

GME'S NEWSLETTER – New issue now online

Rome, 14 May 2025 – The new issue of the newsletter of Gestore dei Mercati Energetici (GME) is now available at <https://www.mercatoelettrico.org>.

The newsletter opens with an article by Chiara Proietti Silvestri from *Ricerche Industriali Energetiche* (RIE) taking stock of the situation of shale gas. Proietti Silvestri points out that, *two decades after the start of the shale revolution, the global energy scenario has deeply changed. The United States (US), which in a matter of few years transitioned from a net gas importer to an exporting power, has maintained its supremacy. Nevertheless, the US has been experiencing a stage of production stagnation, due above all to low prices and poor profitability. Additionally, promises of energy independence have been accompanied by increasingly pressing environmental and geopolitical issues. The new course of the Trump administration has raised further issues in terms of environmental deregulation, weakening of climate accords, and ultimately long-term system sustainability. In the meantime, other countries have been intensifying their efforts to exploit unconventional gas resources, potentially impacting global energy equilibria. Shale gas remains central to the debate on energy sustainability and security, especially amid trade tensions and new forms of protectionism.* Proietti Silvestri emphasises that, in the past decade, the share of unconventional gas in total gas production *rose sharply (from 19% in 2014 to 32% in 2024); today, it accounts for roughly 30% of proven natural gas reserves globally.* In 2024, the production of unconventional gas in the world grew by 30 billion m³ (bcm), reaching 1,336 bcm. However, in 2025, this growth has significantly slowed down, reaching only 2% per year, compared to an average of 7.3% in the previous decade, when unconventional gas was among the main drivers of global gas production growth. Looking instead to the near future, *the shale revolution is tending to expand outside the US, with countries like Argentina and China undertaking policies to support unconventional gas production. Undoubtedly, the US remains a leader, as its administration is openly in favour of fossil sources. Nonetheless, apart from rhetoric, the tariff policy of the new Trump government might pose a major obstacle to the*



industry, increasing costs and reducing competitiveness. Proietti Silvestri notes that the complexity of the current situation requires the industry to give innovative responses to current challenges: in economic terms, addressing price volatility, growing global competition, and infrastructural issues; in environmental terms, tackling issues related to the sustainability of shale gas with regard to climate targets, with criticism over methane emissions, water usage, and seismic risks. Proietti Silvestri concludes that the prospects of shale gas will increasingly depend on the ability of the industry to innovate technologically, minimise its environmental footprint, and adapt to an energy context that is more and more oriented towards decarbonisation.

This issue of the newsletter comes with the usual technical commentaries about European and national power exchanges and environmental markets, a section focused on the analysis of Italian gas market trends, and a section with insights into the trends of the main European commodity markets.

As has become customary, the publication also reports the summary data of the Electricity Market for April 2025.

Gestore dei Mercati Energetici S.p.A.

Governance Department

Tel. +39 06 8012 4549

Fax. +39 06 8012 4519

governance@mercatoelettrico.org

www.mercatoelettrico.org