

14 December 2022, Brussels

Object: Regulation on methane emissions reduction in the energy sector and the weakening of the proposal by the Council

Dear Minister,

The signatories of this letter would like to raise their serious concerns about the Methane Regulation and the Council of the European Union's version that will be discussed in the meeting on the 19th of December.

Methane is over 80 times more potent than CO₂ for global warming over a period of 20 years and has a major impact on the global warming process. Methane mitigation is the most cost-efficient method to slow down global warming and avoid irreversible climate tipping points. The [Sixth IPCC Assessment Report](#) identified methane mitigation as a priority and stressed the need for rapidly reducing methane emissions.

The EU showed international leadership in 2021 by co-leading the launch of the Global Methane Pledge at COP26, now endorsed by over 150 countries. As part of the EU's commitment to reduce methane, the European Commission issued a legislative proposal for a Regulation on methane emissions reduction in the energy sector, which was a much-needed step to address methane emissions.

However, while the Commission's proposal only reflected existing practices and regulations from other regions and was therefore not promoting new levels of ambitions, the Council still watered down the proposal to a point that it would seriously limit the effectiveness of the regulation to reduce methane emissions and that the EU would lag behind other regions of the world that are, on the contrary, adopting more and more ambitious measures.

The signatories of this letter would like to draw your attention to **some serious concerns regarding the current version discussed in the Council and call on your support to reject this version as it stands and to ensure that an ambitious Methane Regulation is adopted**. Among others, we would like to bring to your attention to some key points where the proposal has clearly been weakened:

- **Monitoring, reporting, and verification timelines:** As the Commission's proposal follows the OGMP 2.0 framework that key EU companies already committed to, but with timelines further away than the OGMP requirements, delaying them even further doesn't make sense and will be interpreted as the EU stepping back from its leadership role.
- **Leak Detection and Repair (LDAR) frequencies:** While the Commission proposed leak inspections every three months for all equipment, the Council is proposing inspections only every six months at best and frequency going as low as three years for some equipment. Monthly LDAR cuts 90% of methane emissions from leaks. Quarterly LDAR cuts 80%. LDAR every 6 months would only cut 67%. This change would therefore seriously **impact the amount of methane emissions that this Regulation would cut**.

Other regions such as New Mexico and Colorado already require quarterly or monthly LDAR at many sites. Notably, New Mexico requires quarterly or monthly LDAR for all compressor stations, state-wide. The United States EPA has proposed quarterly LDAR for a broad range of oil and gas sites, nationwide, including all compressor stations and gas storage sites. **Canada has proposed *monthly* LDAR at all oil and**

gas sites. The EU would thus lag behind its partners despite its international leadership role on climate. Moreover, cost-efficient technologies for LDAR already exist and could be easily implemented.

In addition to the climate impact of methane leaks, preventing energy from being wasted by limiting methane emissions into the air would also support Europe in its current energy crisis. Methane saved from leaks could amount to 600 kt of methane per year. This wasted gas represents the annual consumption of gas in almost 1 million French homes.

Moreover, the Council proposal allows for lower LDAR frequencies if less than 1% of components of an operator have been found leaking for five years. This measure would be very damaging as it **will incentivise not finding leaks**. This approach was tried more than 10 years ago in the US and it was [proved](#) to lead to widespread non-compliance, with poor monitoring rather than good performance allowing facilities to take advantage of the less frequent monitoring provisions based on leaks identified in the past. Because leaks and super-emitters are randomly distributed over time, the fact that the observed count of leaks is low during one inspection is not predictive of low leaks several months in the future, undermining the central logic of these policies.

Venting and flaring: This new Council version allows industry to choose, under certain circumstances, to vent methane instead of burning it in a flare, without approval from the authority. This would open the door to unchecked self-assessment. Opting for venting instead of flaring should always require the approval of the competent authorities

- **Measures on imports:** The Council has not so far addressed the key political question of imports, despite calls from some Member States. According to the EU Commission, up to 90% of the methane emissions due to EU consumption take place outside of the EU. Thus, the Regulation will only reach its climate goal with strong measures and requirements on the methane emissions of imported energy. It is legally possible to apply measures under the Methane Regulation outside EU borders.
- **Coal:** the threshold above which venting methane is prohibited (Article 22.2) has increased 10-fold since the original text. In addition, the timeframe to regulate venting from coking coal, which is generally the most methane intensive coal, is being extended from three years from the date of entry into force of the Regulation to five years. The coal mine methane provisions of the Regulation also risk being majorly weakened and delayed.

Methane mitigation provides us with a relatively easy short-term win in the fight against global warming as all technologies needed are already available and cost effective. Moreover, with the current question of energy security, it is important to ensure gas is not lost to leaks but instead reaches consumers.

Underwhelming EU legislation will not only limit the methane emissions reduction in the EU but will also weaken the international push to cut methane emissions globally. If the EU adopts weaker measures than its partners and doesn't address its methane emissions properly, how can we still lead internationally on this issue and ask our global partners to cut their emissions?

We urge you to not adopt the Council's version of the Methane Regulation as it stands and to ensure that the EU measures aren't weaker than the ones from its international

partners and from companies that are part of OGMP 2.0 but, on the contrary, lead to a strong reduction in methane emissions.

Thank you in advance for your time and consideration. We remain at your disposal for any question or information.

Yours sincerely,

- Esther Bollendorff, Senior Gas Policy Coordinator, CAN Europe
- Jonathan Banks, Methane Programme Director, Clean Air Task Force
- Sascha Müller-Kraenner, Executive Director, Deutsche Umwelthilfe
- Conal Campbell, Coal Mine Methane Policy Analyst, Ember
- Clare Perry, Climate Campaign Lead, Environmental Investigation Agency (EIA)
- Flavia Sollazzo, Senior Director EU Energy Transition, Environmental Defense Fund Europe
- Michał Hetmański, CEO, Instrat
- Stefano Ciafani, President, Legambiente
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