

Achieving a transition of the European energy system in line with political objectives set and securing low-carbon supply at least possible cost for European businesses and citizens is a major objective of ACER. In pursuit of this objective, ACER has engaged Kantor Management Consultants S.A. to develop two background papers that look at the possible regulation of hydrogen networks, and of methane emissions abatement respectively.

The Kantor **background paper on possible regulation of hydrogen networks** focuses on the following key elements of the regulatory framework:

1. Regulatory recognition of infrastructure adaptation costs associated with handling of hydrogen through the existing gas infrastructure including transmission, storage and LNG terminal facilities;
2. The time horizon of the regulatory period;
3. Evaluation of infrastructure investments;
4. Expected benefits from the implementation of the adaptations required to enable handling of hydrogen, and other significant aspects affecting the outcome of the benefits of the adaptation, with a focus on societal, economic and environmental benefits;
5. Market, economic and financial terms and conditions to be accounted for by the regulators;
6. New technologies and products, specifically those that address cross border barriers, their distribution by Member State and over time and the regulatory tools which could help achieve cross-border consistency and creating a single hydrogen market.

The key outcome of the Kantor paper on the possible regulation of hydrogen markets is the identification of possible energy transition regulatory solutions to address the gaps and areas for improvement needed to allow the introduction of hydrogen to gas transmission, distribution, storage, and regasification facilities.

The Kantor **background paper on possible regulation of methane emissions** abatement focuses on the following issues:

- a) Transparent reporting of methane emissions by the operators of such facilities to National Regulatory Authorities (NRAs) and verification of the reported emissions by NRAs;
- b) Regulation by NRAs in pursuit of methane emissions abatement, and
- c) Acknowledgement by NRAs of efficiently incurred cost by the operators in abating methane emissions.

The paper concludes by looking at possible energy transition regulatory solutions to address the gaps and areas for improvement to allow the abatement of methane emission from transmission, distribution, storage and LNG facilities.

Both papers contain a compendium of ideas, views, and positions expressed by various parties over considerable time, i.e. a background review of ongoing activities. The primary purpose of the background papers is to provide a concise reference to such ideas, views, and positions, which may not be fully aligned and do not necessarily represent the views of the Agency, any of its Boards, or any NRA.

Download the [background paper on possible regulation of hydrogen networks](#)

Download the [background paper on possible regulation of methane emissions](#)