



We are proud of the accomplishments we've made in reducing the impact of our activities on the environment, anticipating future needs and investing in tomorrow's energy solutions.

## Addressing climate change

- BP was the first major energy company to acknowledge the need for pre-cautionary action to reduce greenhouse gas emissions.
- In 1998 we set a target to cut emissions from our own operations to 10% below 1990 levels by 2010 – a target we reached nine years early.
- We are investing \$350 million over five years in technologies and processes to reduce our greenhouse gas emissions by up to one million tons each year.
- Our energy efficiency projects are reducing greenhouse gas emissions by more than 5 million metric tons each year.
- BP is the lead operator of the \$25 million CO<sub>2</sub> Carbon Capture Project (CCP), a joint project with eight major energy companies working to prevent carbon dioxide from reaching the atmosphere by permanently storing it in geological formations thousands of feet below the earth's surface.
- We have established a \$30 million science project to learn from the carbon capture and storage initiative at a gas production site operated by BP in Algeria. This project will also develop and test new tools for CO<sub>2</sub> monitoring and surveillance.
- We announced plans to build a \$1 billion first-of-its-kind hydrogen-fueled power plant in California to deliver 500 MWs of power to the LA-area grid. The project would also capture and permanently store about 4 million tons per year of CO<sub>2</sub>.
- BP's \$7.8 million Urban Energy Systems Project is exploring how money and energy could be saved in the future if cities integrated the systems that supply them with resources.

- We support several research projects at leading universities on climate change and potential solutions.

## Expanding use of natural gas as a lower-carbon fossil fuel

- BP is a leading producer and supplier of clean-burning natural gas, which emits nearly 30% less carbon dioxide than oil and 45% less than coal.
- Natural gas makes up about 40% of BP's energy portfolio.
- We are investing \$2.2 billion over the next 15 years to double natural gas production in Wyoming.
- BP and its partners are prepared to invest more than \$20 billion over the next decade to build a natural gas pipeline from Alaska's North Slope to bring this gas to market in the lower 48 states.
- We are prepared to invest \$500 million for a proposed LNG plant in New Jersey, which will have a daily send-out capacity of 1.2 billion cubic feet (Bcf), enough natural gas to supply the daily needs of about five million homes.

## Investing in cleaner fuels

- We voluntarily introduced cleaner fuels six years before EPA mandates. These cleaner-burning low-sulfur fuels are helping reduce ozone pollution.
- BP's ultra low-sulfur diesel for bus fleets, when used with new filter technology, reduces air emissions by up to 90%.
- 50% of our worldwide fuel sales are clean fuels.
- We are investing \$75 million in our Cherry Point refinery in Washington to make its ultra low-sulfur diesel fuel the cleanest in the market.



# BP – A Responsible Environmental Partner

- We have also spent \$120 million at Cherry Point to produce cleaner gasoline for the Pacific Northwest and California.
- We plan to invest more than \$130 million on new clean diesel facilities at our Whiting refinery in Indiana.

## Expanding use of renewable fuels – biofuels and advanced biofuels

- BP has been selling biofuels in the US for more than 25 years and, today, we are one of the top sellers of ethanol-based fuels in the country. In 2006, we sold more than 718 million gallons of ethanol blends – a 25 percent increase from the previous year. Since 2005, we have introduced E-10 in more than 20 new markets across America.
- BP is making a major commitment to the future of biofuels by investing \$500



million to establish the Energy Biosciences Institute, the first of its kind facility in the world to apply bioscience research to the production of new and cleaner energy.

- While emitting roughly the same amount of carbon dioxide as conventional fuels when they are burned, biofuels reduce the overall volume of greenhouse gases entering the atmosphere by absorbing CO<sub>2</sub> in feedstock plants as they grow.
- BP and DuPont have created a partnership to develop, produce and market the next generation of advanced biofuels to help meet increasing global demand for

renewable transport fuels that lower overall greenhouse gas emissions.

- The first product of this next generation of biofuels will be biobutanol, which will be introduced initially in the UK as a gasoline bio-component.
- BP is funding a \$9.4 million project in India to examine the possibilities of using jatropha, an inedible oil-bearing crop that can grow on marginal land, as a biofuel component.

## Developing alternative energy

- BP is investing \$8 billion over the next 10 years in BP Alternative Energy, a new business that will use solar, wind, hydrogen and natural gas to provide cleaner, low-carbon power.
- In 2006, BP announced plans to build a \$1 billion first-of-its-kind hydrogen-fueled power plant in California to deliver enough carbon-free power to the LA-area grid to power around 325,000 homes. The process will convert petroleum coke – a refinery byproduct – to hydrogen. Carbon dioxide will be captured and stored permanently.
- In 2006, BP Alternative Energy and Clipper Windpower announced plans for joint development of five US wind energy projects in the USA.
- BP Solar is one of the world's largest solar companies, with more than 30 years of experience in more than 160 countries. We operate the nation's largest fully integrated solar power plant, located in Frederick, MD. In 2005, we invested \$25 million to double the plant's capacity and in 2006 announced an additional \$70 million investment to further expand capacity.
- Our BP Solar Home Solutions® program offers homeowners a way to reduce monthly electric bills while producing 100% emission-free electricity. BP Solar systems are available to homeowners through more than 250 Home Depot retail outlets in California, New Jersey and New York.

