


# What EDF wants to see in the EU Methane Strategy

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# Urgency and ambition

- A regulated performance standard of 0,2% for all gas sold in the EU market, including from imports
  - A regulated methane fee for all non-compliant gas
  - Robust and clear mandate for the Regulators to act
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# How could a methane fee work?

## Two main instruments:

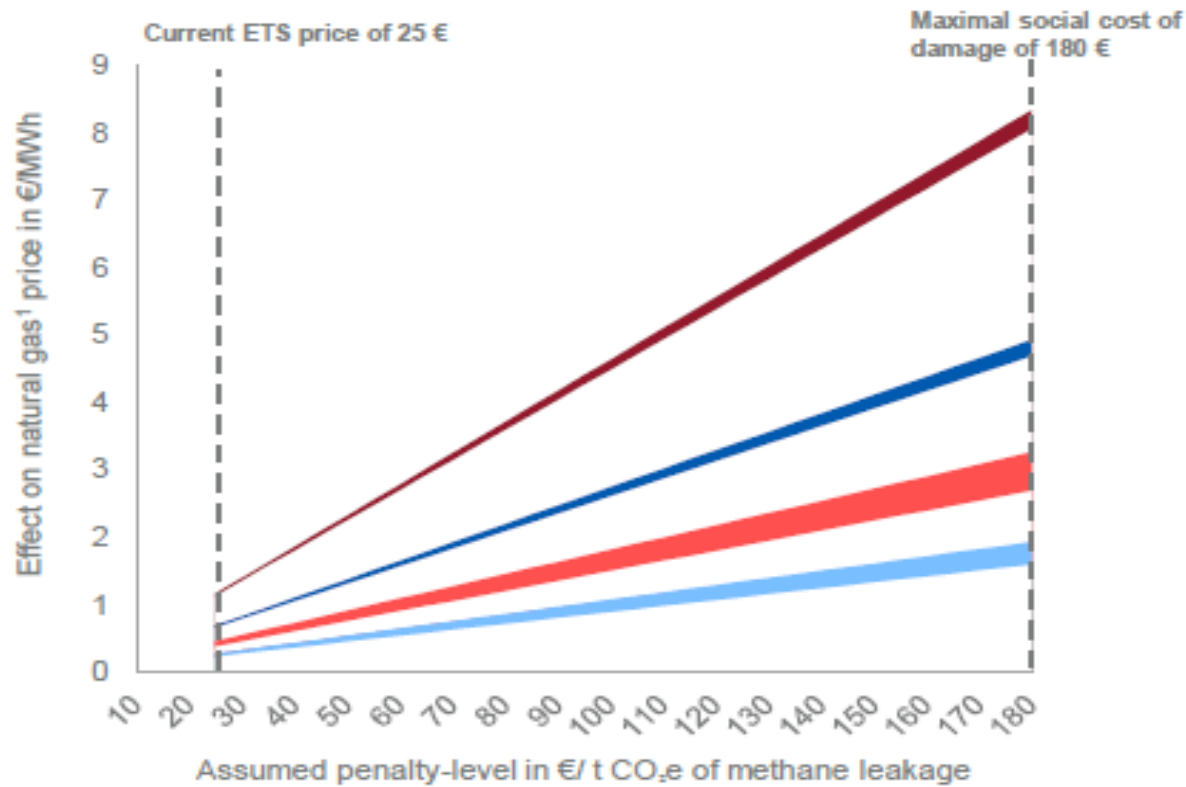
1. a fee for domestic methane leakage and
2. a fee for gas imports from third countries according to average methane footprint.

**Opt-outs could be allowed** when there is clear, credible accountability on a per company, per region or per delivery level.

**Phase - in strategy:** upstream - imports and domestic sources first.

# What should an efficient incentive look like in terms of abatement signals?

Penalty levels based on GWP of 28-34 and 84-87

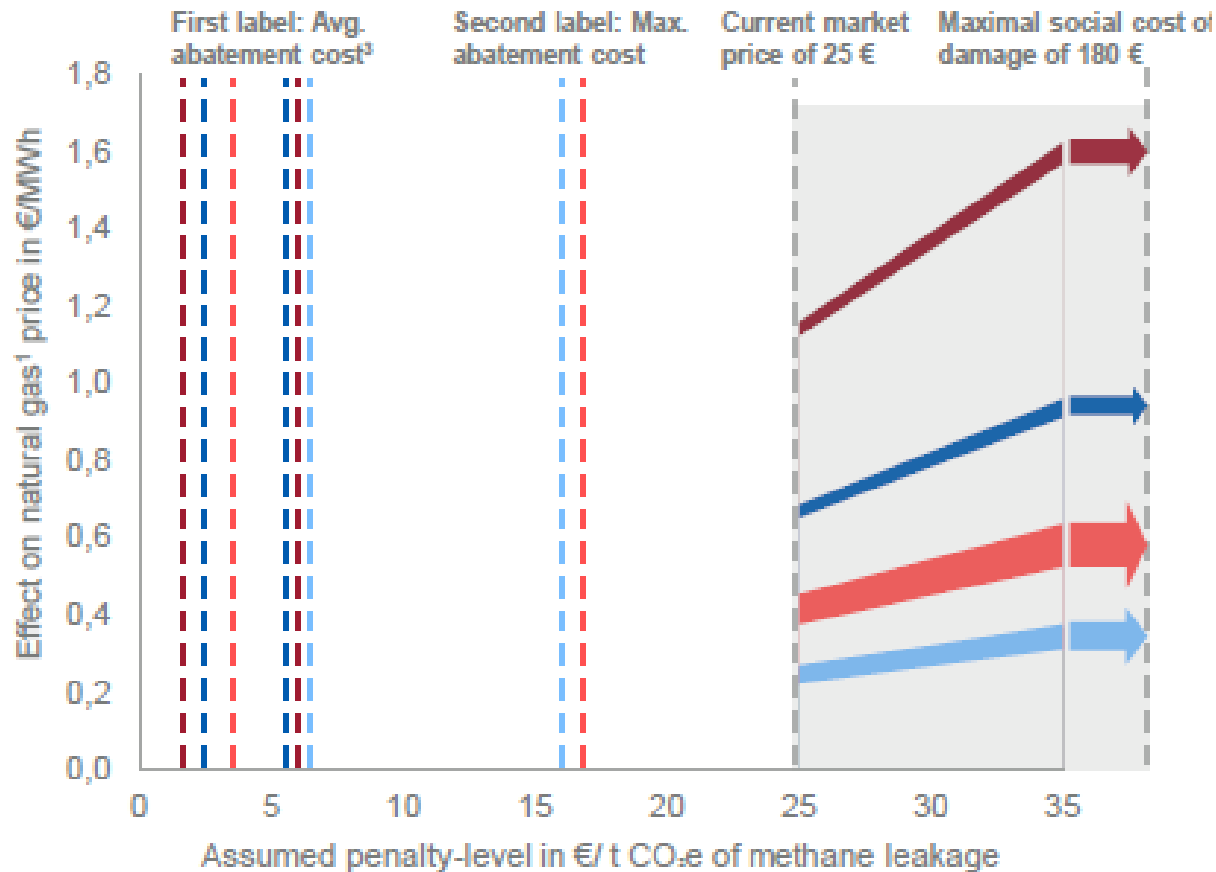


■ Russia 84-87 ■ Europe 84-87 ■ Russia 28-34 ■ Europe 28-34



<sup>1</sup>with average methane emissions of respective source countries.

# Costs of methane management well below ETS price (CO2 eq)



■ Russia 84-87 ■ Europe 84-87 ■ Russia 28-34 ■ Europe 28-34

# Price effect in the EU

Increase in the European wholesale market prices for gas would be small.

This directly effects every customer group.

At 50 €/t this would imply an uplift onto wholesale market price of 10 % (+1,68 €/MWh) with a Global Warming Potential (GWP) of 85.5 and 3.77% (+0,60 €/MWh) with a Global Warming Potential of 31.

This will cause a price increase by 3.2% and 1.2% for residential customers with a GWP of 85.5 and 31 respectively as well as and 5.1% and 1.8% for industrial



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