

Methane: Dirty, Dangerous, and Driving Fossil Fuel Dependence

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- Methane is a climate and health threat: Fossil gas, especially its component methane, is a potent greenhouse gas responsible for a significant share of global warming and poses direct health risks to communities near extraction and LNG infrastructure.
- **Germany/ the EU are locking in fossil fuel dependence:** Long-term contracts, subsidies, and policy decisions deepen reliance on imported fossil fuels, undermining climate targets and energy sovereignty.
- The U.S. is worsening the climate crisis: As the world's largest LNG exporter, the U.S. continues to expand fossil fuel infrastructure and exports, prioritizing profits over people and climate responsibility.
- Urgent action is needed for a clean energy transition: Defending the EU Methane Regulation, halting new LNG investments, implementing a fair, full and funded fossil fuel phase-out, accelerating renewables and energy efficiency, and reducing energy demand are essential to align with the 1.5°C pathway and achieve energy sovereignty.

Methane is Climate Incompatible

The world has committed to limiting global warming to 1.5°C. This limit, let alone a 2°C temperature rise cap, cannot be achieved if countries continue to rely on fossil fuels, including fossil gas. Fossil gas is often deceptively presented as a "cleaner" alternative to coal or oil, but it remains a fossil fuel that emits large amounts of greenhouse gases. Investing in gas infrastructure locks in emissions for decades and directly undermines efforts to stay within the 1.5°C pathway.

Methane, the main component of fossil gas, is a potent greenhouse gas with a global warming potential over 80 times that of carbon dioxide (CO₂) over 20 years. It traps significantly more heat in the atmosphere over a shorter period. While methane breaks down faster than CO₂, with an atmospheric lifespan of about 12 years, it still accounts for nearly one-third of current global warming, making it the second-largest contributor to climate change after CO₂.

Oil and gas operations are among the largest sources of methane emissions, much of it associated with liquefied natural gas (LNG). Methane emissions begin with extraction from natural gas fields, landfills, or agricultural sources, followed by processing and purification. It is then transported through pipelines or cooled to LNG for distribution networks and end users for energy production, heating, or industrial use.

Europe's Gas Dependence Undermines Energy Sovereignty and Security

EU energy ministers recently decided to end all Russian gas imports. <u>Eurostat data</u> report that the EU's natural gas import dependency was 86% in 2024, with Germany relying heavily on imports. While about half of

Germany's gas comes from Norway, a growing share is sourced from overseas LNG, often shipped through the Netherlands and Belgium. Around 90% of Germany's LNG imports originate from the U.S.

As of 2025, the United States is the world's largest LNG exporter, with a significant portion of exports going to Europe — 53% of total U.S. LNG exports in 2024.

Fossil Gas Dependence Drives Risky Policy Decisions

Recent attempted initiatives aim to undermine efforts to reduce the EU's dependency on fossil fuels. The <u>European Union's Methane Regulation</u> (2024) established a key pillar of climate policy, providing a framework to achieve EU 2030 climate targets and the 2050 carbon-neutrality goal. Maintaining its integrity is essential for aligning with a 1.5°C pathway.

Although the regulation is not currently a direct target for rollbacks in the upcoming 2026 Energy Omnibus, it remains vulnerable to weakening through "simplification" processes. Any dilution could open the door to increased LNG imports to Europe, including Germany, undermining EU climate ambition.

The EU–U.S. Trade Deal (August 2025) commits the EU to purchase \$USD 750 billion worth of U.S. energy products — including LNG, oil, and nuclear fuels — over three years. Framed within a broader trade framework that includes a 15% U.S. tariff on EU goods in exchange for reduced EU tariffs. This agreement significantly increases the EU's and Germany's dependence on unreliable import sources increasing the threat of potential supply shocks to the bloc's economy and citizens. This agreement makes Europe more vulnerable to US administration's pressure, risks institutionalizing long-term European dependence on fossil fuels and raises concerns about energy sovereignty, trade imbalance, and environmental costs.

Harms to the Public

The climate and health impacts of methane are devastating, particularly from U.S. LNG exports. In addition to the CO₂ released when LNG is burned, methane leaks are present throughout the LNG supply chain. Hydraulic fracturing ("fracking") is used to extract the gas, which can cause earthquakes and degrade drinking water. Due to this destructive processLNG exports have a 33% greater impact than that from burning coal. While impacts from methane emissions are global, those who are hit first and worst are frontline communities who are forced to bear the brunt of harmful pollution and chemicals that cause cancer, heart disease, asthma, and other adverse health impacts. By 2050, the permitted air pollution from the LNG export industry is expected to cause over 4,000 deaths and \$USD 62.2 Billion in health costs.

Additional risks come from a forthcoming global supply glut and an increase of LNG supplies of 50% by 2030. The risk of over-investing in U.S. LNG comes when the supply is set to outstrip demand, cratering prices in the spot market where LNG can be purchased on a short-term as opposed to long-term basis. This <u>surge</u> of LNG into the market both historically and in the future means that many US energy consumers will be faced with higher energy bills due to drastically higher energy prices from the exposure to volatile global commodity markets. Even now, according to the Energy Information Administration, the price U.S. households have paid for gas has

Gas Dependence Locks in Fossil Fuel Infrastructure

What is needed is a fair, full and funded fossil fuel phase-out. Instead, major German companies have entered long-term contracts for U.S. LNG, deepening dependence on fossil fuels for power generation and industrial production. RWE and EnBW have multi-year supply deals with U.S. exporters such as Sempra Infrastructure and Venture Global LNG, while SEFE and BASF have similar contracts with international suppliers. These commitments reinforce Germany's reliance on imported fossil energy just as emissions must decline rapidly to meet climate targets, delaying urgently needed energy transformation.

The German government continues to provide extensive financial support for LNG infrastructure, even in the absence of a gas supply emergency and with low utilisation rates. This includes:

- Mukran (Rügen): Federal guarantees for the pipeline (~€1.38 billion) plus additional public funding for site development.
- Brunsbüttel: €40 million in direct state aid for construction and operation, alongside other public investment and guarantees supporting the overall €1.3 billion project; part of a broader €4 billion support package for floating LNG infrastructure.
- Stade (planned): Still under development, with some regional public funds and infrastructure support earmarked to facilitate port and connection works.

LNG projects also affect local communities near the terminals in Germany. Residents face noise, industrial activity, and potential safety risks, while construction and shipping disrupt coastal ecosystems and fisheries. Communities shoulder the social and environmental burdens of fossil fuel infrastructure.

Methane Demands Urgent Action

While the EU Methane Regulation represents a significant step toward accountability for emissions within the EU and globally, more climate policy is needed. The EU and with that Germany must stand firm as leaders to drive global change. Key actions include:

- Uphold and defend the EU Methane Regulation and leverage it for a higher global standard: EU
 Commissioners must continue to protect the regulation from any attempt to weaken it, and prevent any
 future "simplification" process. Use the EU Methane Regulation as a benchmark to demand strong
 methane standards globally.
- End dependency on fossil fuels from the US and elsewhere: Curb investments in new LNG projects and expansions that would lock in fossil fuel infrastructure for decades, contradicting our shared climate goals. What is needed is a fair, full and funded fossil fuel phase-out.
- Accelerate the clean energy transformation: True energy security and sovereignty lies in rapidly and equitably phasing out fossil fuels and investing in renewables. We must exit methane gas by cutting demand, halting new infrastructure, and accelerating renewables and energy efficiency.