



EUROPEAN COMMISSION

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Dear President,

The Commission would like to thank the Poslanecká sněmovna for its Opinion on the proposal for a Regulation of the European Parliament and of the Council on methane emissions reduction in the energy sector and amending Regulation (EU) 2019/942 {COM(2021) 805 final}.

The Commission notes the concerns expressed in the Reasoned Opinion of the Poslanecká sněmovna and would like to make the following comments. Concerning the interpretation of the scope of the Regulation, the Commission would like to stress that Article 1 of the Regulation sets out the scope and specifies that it applies within the European Union to oil and fossil gas upstream exploration and production, fossil gas gathering and processing, gas transmission, distribution underground storage, and liquefied gas terminals operating with fossil and/or renewable methane, as well as operating underground and surface coal mines, closed and abandoned underground coal mines. Thus, the Regulation does not apply to end-user facilities.

Furthermore, the Poslanecká sněmovna requests the inclusion and utilisation of mine gas in the Regulation. Coal mine methane is included in the proposal and the approach taken is the same as with oil and gas, which is to incentivise capture and re-use of methane as opposed to venting or flaring.

On the Poslanecká sněmovna's views on the need to adjust the reporting deadlines applicable to operators, the frequency of leak detection and repair surveys, as well as the provisions on measurement of methane emissions in inactive wells and in surface coal mines, it should be noted that the proposal seeks to achieve effective and immediate reductions in methane emissions through strict requirements based on best practice methane abatement measures used in the oil, gas and coal sectors, as well as on the detailed feedback from wide-ranging consultations of stakeholders and the public. Furthermore, as the analysis in the accompanying impact assessment indicates, such measures will deliver significant methane

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emissions reductions, resulting in an estimated 40% emission reduction between 2020 and 2030 in the sectors covered by the Regulation, on top of the estimated 40% emission reduction coming from the other legislative proposals implementing the European Green Deal.

The Poslanecká sněmovna states in its Reasoned Opinion that the Commission's proposal does not comply with the principle of subsidiarity, notably with respect to the impact of the measures proposed. The impact assessment explains (in section 3.2) that action at the European Union level is warranted by virtue of the transboundary nature of the problem being addressed as well as the heterogeneous approach of Member States, which may lead to inconsistencies in regulatory treatment across the European Union, thereby increasing the administrative burden on companies operating across more than one Member State. With respect to the measures in Articles 14, 18 and 20 of the proposed Regulation, the impact assessment provides an analysis of the problem drivers and policy options, notably in its sections 2.2.1, 2.2.2, 5.2, 6.1 and 6.2.

It should be noted that methane has economic value and can, in most cases, be recovered and used as a source of energy. For this reason, the share of emission reductions across the coal, fossil gas and oil sectors that can be achieved at low cost is significant, taking into account the price of natural gas.

In addition, reducing methane emissions can bring about significant benefits to society, in social and environmental terms, such as preventing ozone-related premature death, asthma-related accident and emergency department visits avoided, annual hospitalizations, as well as avoiding losses of wheat, soybean, maize and rice due to ozone exposure.

Finally, methane emissions in the energy sector are a transboundary problem relevant in all Member States and varying across national and regional levels of the European Union. Besides, the level of reporting of emissions and the scope of mitigation measures differ by Member State and sectors, which may lead to inconsistencies in regulatory treatment across Member States, potentially impeding the functioning of the internal market through the creation of barriers to operators. Thus, methane emissions reduction across the European Union would benefit from a harmonised and coordinated policy approach at the European Union level.

The Commission hopes that these comments address the concerns raised by the Poslanecká sněmovna and looks forward to continuing the political dialogue in the future.

Yours faithfully,

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Vice-President*

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Member of the Commission*