
 - l. Other renewable
 - m. Nuclear
 - n. Electric vehicle (EV) deployment, not including public charging
 - o. Publicly-available EV charging stations
 - p. Other low- or zero-emitting transportation fuels, e.g., Sustainable Aviation Fuel
 - q. Other zero-emitting technologies

In 2020, bp invested more than \$750 million in low-carbon energy sources, roughly 50 percent more than 2019. In 2021, that number increased to \$2.2 billion. By 2025 the company is targeting to grow its low-carbon investments to \$3 to 4 billion per year. By the end of the decade, bp aims to invest \$4 to 6 billion per year in low-carbon energy. These investments include expenditures that will substantially expand solar and wind electrical generation capacity, and as of the end of 2021, bp has already quadrupled its global renewables development pipeline since the end of 2019, from 6GW to 24.5GW.

bp is also making significant investments to reduce its operational emissions, including through carbon capture and advanced technology to reduce methane emissions. For instance, in April 2021, bp announced a \$1.3 billion investment to end routine flaring from its U.S. onshore operations by 2025, and in May 2022, the company announced a project on the Gulf Coast that aims to provide permanent storage for up to 15 million metric tons of CO₂ per year from multiple sites.

bp is also increasing its investments in producing lower-carbon fuels, such as biofuels. bp aims for its global bioenergy production to rise from 22,000 barrels per day in 2020 to more than 100,000 barrels per day in 2030. The company is already investing in producing lower-carbon fuels at its refineries, and most recently undertook a significant project to enhance the production of renewal diesel fuel at the Cherry Point Refinery. Sustainable Aviation Fuel (“SAF”) is a priority for bp, which has supplied SAF to more 20 locations across three continents.

2. Please identify your company’s annual Scope 1 greenhouse gas (GHG) emissions for the past 10 years. What do you project your company’s annual Scope 1 emissions will be for the next ten years? In responding, please specify the level of precision of your responses and identify any conditions pertaining to these responses.

bp is aiming for a 50% reduction in its operational emissions (Scope 1 and Scope 2) between 2019 and 2030 and aims to be net zero across its entire operations by 2050 or sooner. In its annual sustainability reports, which are publicly available on the bp website, bp details its progress towards its net zero ambition, including by providing data on bp’s direct and indirect emissions. The company’s most recent sustainability report is available here: <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/sustainability/group-reports/bp-sustainability-report-2021.pdf>.

3. Please identify your company’s annual Scope 2 GHG emissions for the past 10 years. What do you project your company’s annual Scope 2 emissions will be for the next ten years? In responding, please specify the level of precision of your responses and identify any conditions pertaining to these responses.

Please see answer to question 2 above.

4. Please identify your company’s annual Scope 3 GHG emissions for the past 10 years. What do you project your company’s annual Scope 3 emissions will be for the next ten

years? In responding, please specify the level of precision of your responses and identify any conditions pertaining to these responses.

bp aims to be net zero on an absolute basis across the carbon in its upstream oil and gas production by 2050 or sooner. This aim is associated with the CO₂ emissions from the assumed combustion of the oil and gas bp produces. The company is targeting a 20% reduction in these emissions by 2025 and aims for a 35 to 40% reduction by 2030, both against the 2019 baseline. bp is now also aiming for net zero lifecycle emissions from the energy products it sells by 2050 or sooner. In its annual sustainability reports, which are publicly available on the bp website, bp details its progress towards its net zero ambition, including by providing data on the emissions from the company's upstream oil and gas production.

5. Has your company examined ways that it can reduce its scope 3 emissions? If so, please describe what methods your company has found to be effective and whether it plans to invest in reducing its scope 3 emissions.

bp aims to be net zero across operations, production, and sales by 2050 or sooner. bp is targeting a 20% reduction in its operational emissions by 2025 and a 50% reduction in those emissions by 2030, both against a 2019 baseline. It is targeting a 20% reduction in emissions from the combustion of the oil and gas it produces by 2025 and a 35 to 40% reduction in those emissions by 2030, also both against a 2019 baseline.

The world needs energy, and the best way to provide that energy while reducing carbon emissions is to increase the development and deployment of lower-carbon energy sources. bp plans to continue to increase its investments in low-carbon and no-carbon energy.

6. What organizations does your company belong to with required GHG emission reduction targets? What are those targets?

bp belongs to a number of organizations that help the company deliver on its sustainability aims. For instance, bp is a member of the CEO-led Oil and Gas Climate Initiative (OGCI), which brings together 12 of the largest oil and gas companies aiming to accelerate the industry response to climate change.

7. Please identify the emissions targets your company utilizes in strategic business planning and decision-making.

bp aims to be net zero across operations, production, and sales by 2050 or sooner. bp is targeting a 20% reduction in its operational emissions by 2025 and a 50% reduction in those emissions by 2030, both against a 2019 baseline. It is targeting a 20% reduction in emissions from the combustion of the oil and gas it produces by 2025 and a 35 to 40% reduction in those emissions by 2030, also both against a 2019 baseline.

8. What is your company's plan for existing assets that do not comport with your company's net-zero plans or other emissions targets?

bp regularly assesses its assets for how they fit within the company's overall strategy, including its net zero ambition, and will continue to do so.

The Honorable Bobby L. Rush (D-IL)

1. Is your company currently making spot purchases of Russian crude oil, refined petroleum products, or liquefied natural gas (LNG)?
 - a. If so, how long does your company anticipate continuing to make these spot purchases?

bp announced on February 28 that it would not enter into any new contracts to purchase Russian oil or gas. bp America and its U.S. subsidiaries do not make spot purchases of Russian crude oil, refined petroleum products or LNG.

2. Since Russia invaded Ukraine on February 24, 2022, has your company received Russian crude oil, refined petroleum products, or LNG due to agreements signed prior to the Russian invasion of Ukraine?
 - a. If so, what are the average volumes by week, and when does your company anticipate that it will continue to receive Russian crude oil, refined petroleum products, or LNG?

bp announced on February 28 that it would not enter into any new contracts to purchase Russian oil or gas. bp America and its U.S. subsidiaries have received two shipments of gasoline and three shipments of vacuum gas oil under contracts signed before February 24. bp America and its U.S. subsidiaries seek to comply with applicable law and, as such, are not continuing to receive Russian crude oil, refined petroleum products or LNG.

3. Recent reporting has indicated that some sellers are creating a "Latvian blend" of Russian-origin hydrocarbons, and then marketing them as non-Russian-origin.¹ Since Russia invaded Ukraine on February 24, 2022, has your company purchased or sold any crude oil or refined petroleum products that were not marketed as Russian-origin, but that your company has reason to believe contain Russian-origin hydrocarbons?

As bp announced on February 28, the company will no longer enter into any new contracts to purchase Russian oil and gas. In addition to not entering into any new contracts for the purchase of Russian oil and gas, bp America and its U.S. subsidiaries do not purchase or sell crude oil or refined petroleum products where bp has reason to believe such crude oil or refined products are of Russian origin.
