

The concept of ERGaR for cross-border transfer and mass balancing biomethane within the European natural gas network

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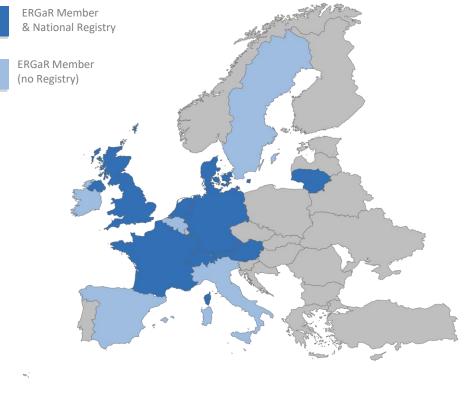
European Renewable Gas Registry ERGaR aisbl

- International non-profit organisation (BE law) established in September 2016
- 26 ERGaR members in 14 European countries
 - Established biomethane / renewable gas registries
 - Gas DSOs & TSOs
 - Biogas associations
 - Majors stakeholders of the European biomethane market

Amongst the members : 8 National registries for Biomethane green certificates and GoOs

- Providing harmonised and transparent electronic documentation of biomethane/renewable gas consignments
- generate confirmations for the volumes of renewable gas included in the scope of their activities and document the final consumption by providing a proof of withdrawal
- Participating in the European network of national biomethane/renewable gas registries with the purpose of promoting the cross-border transfer and the development of this sector in Europe





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ERGaR Vision and Mission



VISION

Renewable gas certificates will be transferred across borders in an increasingly integrated European market along the natural gas network reaching all end customer segments.

ERGaR will be the Europe-wide recognised organisation for **administering and mass balancing volumes** of biomethane virtually distributed along the European gas network

MISSION

Based on national registries, establish an independent, transparent and trustworthy documentation scheme for cross-border transfer and mass balancing of renewable gas injected into the European natural gas network, securing the exclusion of double sale and double counting.



ERGaR Status



STATUS

- Application of the "ERGaR RED MB Scheme" submitted to European Commission DG Energy to receive recognition as voluntary scheme for a RED compliant scheme for cross-border transfer and mass balancing of biomethane as transport fuel along the natural gas grid
- Developing a hub for European transfers





Two ERGaR Schemes



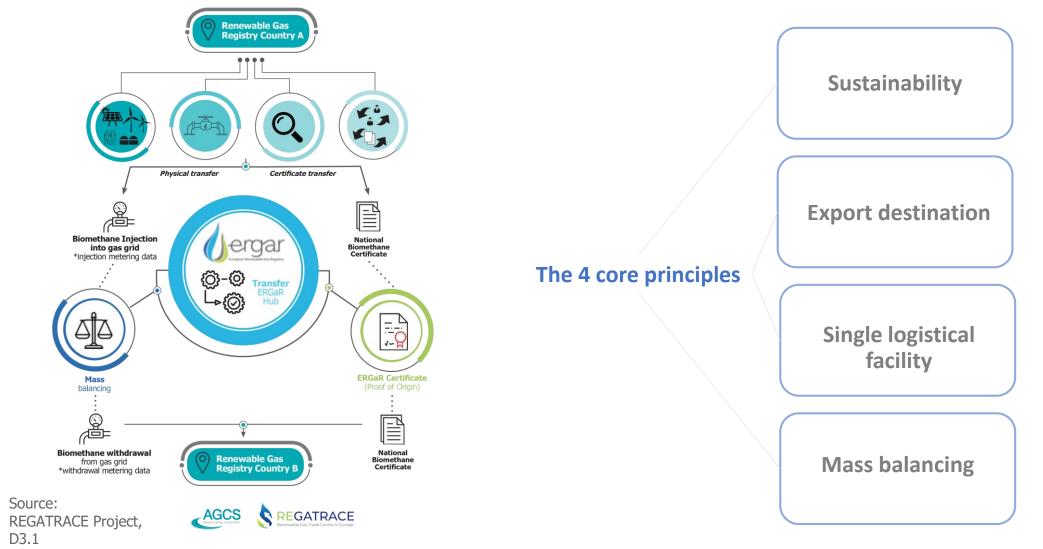
Scheme title	ERGaR Mass Balancing Scheme	ERGaR GoO Scheme
Character	to be recognised by the EC under RED as voluntary scheme	to be operated without recognition by the EC
RED II ready	according to Articles 27-30	according to Article 19
Use	biofuel for transportation	Labelling for end-users
Methodology	mass-balancing	book and claim
Core document	ERGaR Proof of Origin	ERGaR Guarantee of Origin
	(ERGaR PoO)	(ERGaR GoO)
Transferability	Yes	Yes
Sustainability verification	mandatory according to the EU rules regarding biofuels	optional
Expected timeline	details under negotiation with EC	operational with ERGaR hub going live soon
	resubmission 11/2019	



Consortium meeting, Month 7, 2019, Milano (Italy)

Focus on ERGaR RED MB scheme

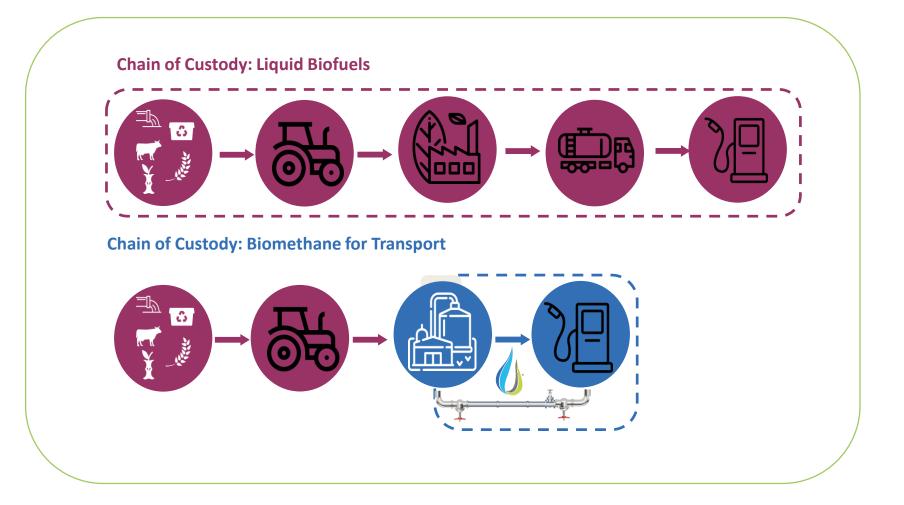






Chain of Custody for biofuels







Functions of the participating national registries



- Each national registry has its **unique and complex way of functioning.**
- Participation in national subsidy management
- Providing harmonised and transparent electronic documentation of injected biomethane
- Best positioned to properly address renewable gas specific issues: sustainability, massbalancing, GHG characteristic, etc.
- Providing a platform for market participants to generate, exchange and redeem electronic documents representing biomethane consignments,
- Controlling, editing verification in relation to **both injection and withdrawal**
- Serving as a « lighthouse », a knowledge center for project developers, providing a platform for information exchange
- Instrumental in **connecting** the biomethane and natural gas industries
- National biomethane registries are connected by one single European network



Key requirements towards the participating registries



Participating registries shall :

- Accept and follow the mass balancing scheme in relation to both domestic and international operations
- Maintain **independence** from economic operators
- Be trustworthy and carry out operation in a professional and transparent manner, adhering to the relevant laws and regulations
- Have an auditable system for issuing, handling and cancelling the PoOs, performing the mass balancing of biomethane consignments and transferring the sustainability claims
- Follow appropriate auditing procedures
- Not own biomethane PoOs
- Not participate in markets associated with biomethane PoOs (other than the functions defined in their foundation documents)





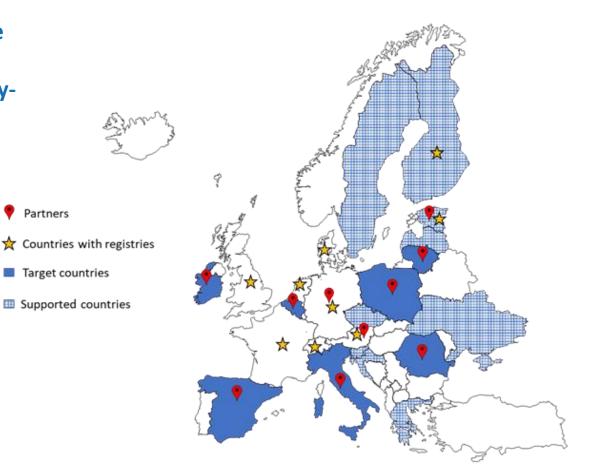
- ERGaR fully welcomes the inclusion of biomethane GoOs in RED II.
- However, this is not sufficient for expected renewable gas industrial development.
- The GoOs provide no replacement for the necessary political actions, neither at EU nor at national levels.
- It should not be expected that the voluntary readiness of final consumers to pay for the green value in the future will provide the foundation for financing investments today.
- The industry needs stronger tools for cashing intrinsic value of biomethane than the GoOs as defined in RED II.
- This is a challenge for the REGATRACE project.



The way forward Interactions with other schemes



- Support the development of new national biomethane markets (target and supported countries)
- 2. Support the development of **new national biomethane registries** (target and supported countries)
- 3. Build an EU network connecting the existing and newlycreated registries in a harmonised approach
- 4. Develop an Europe-wide biomethane market











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