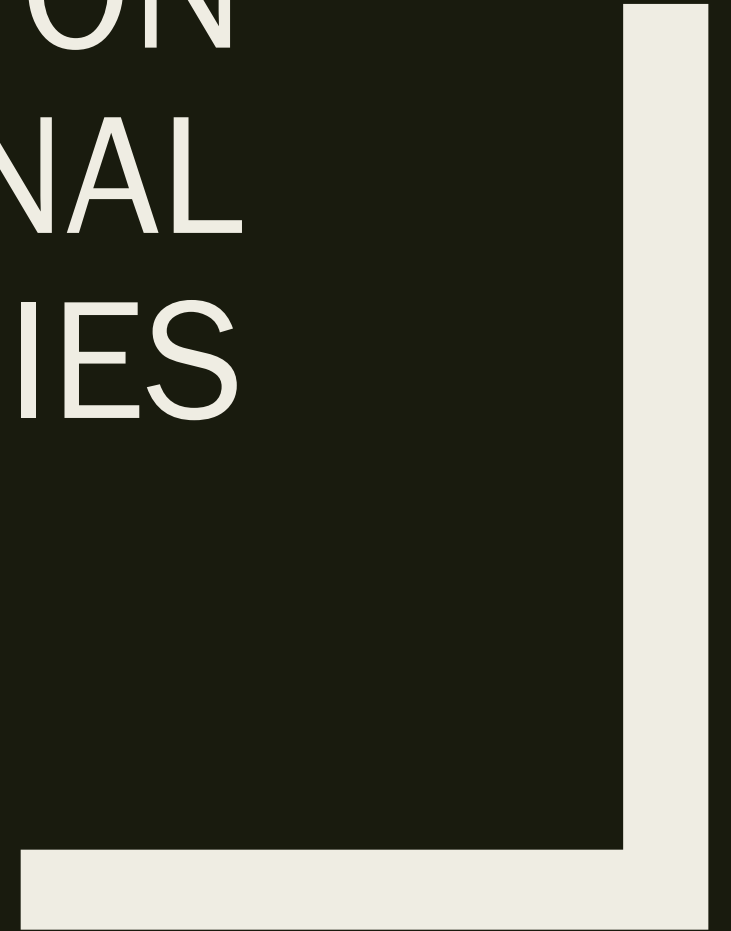


**The concept of ERGaR  
for cross-border transfer and  
mass balancing biomethane  
within the European natural  
gas network**

# Content

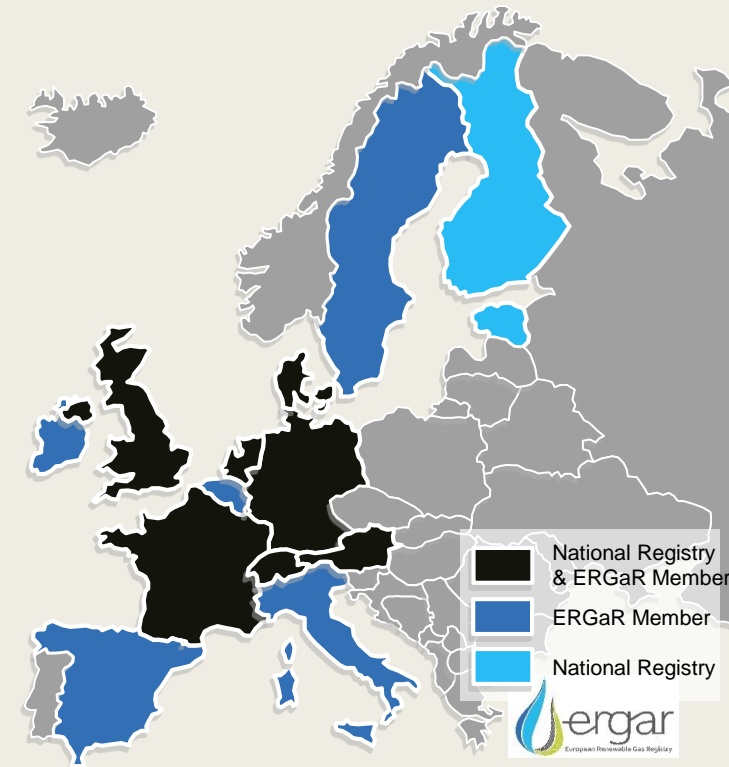
1. ERGaR set up – building on existing national registries
2. Basic principles of the ERGaR mass balancing scheme
3. Control and transfer of Proofs of Origin and Proofs of Sustainability
4. What is needed on the national level?
5. The way forward

ERGAR SET UP –  
BUILDING ON  
EXISTING NATIONAL  
REGISTRIES



# 24 members from 12 countries

- ERGaR members are operators of biomethane registries, stakeholders in European biomethane industry and market.
- *ERGaR welcomes new members: national biomethane registries, national biogas associations, natural gas industry partners, gas TSOs and DSOs and other stakeholders active in the European natural gas and biomethane industries.*



Find out more @  
[www.ergar.org](http://www.ergar.org)

## ERGaR is foreseen to

- ✓ be the Europe-wide recognised organisation for **administering and mass balancing volumes** of biomethane virtually distributed along the European natural gas network
- ✓ **rely on the national biomethane registries** as primary source of documentation
- ✓ follow **jointly agreed procedures** for issuing and cancelling European Proofs (Guarantees) of Origin for consignments with export destinations
- ✓ provide for **cross-border transfer of sustainability claims** (GHG emission characteristics) related to the consignments

# ERGaR: cooperation between the natural gas and biogas industries

- ERGaR is a **joint undertaking** of the biogas and natural gas industries.
- **Several TSOs and DSOs have already joined ERGaR:** Energinet.dk, ENAGAS, GRDF, Gasunie/Vertogas, NEDGIA, SWEDEGAS,
- **Other ERGaR members are closely linked to the natural gas industry:** AGCS, Gas.BE, RGFI, VSG,
- The **speedy expansion of the geographical coverage** through establishing registries in other countries should be a common target of the natural gas and biogas industries

# BASIC PRINCIPLES OF THE ERGAR MASS BALANCING SCHEME



# ERGaR RED core principles

## 1. Sustainability

*ERGaR RED handles exclusively biomethane consignments where sustainability has been duly verified in accordance with Articles 17. and 18. of the RED. No Proof of Origin can be issued for any injected biomethane consignment without having a valid Proof of Sustainability for that consignment. The PoS must be inseparably attached to the PoO.*

## 2. Export destination

*ERGaR RED is exclusively concerned with biomethane consignments destined for export and not counted in the country of production for the meeting of national biofuel quota targets.*

## 3. Single logistical facility

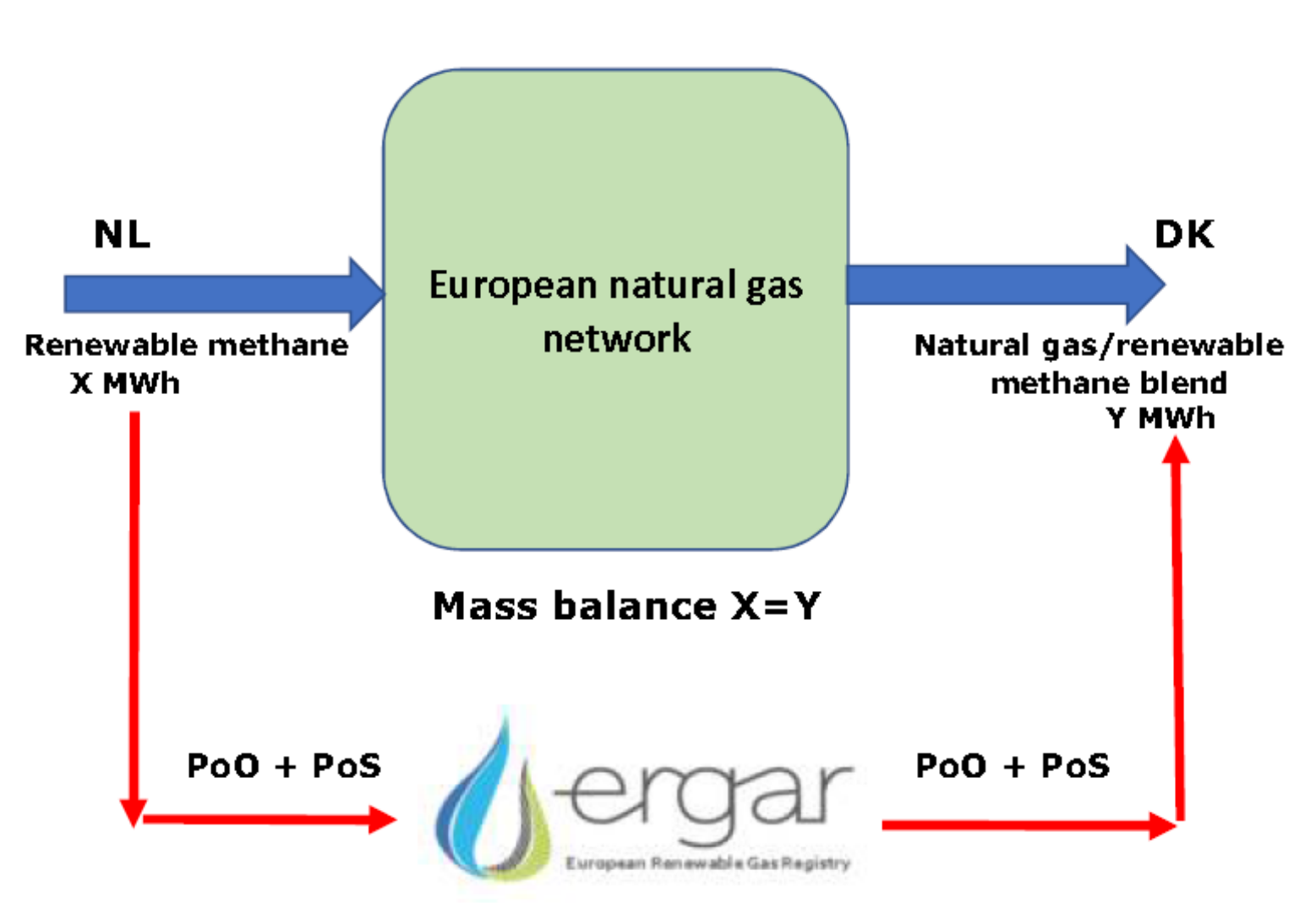
*The European natural gas network is recognized as a single logistical facility with the effect that mass balancing according to RED Art. 18 sec. 1. shall be done at European level However, ERGaR RED mass balancing covers only biomethane consignments traded internationally, i.e. crossing at least one country border.*

## 4. Mass balancing

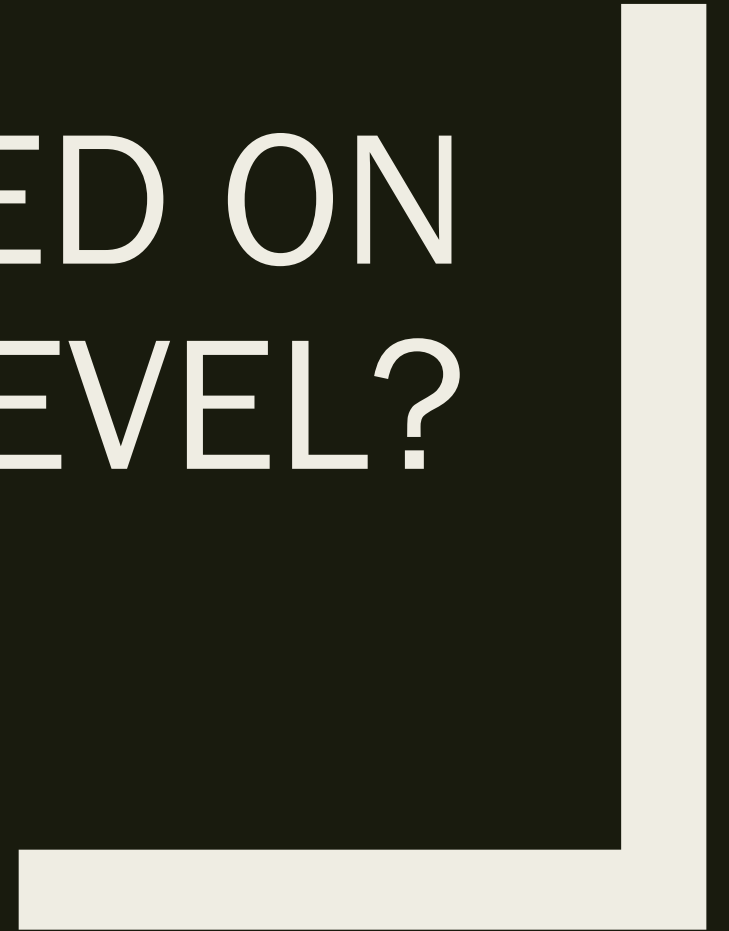
*Biomethane volumes injected into the European natural gas network are mass balanced with withdrawn volumes on a consignment to consignment basis.*



# Mass balancing by ERGaR RED



WHAT IS NEEDED ON  
THE NATIONAL LEVEL?



# Suggested main steps on national level

- The national natural gas grid to be declared as a **single logistical facility** – enabling the mass balancing of biomethane distributed through the network,
- National **biomethane registry** to be established either by government action or through voluntary cooperation of the stakeholders,
- Appropriate **financial support** for biomethane used as biofuel/advanced biofuel,
- Natural gas industry's **voluntary commitment** to keep a certain share of biomethane in CNG/LNG sales (supplying NG-bioCH<sub>4</sub> blends)

# Functions of the registries

- A biomethane registry is **not simply a GoO issuing body**:
  - *simple GoOs are not applicable for administering biomethane used as biofuel in transportation,*
  - *GoOs do not transfer sustainability characteristics.*
- The registry performs harmonized and transparent electronic **documentation of injected biomethane**, including the variable properties and attributes,
- The registry is involved in controlling, auditing, verification in relation to **both injection and withdrawal**.
- The registry should serve as a **„lighthouse”**, a knowledge centre, assisting the market participants, providing a platform for information exchange.

# Key requirements towards the participating registries

## The registries must

- accept and follow the **mass balancing** methodology in relation to both domestic and international operations,
- maintain **independence** from economic operators,
- be **trustworthy** and carry out operations 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).

# THANKS FOR YOUR ATTENTION!

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