



International
Association
of Oil & Gas
Producers

5 Recommendations on the EU Methane Regulation

25 April 2023

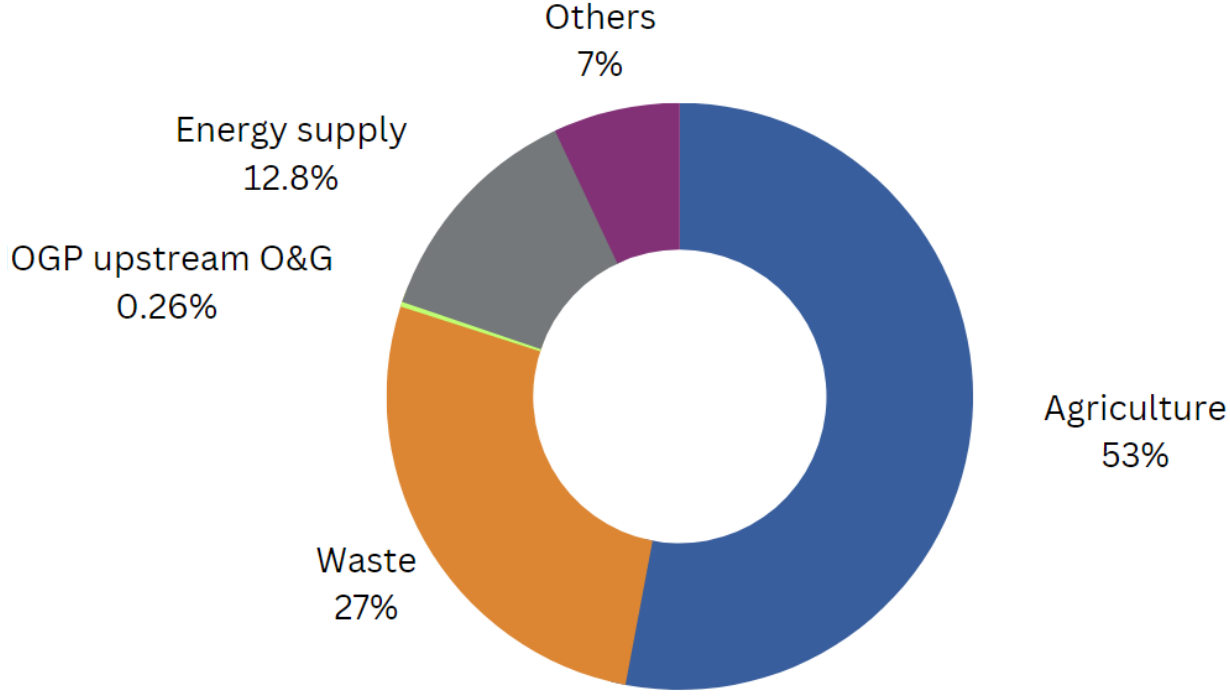
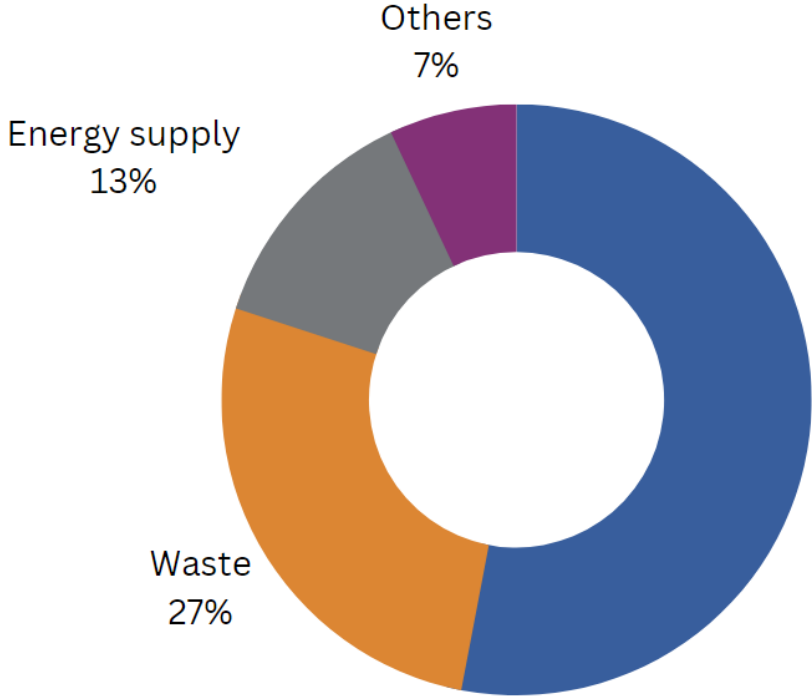
François-Régis Mouton de Lostalot

Regional Director Europe



Putting things into perspective

EU-27 Anthropogenic Methane Emission Sources 2021



Source: 2021 data from European Environmental Agency, IOGP

Zooming out

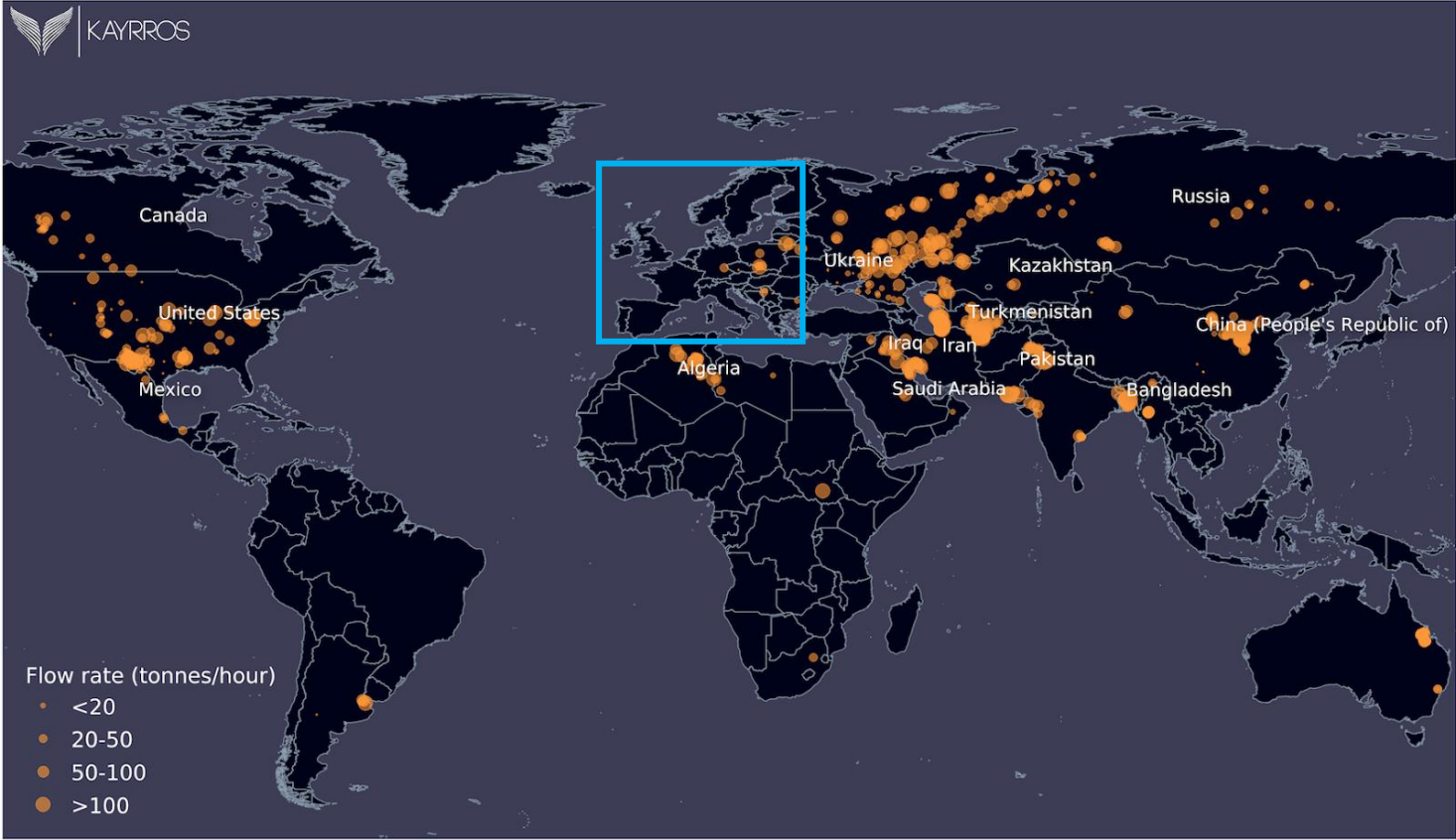
 **Kadri Simson** 
@KadriSimson

#Methane hotspots can be seen from space! At least by satellites like Sentinel-5P. This map shows what we want to fix with #MethaneStrategy! Technology to facilitate the strategy already exists thanks to #EU long-term investments in satellite programs. #Copernicus #Horizon2020

Traduire le Tweet



7:52 PM · 13 oct. 2020

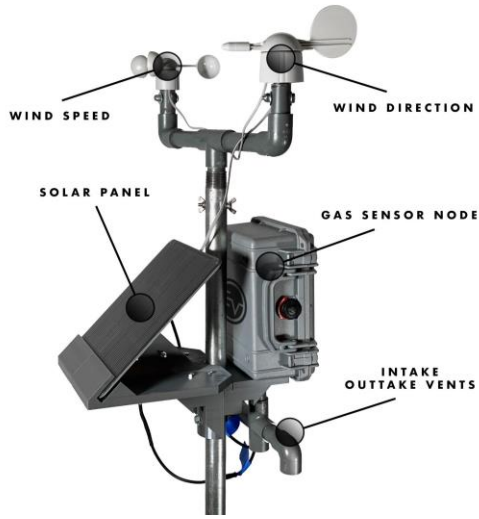


1. Recognizing continuous monitoring & good performance

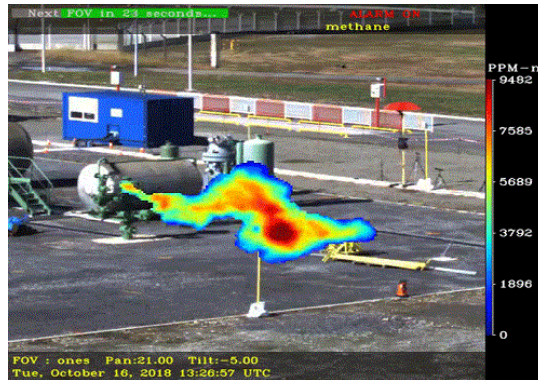
Recommendation

Continuous monitoring systems can detect significant leaks immediately

Good performance should be recognized



Earthview, BluBird



Honeywell, AI-Driven Methane Leakage Monitoring

How you can implement it

Article 14 new para

Recognize continuous monitoring as one of the leak detection methods in the LDAR provisions, in combination with periodic LDAR surveys.

Article 14.2(a)(b)

Reduce the frequency of LDAR surveys [remote source level **every 3 months** (vs.2) and contact source on 25% components **annually** (vs 4 months)] where continuous monitoring systems exist and/or when operators demonstrate a very low percentage of leaking components.

2. Exempt operators from relevant obligations if the performance standard is met

Recommendation

Lift relevant methane mitigation (art. 14, 15, 18) obligations on compliers of performance standards



Olympus Energy, OGI monitoring



The Sniffers

How you can implement it

Article 13 new para

Exempt operators from relevant LDAR, venting and flaring, and inactive well obligations if they demonstrate compliance with the performance standard (to be developed by the EC)

3. Inactive subsea wells

Recommendation

Measuring and quantifying methane emissions from subsea wells is not technically feasible



Carbon Limits, upcoming report



SINTEF report: Oxidation of methane in seawater

How you can implement it

Article 18.2

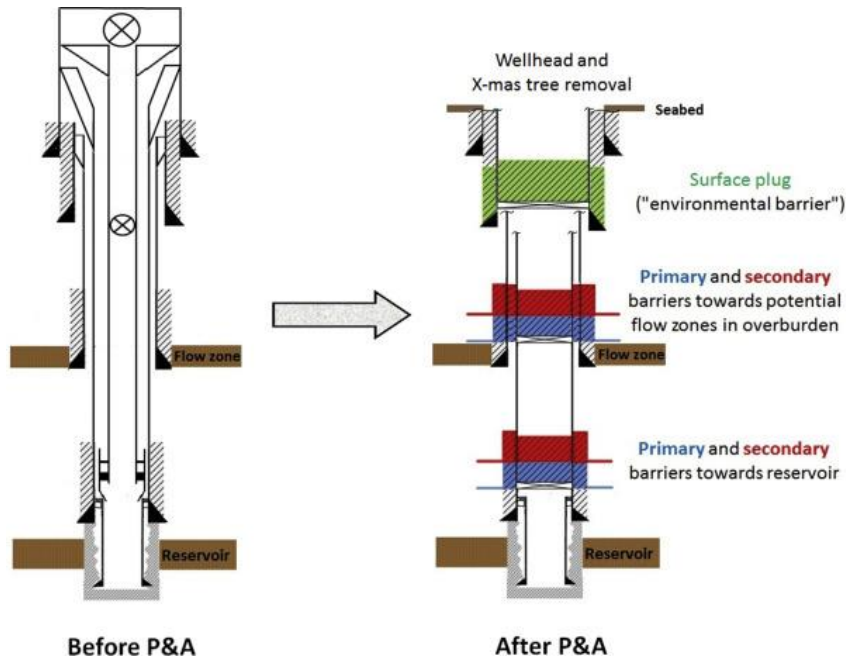
Proposed alternative: exclusion of emissions to water; and introduction of pressure monitoring for onshore inactive wells which is effective in finding and fixing leaks.

For info: As of 200-300 meters of depth, nearly all methane released from the seabed dissolves in seawater and doesn't reach the atmosphere

4. Permanently plugged & abandoned (P&A) wells

Recommendation

Permanently plugged and abandoned wells are designed to prevent any leakage.



How you can implement it

Article 18.1 and 18.2

Exclude P&A wells from the scope of the Regulation.

For info: they are typically handed back to national authorities upon whom the obligations fall.

5. Importers' liability

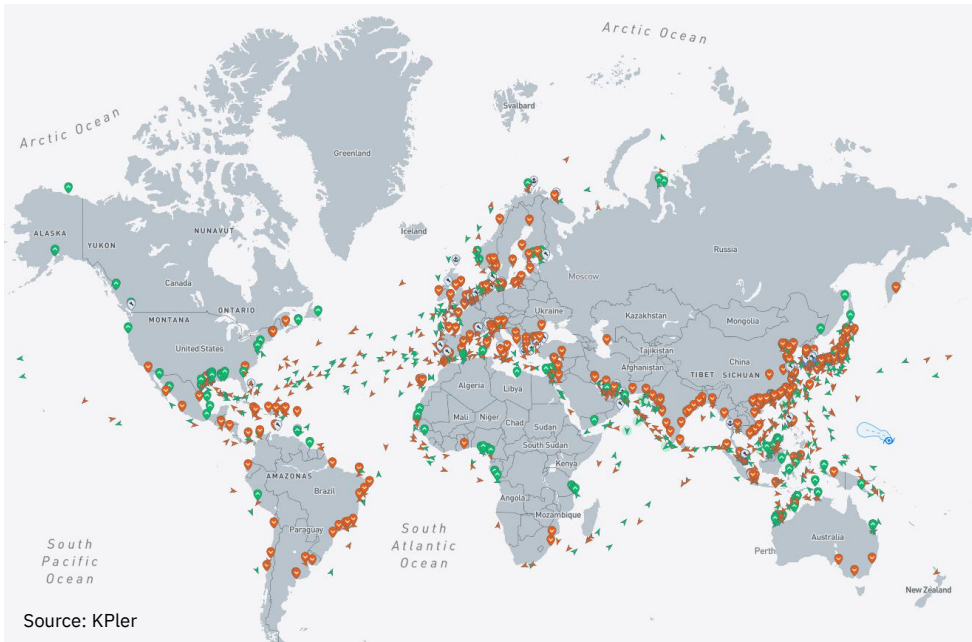
Recommendation

Holding importers liable for exporters/producers' non-compliance would seriously jeopardize the security of oil and gas supply.

How you can implement it

Article 18.1 and 18.2

Importers should not be imposed penalties for incomplete or inaccurate information provided by exporters/producers if they demonstrate reasonable efforts to obtain the requested information.



Conclusion

For the EU Methane Regulation to succeed, the measures should be...

- **Implementable (incl. technically possible)**
- **Proportionate to the possible emission mitigation impact**
- **Forward looking**

→ If the EU's objective is to reduce emissions, should it not be a **priority to find and fix leaks**, rather than imposing disproportionate quantification obligations threatening our Security of Supply?



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