

ENTSOG, Eurogas, GERG, GIE, MARCOGAZ welcome the EC's Proposal for a Regulation on methane emissions reduction in the energy sector. Our members are committed to pursuing and intensifying their contribution to reducing emissions. We support the deployment of an appropriate and efficient roadmap. To achieve a successful implementation and tangible outcomes on emissions reduction, we would like to share the following recommendations:

- **One type of solution does not fit all cases.** The principle of **proportionality** should be considered, avoiding obligating high cost measures for end-users and society with little or no mitigation effect. **Also, flexibility** is needed to **prioritise actions** to ensure the optimal **cost effective** approach is applied.
- **Monitoring, Reporting and Verification (MRV):** We recommend **aligning** the MRV system with the ambitious **OGMP 2.0** reporting standard, considering the reporting framework and template and the technical guidance documents as well as key concepts and requirements (such as materiality, representative sampling).

However, due to the **low maturity of site-level methodologies and technologies**, we do not support the inclusion of obligations on quantification with them. The industry will continue working on a voluntary basis until these technologies are ready.

We recommend that the EC launches a **mandate to CEN to standardise quantification, reporting, potential comparison methods and uncertainty calculation** based on OGMP 2.0.

The Regulation should refer to **“quantification”** instead of to **“measurements”**, as engineering calculations and emission factors should also be considered for reporting.

Double reporting should be avoided, hence we propose:

- To align as much as possible the new reporting obligations with the current ones (e.g. NIR).
- Reporting of non-operated assets to be done only by the asset operator.
- New reporting responsibilities on LDAR and venting and flaring to be done on an annual basis as part of the emissions reporting.
- New requirements for **verifiers** and on **inspections** should be aligned with current obligations and practices to avoid increasing the costs and administrative burden (e.g. ISO 14001).
- We welcome the proposal about **recognition of investments** and operating **costs** incurred by regulated operators. The compensation of investments and efforts of non-regulated operators should also be guaranteed through incentives.
- To make costs and investments efficient, gas companies, in close dialogue with Competent Authorities, should define a **methane emissions mitigation plan**, which will allow **prioritisation** of the most cost-effective **mitigation measures**.
- **Leak Detection and Repair (LDAR)** should allow for **the different practices successfully used by the operators, as they are adapted to the different parts across the value chain**.

To optimise efforts, we recommend **not to define intervals for LDAR surveys but rather define them in the LDAR programme submitted to the Competent Authorities**.



Immediate repairs shall be carried out whenever possible but the regulation **must allow adequate repair times that respect the technical, safety, environmental and administrative constraints.**

We recommend to **standardise LDAR methodologies with CEN**, including scope of the survey depending on operators, programme and repair or replacement criteria.

- The prohibition of venting / routine flaring is a generally supported industry concept, it is however important to ensure a **lead time** for implementing the **venting and flaring** provisions and **grant an exemption** when venting is leading to **non-material emissions**.
- The definition of **inactive wells** lacks accuracy and needs to be improved such that permanently plugged wells are excluded from the definition to avoid incurring unnecessary and significant cost.
- EU importers cannot be held liable for elements outside their control or outside the EU's jurisdiction. The responsibility for the data quality of the **methane emissions occurring outside the Union** should remain with the exporter.